

**MINISTRY OF CHEMICALS AND FERTILISERS****DEMAND NO. 7****Department of Fertilisers**

A. The Budget allocations, net of recoveries, are given below:

<i>(In crores of Rupees)</i>													
Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			Budget 2013-2014			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	4.81	70746.89	70751.70	12.00	60999.96	61011.96	9.95	65999.96	66009.91	15.56	65999.96	66015.52	
Capital	217.49	...	217.49	244.00	0.04	244.04	0.05	0.04	0.09	253.44	0.04	253.48	
<b>Total</b>	<b>222.30</b>	<b>70746.89</b>	<b>70969.19</b>	<b>256.00</b>	<b>61000.00</b>	<b>61256.00</b>	<b>10.00</b>	<b>66000.00</b>	<b>66010.00</b>	<b>269.00</b>	<b>66000.00</b>	<b>66269.00</b>	
1. Secretariat-Economic Services	3451	...	16.96	16.96	...	23.49	23.49	...	23.49	23.49	...	25.96	25.96
<b>Crop Husbandry</b>													
2. Subsidy on imported fertilizers	2401	...	13716.12	13716.12	...	13398.00	13398.00	...	15398.00	15398.00	...	15544.64	15544.64
3. Subsidy on decontrolled fertilizers													
3.01 Payment to manufacturers/Agencies for concessional sale of decontrolled fertilizers	2401	...	36088.58	36088.58	...	28576.10	28576.10	...	30576.10	30576.10	...	29426.86	29426.86
3.02 Compensation for Loss on Account of Sale of Fertiliser Bond	2401	...	701.47	701.47	...	0.02	0.02	...	0.02	0.02	...	0.02	0.02
Total- Subsidy on decontrolled fertilizers		...	36790.05	36790.05	...	28576.12	28576.12	...	30576.12	30576.12	...	29426.88	29426.88
<b>Total-Crop Husbandry</b>		...	<b>50506.17</b>	<b>50506.17</b>	...	<b>41974.12</b>	<b>41974.12</b>	...	<b>45974.12</b>	<b>45974.12</b>	...	<b>44971.52</b>	<b>44971.52</b>
4. Fertilizer Industries													
4.01 Subsidy on indigenous fertilizers	2852	...	20208.00	20208.00	...	19000.00	19000.00	...	20000.00	20000.00	...	21000.00	21000.00
4.02 Compensation for Loss on Account of Sale of Fertiliser Bonds	2852	...	77.44	77.44	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
Total- Fertilizer Industries		...	20285.44	20285.44	...	19000.01	19000.01	...	20000.01	20000.01	...	21000.01	21000.01
5. Other research schemes for fertiliser development													
5.01 S & T programme	2852	1.35	...	1.35	3.50	...	3.50	1.95	...	1.95	2.00	...	2.00
6. Non-Plan loans to public sector undertakings													
6.01 Hindustan Fertilizer Corporation Ltd.	6855	...	...	...	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
6.02 Fertiliser Corporation of India Ltd.	6855	...	...	...	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
6.03 Pyrites, Phosphates & Chemicals Ltd.	6855	...	...	...	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
6.04 Brahmaputra Valley Fertilizer Corporation Ltd.	6855	...	...	...	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
Total- Non-Plan loans to public sector undertakings		...	...	...	...	0.04	0.04	...	0.04	0.04	...	0.04	0.04

(In crores of Rupees)

	Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			Budget 2013-2014			
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
7.	Lumpsum provision for Projects/Schemes for the benefit of the North Eastern Region and Sikkim	6552	...	...	94.61	...	94.61	0.01	...	0.01	24.99	...	24.99	
8.	Investment in Public Enterprises	6855	217.49	...	217.49	149.38	...	149.38	0.03	...	0.03	228.44	...	228.44
9.	Investment for JVs abroad	4855	...	...	...	0.01	...	0.01	0.01	...	0.01	0.01	...	0.01
10.	<i>Other Programmes</i>													
10.01	For write off of loan, interest and penal interest on Govt. of India loan outstanding against HFCL, MFL, FACT, FCI & PDIL	3475	...	...	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01	
10.02	Other programmes	2852	3.46	1.71	5.17	8.50	2.32	10.82	8.00	2.32	10.32	13.56	2.45	16.01
10.03	Post closure adjustment liabilities of PPL	3475	...	...	...	...	0.01	0.01	...	0.01	0.01	...	0.01	0.01
	<i>Total- Other Programmes</i>		3.46	1.71	5.17	8.50	2.34	10.84	8.00	2.34	10.34	13.56	2.47	16.03
11.	Actual Recoveries	2852	...	-63.39	-63.39	...	...	...	...	...	...	...	...	...
<b>Grand Total</b>			<b>222.30</b>	<b>70746.89</b>	<b>70969.19</b>	<b>256.00</b>	<b>61000.00</b>	<b>61256.00</b>	<b>10.00</b>	<b>66000.00</b>	<b>66010.00</b>	<b>269.00</b>	<b>66000.00</b>	<b>66269.00</b>
	Head of Dev	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	
<b>B. Investment in Public Enterprises</b>														
8.01	Fertilizers & Chemicals Travancore Ltd.	12855	60.74	...	60.74	61.75	...	61.75	0.01	...	0.01	211.43	...	211.43
8.02	National Fertilizers Ltd.	12855	...	1553.82	1553.82	...	1696.98	1696.98	...	2087.94	2087.94	...	803.20	803.20
8.03	Projects and Development (India) Ltd.	12855	...	3.00	3.00	...	6.05	6.05	...	5.57	5.57	...	18.17	18.17
8.04	Rashtriya Chemicals and Fertilizers Ltd.	12855	...	332.67	332.67	...	673.75	673.75	...	345.13	345.13	...	978.29	978.29
8.05	Madras Fertilizers Ltd.	12855	88.95	...	88.95	87.62	...	87.62	0.01	...	0.01	17.00	...	17.00
8.06	Brahmaputra Valley Fertilizer Corporation Ltd.	12855	67.80	...	67.80	94.62	...	94.62	0.02	...	0.02	25.00	...	25.00
8.07	Krishak Bharti Cooperative Ltd.	12855	...	592.06	592.06	...	675.00	675.00	...	522.00	522.00	...	927.00	927.00
8.08	Fertilizer Corporation of India (FAGMIL)	12855	...	0.27	0.27	...	23.51	23.51	...	11.11	11.11	...	44.05	44.05
<b>Total</b>			<b>217.49</b>	<b>2481.82</b>	<b>2699.31</b>	<b>243.99</b>	<b>3075.29</b>	<b>3319.28</b>	<b>0.04</b>	<b>2971.75</b>	<b>2971.79</b>	<b>253.43</b>	<b>2770.71</b>	<b>3024.14</b>
<b>C. Plan Outlay</b>														
1.	Fertiliser Industries	12855	222.30	2481.82	2704.12	161.39	3075.29	3236.68	9.99	2971.75	2981.74	244.01	2770.71	3014.72
2.	North Eastern Areas	22552	...	...	...	94.61	...	94.61	0.01	...	0.01	24.99	...	24.99
<b>Total</b>			<b>222.30</b>	<b>2481.82</b>	<b>2704.12</b>	<b>256.00</b>	<b>3075.29</b>	<b>3331.29</b>	<b>10.00</b>	<b>2971.75</b>	<b>2981.75</b>	<b>269.00</b>	<b>2770.71</b>	<b>3039.71</b>

1. **Secretariat-Economic Services:** Provision is for expenditure on Secretariat of the Department.
2. **Subsidy on imported fertilizers:** As indigenous production is not adequate to meet the demand for fertilizers, imports are arranged to make up for the shortfall. The cost involved is broadly the price of imported fertilizers plus the cost of handling and distribution of the fertilizers. The selling price of imported fertilizers to farmers is controlled under the Fertilizer Control Order and the consumer prices are thus statutorily regulated. This selling price is the same as the selling price for indigenous production. The difference between the amount realised by way of sale of fertilizers to farmers and the import costs to Government represents the subsidy on fertilizer imports.
3. **Subsidy on decontrolled fertilizers:** Provision is for payment to the manufactures/importers of fertilizers/agencies under the Nutrient Based Subsidy (NBS) scheme of sale of decontrolled Phosphatic and Potassic fertilizers at concession to the farmers. The concession would lead to balanced use of fertilizers (NPK) nutrients for better soil health and productivity.
4. **Fertilizer Industries:** This provision relates to subsidy under Fertilizer New Pricing Scheme (NPS) including Frieght Subsidy for production of urea. The subsidy scheme is intended to make fertilizers available to the farmers at reasonable prices and to give producers of fertilizers a reasonable return on their investment. The difference between the concession price so fixed less distribution margin and the statutorily controlled consumers' price is allowed as subsidy. The quantum of subsidy depends on the concession price, the consumer's price and the level of production.
5. **Other research schemes for fertilizer development:** The provision is for S&T work and for development of essential know-how for production of fertilizers.
6. **Non-Plan loans to public sector undertakings:** Token provision have been made for Non-Plan loans to PSUs.
7. **Lumpsum provision for projects/schemes for the benefit of the North Eastern Region and Sikkim:** The provision is for the projects/schemes for the benefits of North Eastern Areas and Sikkim.
8. **Investment in Public Enterprises:** The loan wise break up of the budgetary support to these enterprises and the IEBR are given in Expenditure Budget Vol. II.
- 8.01. **Fertilizers and Chemicals Travancore Ltd. (FACT):** FACT is a PSU having a total paid up capital of ₹ 647.07 cr, in which 98.5% is held by the Government of India. The company has two divisions, one at Udayogmandal and other at Cochin. At Udayogmandal division, company produces Factamfos (NP 20:20), Ammonium Sulphate and Caprolactam, having the installed capacity of 1.485, 2.25 & 0.5 LMT, respectively. The Cochin Division of the company produces only Factamfos (NP 20:20) having installed capacity of 4.85 LMT. The urea unit at Cochin division is not in operation.
- 8.02. **National Fertilizers Limited (NFL):** NFL is a PSU having paid up capital of ₹ 490.58 cr. with 97.64% held by the Government of India. The company has five units namely Nangal, Bhatinda, Panipat, Vijaypur-I and Vijaypur-II engaged in production of Urea, having the total installed capacity of 32.307 LMT per annum. The company has also undertaken projects of changeover of Feed-stock for Fuel Oil (FO) to Gas at its three FO based units at Panipat, Bhatinda and Nangal Units.

Besides, they are implementing energy saving and capacity enhancement of urea units at its Vijapur I&II Plants.

- 8.03. **Projects & Development (India) Limited (PDIL):** PDIL is a PSU having paid up capital of ₹ 17.30 cr. and Government of India is holding 100% equity in the company. PDIL has a design engineering and consultancy service unit which is assisting the fertilizer companies in the field of design engineering, technical procurement, supervision, construction and commissioning, etc. The company is also engaged in the manufacture of catalysts for the fertilizer and refinery industries.
- 8.04. **Rashtriya Chemicals & Fertilizers Ltd. (RCFL):** RCF is a PSU having paid up capital of ₹ 551.69 cr. in which Government of India has 92.50% of equity. The company is engaged in the production of nitrogenous and phosphatic fertilizers and some industrial products like methanol and ammonium nitrate, etc. The company has operating units at Thal and Trombay, having a total installed capacity of 20.37 LMT of Urea and 6.61 LMT of complex fertilizers.
- 8.05. **Madras Fertilizers Limited (MFL):** MFL is a PSU having total paid up capital of ₹ 161.10 cr., in which Government of India holds 59.50% equity. Besides this NICO, an Iranian company has 25.77% equity and remaining 14.73% equity is the public holding. The company is engaged in the manufacturing of Urea and Complex Fertilizers (NPK), having the installed capacity of 4.87 LMT and 8.40 LMT per year respectively.
- 8.06. **Brahmaputra Valley Fertilizers Corporation Ltd. (BVFCL):** BVFCL is a PSU having total paid up capital of ₹ 365.83 cr., in which Government of India is having 100% equity. The company has two operating units, namely, Namrup-II and Namrup-III, which is producing urea. The annual installed capacity of Namrup-II is 2.40 LMT but due to gas shortage only one stream having 1.20 LMT capacity is operational. Namrup-III is having annual installed capacity of 2.70 LMT.
- 8.07. **Krishak Bharti Cooperative Ltd. (KRIBHCO):** A large sized ammonia/urea complex has been set up in the cooperative sector at Hazira in Gujrat by the Krishak Bharti Cooperative Ltd. Based on natural gas, the project has an installed capacity of 6.68 lakh tonnes of nitrogen.
- 8.08. **Fertilizer Corporation of India (FAGMIL):** FAGMIL is a PSU having total paid up capital of ₹ 7.33 cr. held by the Government of India. The Company is engaged in the mining and marketing of gypsum. Mineral Gypsum is used mainly as a sulphur nutrient to the soil, as a soil amendment to sodic soil and also as an input raw-material to cement manufacturing. The 15 Gypsum mines of FAGMIL are located in Jaisalmer, Bikaner, Barmer and Sri Ganganagar Distt. in Rajasthan.
9. **Investment for JVs abroad:** The provision is for investment for Joint Ventures (JVs) abroad.
10. **Other Programmes:** This includes non-plan provision for the office of Fertilizer Industry Coordination Committee, an attached office of the Department of Fertilizers, grants in the field of Management Information Technology, and write off of Govt. of India's loans, interest and penal interest due from Hindustan Fertilizer Corporation Ltd., Fertilizer Corporation of India Ltd., Projects and Development (India) Ltd., Madras Fertilizers Ltd. and Fertilizers and Chemicals Travancore Ltd.