

[25 July, 2003]

RAJYA SABHA

Unviable chemical fertilizer projects

†586. SHRI P.K. MAHESHWARI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that a number of chemicals and fertilizers production projects in the country have been running under the public sector;

(b) if so, the production capacity of these projects, separately;

(c) the percentage of the production capacity applied by these projects under public sector in the year 2002 separately; and

(d) the projects found unviable during the year 2002 and the details of the production capacity of these projects?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHHATTRA PAL SINGH): (a) Yes, Sir.

(b) and (c) (i) **Fertilizer sector**

Project-wise installed capacity and capacity utilization (%) in terms of nutrients during 2002-03 under public sector is enclosed as Statement (See below)

(ii) **Chemical sector**

Hindustan Organic Chemicals Limited (HOCL) has two production units located at Rasayani in Maharashtra and Kochi in Kerala. The main products of Rasayani plant are Aniline, Nitrobenzene and Formaldehyde. The main products of Kochi plant are Phenol, Acetone and Hydrogen peroxide. The total production capacity, actual production and capacity utilization in respect of various products of HOCL are given below:-

Name of the plant (all products covered)	Production capacity (TPA)	Production during 2002-03 (MTs)	Capacity utilization (%)
Rasayani	1,69,880	1,25,835	74.07
Kochi	69,865	82,338	Above 100
TOTAL:	2,39,745	2,08,173	100

†Original notice of the question was received in Hindi.

On the other hand, Hindustan Insecticides Limited (HIL) has two existing production units located at Rasayani in Maharashtra and Udyogmandal in Kerala. A new unit has also been set up in April, 2003 at Bhatinda in Punjab. The main products manufactured by HIL are DDT, Endosulfan, Malathion, Dicofol, Mancozeb and Monocrotophos.

Total total production capacity, actual production and capacity utilization of various products of HIL are given below:-

Production capacity (MT/KL)	Production during 2002-03 (MT/KL)	Capacity utilization (%)
29,652	14,748	50% (approx)

(d) (i) Fertilizer sector

Projects which have been found unviable with their production capacity in nutrient terms are given below:-

Sl. No.	Name of the company	Annual installed capacity ('000 MT)	
		Nitrogen (N)	Phosphosphate (P)
1	2	3	4
1.	FCI-Sindri	152.0	—
2.	FCI-Ramagundam	152.0	—
3.	FCI-Talcher	152.0	—
4.	FCI-Gorakhpur	131.0	—
5.	HFC-Durgapur	80.0	—
6.	HFC-Barauni	85.0	—
7.	FACT-Cochin-I	152.0	—
8.	NLC-Nayveli	70.6	—
9.	PPCL-Saladipura	—	16.0

(ii) Chemical sector

As regards HOCL, the following projects have been found unviable and have remained closed during the year 2002;

Sl. No.	Name of the Project	Production capacity (TPA)
1.	Caustic Soda/Chlorine	20,000/26,000
2.	Monochlorobenzene	15,000
3.	Nitrochlorobenzene	10,500
4.	Nitrobenzene	11,000
5.	Aniline	6,000

As regards HIL, no project has been found unviable during the year 2002.

Statement

Unit-wise annual installed capacity and percentage of capacity utilisation of PSUs under the administrative control of Department of Fertilizers during 2002-03

Nitrogen

Sl. No.	Name of PSU/Unit	Annual installed capacity as on 01-04-2003 ('000MT')	percentage capacity utilisation 2002-03
1	2	3	4
1.	NFL:Nangal-I	80.0	16.9
2.	NFL:Nangal-II	220.1	100.0
3.	NFL:Bhatinda	235.3	100.1
4.	NFL:Panipat	235.3	95.8
5.	NFL:Vijaipur	397.7	100.0
6.	NFL:Vijaipur Expn.	397.7	100.3
7.	BVFCL:Namrup-III	144.9	59.1
8.	FACT:Udyogamandal	77.0	90.2
9.	FACT:Cochin-I	151.8	2.9
10.	FACT:Cochin-II	97.0	106.9
11.	RCF:Trombay	45.0	101.3
12.	RCF:Trombay-IV	75.1	68.9
13.	RCF:Trombay-V	151.8	6.3

1	2	3	4
14.	RCF:Thal	785.1	90.1
15.	MFL:Chennai	366.7	69.9
Phosphate			
1.	FACT:Udyogamandal	29.7	104.7
2.	FACT:Cochin-II	97.0	106.9
3.	RCF:Trombay	45.0	101.3
4.	RCF:Trombay-IV	75.1	68.9
5.	MFL:Chennai	142.8	51.4
6.	PPCL:Amjhore*	42.2	0.0

*Not in operation since January, 1999.

Supply of DAP

587. SHRI RAJKUMAR DHOOT: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Government renegotiated with International firms in June, 2003 for the purchase of phosphoric acid;

(b) if so, the details thereof; and

(c) its impact on the supply of DAP to the farmers?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHHATTRA PAL SINGH):

(a) and (b) No. Sir, The import of phosphoric acid is de-canalized. However, a consortium of certain phosphatic fertilizer manufacturers under the aegis of Fertilizer Association of India (FAI) negotiates and finalise the prices of phosphoric acid for the year with the International suppliers. The price negotiated by the FAI consortium for 2003-04 is US \$ 356.00 per MT with 150 days credit.

(c) The price of phosphoric acid does not have impact on the supply of DAP to the farmers as DAP is available to the farmers throughout the country at the uniform Maximum Retail Price (MRP) announced by the Government under the Concession Scheme for decontrolled fertilizers.