*Comment 1: According to the PDD, the installed capacity of the urea plant is 864,600 tonnes/year; however, the reported urea production for the years 2004-05,2005-06, and 2006-07 are 969,307 tons, 960,113 tons, and 1,011,339 tons respectively. The DOE states in the verification report that the increase in the urea production above the installed capacity is with the sanction of the Ministry of Fertilisers. Clarification is required on how the DOE verified that the project is implemented as per the PDD.*

**Response by Project Proponent**

Project activity, which involved the installation of additional urea trays, was commissioned in March 2004. Project was uploaded on UNFCCC website for GSP from 12 November 2005 to 12 December 2005. An on site validation of the project was carried out in 2006. The fact that project has been implemented as per the PDD was checked and verified by the DOE (DNV). during validation which was further examined during the verification visit by the same DOE. Installed capacity of the plant still remains to be 864,600 tonnes/year.

The installed capacity of 864000 MTPY of TATA chemicals Urea plant is based on 2620 MT per running day with 330 running days per year. Generally the plants are also designed taking into consideration worst/ upset conditions. Hence in normal conditions it will be possible to exceed the daily rated capacity and also the number of running days per year can be more than 330. Thus it is possible to achieve more than rated annual capacity. For ex. the production for the year 1997-98 was 1,021,001 MT. Hence, it is evident that the plant can produce more than the rated capacity without any modifications being done. Additionally on several other instances production has exceeded from the installed capacity, details of which have already been mentioned in the registered PDD on page number 11. Hence, with the same equipments and design of the plant, urea plants are equipped to produce more than 100% of their installed capacity by having better control and management of the plant.

The yearly production for each plant in India is decided by Ministry of Fertilizers and the production at TCL plant is in line with that. Please see the attached annexure 2 which details the various approvals from ministry of chemicals and fertilizers, which were submitted at the time of verification. Department of Fertilizers is the authorized agency which comes under the ambit of Ministry of Chemicals and Fertilizers, Government of India. According to the latest data published on their website, many of the urea production facilities are running on more than 100% of their installed capacity. Please refer to the below link which gives production capacity in terms of nitrogen. http://fert.nic.in/production/production_capacity_ultilization.asp.
Also refer to the Annexure1 which gives information on all the urea manufacturing facilities in India which are running at more than 100% utilization (an excerpt from the above link).
Thus 23 urea manufacturing plants are running at a level significantly above their installed capacity.

Thus, it can be concluded that it is prevalent scenario for a urea plant to produce significantly above the installed capacity without making any structural changes in the plant.

**TATA CHEMICALS LIMITED**
Indira Dham Babrala 242021 District Badaun UP
Tel (05836) 231265 231277 231278 Fax (05836) 231257 231258 e-mail babrala@tatachemicals.com www.tatachemicals.com
Registered Office Bombay House 24 Homi Mody Street Mumbai 400001

*Comment 2: The monitoring plan requires net calorific value of natural gas and naphtha to be reported monthly; however, the same NCV values were used in each monitoring year. Clarification is required.*

**Response by Project Proponent**

NCV values were monitored and recorded on daily basis. These values are received from GAIL (Gas Authority of India Limited) and IOCL (Indian Oil Corporation Limited) who are the suppliers of Natural Gas and Naphtha respectively. Same had been verified by the DOE during the verification visit to the site. All the daily values were there in the CER calculation sheet which was uploaded on the UNFCCC website.

Calculations were done in line with the approach specified in the PDD on the yearly basis. So, the values of NCV were averaged out on yearly basis for arriving at the emission reduction calculations. Please refer to the calculations sheet already uploaded on the UNFCCC website. In the given excel file, in sheets, '04-05', '05-06' & '06-07', daily values of NCV of both natural gas and naphtha can be located.

Yours faithfully,
For TATA Chemicals Ltd

for V.K Bhatia
( V.P – Manufacturing )

TATA CHEMICALS LIMITED
Indira Dham Babrala 242021 District Badaun UP
Tel (05836) 231265 231277 231278 Fax (05836) 231257 231258 e-mail babrala@tatachemicals.com www.tatachemicals.com
Registered Office Bombay House 24 Homi Mody Street Mumbai 400001