CHAPTER - 14

SUGGESTIONS AND RECOMMENDATIONS

For smooth operation of fertilizer industry following suggestions may be worth-while. No doubt the Government and Fertilizer Association of India and various individual fertilizer units have taken different measures to reduce the problems faced by the fertilizer industry.

(a) For regular and smooth production of fertilizers by fertilizer plants it is advisable to control and avoid mechanical break-down/equipment failure. To achieve this objective measure like revamping and replacement of equipments, adoption of modification and rehabilitation schemes, use of proven equipments having high onstream efficiency and minimum maintenance cost, installation of captive power plants, on-stream inspection, equipment overhaul, installation of additional equipment and implementation of debottlenecking schemes may prove beneficial.

(b) Power problem is another important problem in regard to this industry. Since this industry is a highly power-intensive, this problem can be solved by installation of captive power plants which have already been installed by a few fertilizers plants. Such captive power plants, priority in allocation of power to fertilizer plants and supply at a constant level and use of proven energy efficient techniques and processes should be implemented. Apart from this, state government should exempt the industry from power cuts as far as possible.
(c) The third major problem with this industry is related to raw material which is the basic source of production and fertilizer products. To solve this, the government and its various agencies like railway and oil-companies must provide a continuous and sufficient and uninterrupted supply of essential inputs.

(d) Labour problem must also be avoided to improve productivity and get more fertilizer products. To solve this problem a healthy relationship with labour must be established. To achieve this, it is necessary to implement labour welfare scheme, there should be mutual co-ordination and co-operation between management and labour unions, speedy settlement of the disputes, human resources planning and manpower planning within the industry, development of industrial township with all necessary infrastructural facilities.

(e) To solve transportation problems, it is the Government that should rationalise the movement of fertilizer and lay greater emphasis on the integration of the transport system for the optimum utilization of all transport means. Efforts for development of inland water ways and coastal movement of fertilizers should be made. They would be useful because of their low energy consumption and relief to rail and road movement which are costlier than the waterways. Improvement in infrastructural facilities will not only increase productivity of fertilizer industry but also being rapid economic growth.

(f) Another problem is marketing and its infrastructural facilities. To solve marketing problems the suggestions are: demarcation of core marketing area for each plant to absorb 70-75
percent of its product, maintenance of buffer stocks for imported fertilizers; improvement in distributional facilities and reduction of the number of handling as low as possible,. Implementation of strict quality control, proper demand estimation.

(g) For solving capital problems, since fertilizer plants and factories (large), are highly capital intensive so establishment of small and medium sized plants in place of big plants are advisable so as to reduce huge capital requirement, encouragement of private and co-operative sector to invest in fertilizer projects is also creditable. Government should provide more incentives to fertilizer industry so that they can survive and make progress. To solve foreign exchange-requirement of fertilizer industry, efforts to take financial assistance and soft loans from international financial institutions like IMF, IBRD, IDA, IFC, etcv. should be made.

(h) The government policy regarding, production, distribution and consumption, pricing and subsidies should be rational, and be reviewed timely. Delay in implementation of policies and uncertainty should be reduced as far as possible. Reasonable compensation must be given to those plants where production losses were caused owing to external constraints managerial and manpower capability should be enhanced through proper and necessary training, political interference should be minimized, management should not be neutral regarding profit or loss of the plant.
(i) To avoid pollution hazards and keep the environment healthy. Both government and fertilizer units must make efforts intensively. Air pollution control act (1981) as well as water pollution act and environmental protection act (1986) have been passed by government so their implementation is very necessary.

RECOMMENDATIONS:

(i) Every piece of machinery/equipment must be designed, fabricated and tested to the most exacting standards.

(ii) The plants must depend on reputed, designers, fabricators, and suppliers of critical machinery and equipments.

(iii) Modifications and safety measures, pollution control should be adopted at old plants.

(iv) The first priority must be given to safety measures like sound engineering, inspection and non-destructive testing, predictive maintenance, instruction and control.

(v) Co-ordination and co-operation between management and labour must be established and maintained.

(vi) Training of plant personnels.

(vii) To minimise human error there is a great necessity for discipline and observation of well-tried safety rules and regulations.

(viii) Check and constant vigilance in performing the set-back is necessary.
(ix) Use of protective instruments for body protection, respiratory protection and for eye protection must be instructed and implemented and controlled by management.

(x) Suitable legislations for plant safety, plant location and environmental protection and human habitation is necessary.

The best efforts are being made by the government and fertilizer industry itself to solve internal and external problems, but still some limitations and loopholes are there which should be removed urgently so that the productivity and production of fertilizer plants can be improved.