

Information. regarding the transportation cost component of the handling charges paid to handling agencies in respect of the quantities of imported urea moved to these states from different ports has not been segregated.

**Guidelines Regarding Appointment of Distributors/Dealers for Fertilisers**

4128. SHRI RAJNATH SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether there are any guidelines regarding appointment of distributors/ dealers for fertilisers; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DTR. A.K. PATEL): (a) and (b) The fertiliser, manufacturing Central Public Sector Companies (CPSUs)/Cooperatives have been appointing dealers/distributors by following the criteria and procedures laid down by them. The Government had, however, in September 78 issued instructions to CPSUs that they would reserve 25% of all future appointment of dealers for fertilisers for Scheduled Casts (SCs)/Scheduled Tribes (STs).

**Proposal to Scrap the Pricing Regime For Fertilizer**

4129. SHRI AMAR SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether there is any proposal under Government's consideration to scrap the cost-plus retention pricing regime for the fertilizer producers and if so, the details thereof; and

(b) by when it is proposed to be scrapped and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. A.K. PATEL): (a) and (b) The recommendations of the High Powered Fertilizers Pricing Policy

Review Committee in regard to an alternative scheme for subsidisation of urea are under the consideration of the Government.

**Reevaluation of vendor selection process of Indo-Oman Project**

4130. SHRI A. VIJAYA RAGHAVAN:  
SHRI NILOTPAL BASU:

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

(a) whether Government's attention has been drawn to a news-item "Indo-Oman rejects UHDE's lower offer" published in the "Financial Express" dated the 22nd June, 1998;

(b) if yes, Government's reaction thereto;

(c) whether a number of Members of Parliament have written to the Minister seeking re-evaluation of the vendor selection process for the Indo-Oman fertilizer project; and

(d) the reason for ignoring the demand for re-evaluation?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. A.K. PATEL): (a) Yes Sir.

(b) All operational decisions regarding the Oman India Fertilizer Project (OIFP), in which RCF and KRIBHCO together and Oman Oil Company are equal partners, have been taken by the Joint Management Committee (JMC) of the project, which had equal representation from the Indian and Omani sides. The JMC has been replaced by the Board of Directors since incorporation of the Oman India Fertilizer Company (OMIFCO) in February, 1998. The board of OMIFCO has not considered it appropriate to entertain the revised offer after the finalisation of the exercise of bid evaluation and notification of the preferred bidder.

(c) and (d) Suggestions were received from some members of Parliament during-May-August 1997 for re-evaluation of the bids for the Engineering, Procurement and Construction (EPC) contract for the project. The matter was referred to the JMC. After a careful consideration of the issue involved, the request of Krupp-Uhde for re-evaluation of the EPC bids was rejected by the JMC-

Government approval for investment by RCF and KRIBHCO in the project was accorded on 1.12.97 after due consideration of all the issues relevant to the project, including the selection of the preferred bidder.

**Rehabilitation scheme for Namrup Fertilizer Unit**

4131. SHRI DIPANKAR  
MUKHERJEE:  
SHRI KHAGEN DAS:

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

(a) whether any consultancy firm has been appointed for rehabilitation scheme of Namrup Fertilizer Unit of HFC;

(b) if not, the time frame by which the consultancy job would be awarded and whether the same has been included in overall project schedule;

(c) the expected financial involvement in 1998-99;

(d) the major jobs to be taken up under revival scheme in 1998-99;

(e) the conditions, if any, for ICICI to fund the scheme;

(f) whether any action is being taken to fulfil the conditionalities; and

(g) if so, the details of the same?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. A.K. PATEL): (a) and (b) HFC expects to be able to award the contract for the implementation of the Namrup Revamp Project by August,

1998. This milestone has been included in the overall project schedule.

(c) A budgetary provision of Rs. 70 crore has been earmarked for the rehabilitation scheme during the year 1.998-99.

(d) The following activities have been scheduled by the company during the year 1998-99:—

(i) Appointment of a consultant.

(ii) Signing of Memorandum of Understanding with Gas Authority of India Ltd. and Oil India Ltd.

(iii) health study of the plants and definition of project scope, complete basic engineering and detailed engineering, finalisation of specifications and issuance of purchase orders/work orders for the project.

(e) to (g) The indicative conditionalities stipulated by ICICI in its proposed business plan have been discussed at an interministerial level with a view to addressing the possible concerns of the lenders. The terms and conditions of project financing will be finalised by the lenders after the conclusion of the process of the interaction of HFC with ICICI and other financial institutions.

**Implementation of Rehabilitation package for Namrup Unit of HFC**

4132. SHRI PARAG CHALIAH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the time frame for implementation of rehabilitation package for Namrup Unit of HFC;

(b) to what extent the production performance of these units will be enhanced after completion of the rehabilitation package; and

(c) whether further delay in completing the reviewing proposals will result in cost escalation?