

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:243
ANSWERED ON:21.11.2000
SETTING UP OF UREA FERTILIZER BLOCK AT NELLORE A.P.
P.R. KHUTE

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) Whether the Government have approved IFFCO's proposal to set up a urea fertilizer block at Nellore in Andhra Pradesh;
- (b) If so, the details thereof; and
- (c) If not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE)

(a) to (c): The proposal of Indian Farmers Fertiliser Cooperative Limited, (IFFCO), to set up a new ammonia-urea plant in Nellore District of Andhra Pradesh with an annual urea capacity of 7.68 lakh metric tonnes at an estimated capital cost of Rs.1736 crore has been approved `in principle` by the Government, subject to investment appraisal by the Public Investment Board (PIB).

Investment appraisal of this project has been undertaken by the PIB in its meeting held on 9.7.99. A proposal for taking a final investment decision on the project, taking into account the observations of the PIB regarding the viability of the project, desirability of encouraging use of LNG as feedstock to reduce the incidence of subsidy and the need to stagger the implementation of the proposed projects due to limited demand supply gap forecasts, was considered by the Government in June,2000, and was deferred.