

Purchase of Fertilizers in Foreign Market

223 SHRI RAJNI RANJAN SAHU : †

SHRI K. VASUDEVA PANICKER :

Will the Miniss-ter of AGRICULTURE be pleased to state :

(a) whether Government's attention has been drawn to a news item which had appeared in the 'Hindustan Times' on 13th July 1986 under the caption 'India major buyer of fertilizers, if so, what are the details thereof ;

(b) what are the reasons for buying fertilizers in foreign markets; and

(c) what steps Government are taking to increase fertilizer production?

THE MINISTER OF STATE IN THE DEPARTMENT OF FERTILIZER (SHRI K. NATWAR SINGH): (a) to (c) A Statement is laid on the Table of the Sabha.

Statement

(a) and (b) Yes, Sir. The indigenous production of fertilizers being less than the requirement, India has been buying large quantities of fertilizers from foreign countries.

(c) A major programme has been undertaken to increase the production of fertilizers in the country during the Seventh Plan period. As a part of this programme, fifteen

fertilizer projects, including expansion schemes, have been taken on hand, to add substantially to the fertilizer capacity already under operation. Efforts are also continuing to optimise production in the existing fertilizer units.

श्री रजनी रंजन साहू : सभापति महोदय, मैं समझता हूँ कि देश में हरित क्रांति को जिंदा रखने के लिये उर्वरक की आवश्यकता पड़ती है और इसीलिये विदेशों से बड़ी मात्रा में उर्वरक मंगाया जाता है। यह कौसी विडम्बना है कि सरकार अपने स्वदेशी उत्पादक को उत्पादन में मदद न करके विदेशों से अधिक से अधिक मात्रा में उर्वरक मंगाती है। इसके पीछे क्या कोई विशेष बात है, यह मंत्री महोदय बताएँ अपने उत्तर में? तो मेरा प्रश्न है कि उर्वरक का स्वदेशी उत्पादन क्या है और कितना अधिक देश की आवश्यकता है? अगर स्टेटबाइज इसकी फिगर दे सकें, तो बड़ी कृपा होगी।

श्री नटवर सिंह : सभापति महोदय, पहली बात मैं यह बताना चाहता हूँ कि मेरे मन्त्रालय में करीब-करीब हर हप्ते आंकड़े देखे जाते हैं कि हमारी जरूरत फर्टिलाइजर की कितनी होगी और कितना हम बाजार से मंगाना चाहिये। भारतवर्ष उन देशों में से है दुनिया में, जिसमें कि सबसे ज्यादा फर्टिलाइजर का इस्तेमाल होता है, उसका इस्तेमाल होता है और उसका इम्पोर्ट भी होता है। आजकल हम 61 फीसदी तो खुद बनाते हैं और कोई 39 फीसदी बाहर से मंगाया जाता है...

श्री वीरेन्द्र वर्मा : किस रेट पर ?

श्री नटवर सिंह : देखिये, रेट तो मुक्त-लिफ-मुक्तलिफ होते हैं हर छह महीने बाद होते हैं, पोटाश-क्लोरेड के रेट अलग होते हैं, फिनिश फर्टिलाइजर के रेट और होते हैं। सूरते-हाल यह है कि जो बाहर बनाया जाता है, उसको डम्प किया जा रहा है और सबसिडाइज करके बिल्कुल डम्प होता है, तो कम कीमत देना पड़ती है। लेकिन अगर आप हमारी बराबरी करें चीन के साथ,

†The question was actually asked on the floor of the House by Shri Ranjan Sahu.

वह भी बहुत ज्यादा इस्तेमाल करते हैं, तो आप को पता चलेगा कि चीन भी नहीं चाहता कि पूरी सेल्फ-सफिशियन्सी हो सकती है फर्टिलाइजर में। लेकिन देखिये, हमारे यहां तो कुछ चीजें नहीं मिलती, है जैसे पोटाश है, उसको हम एक मिलियन टन मंगाते हैं और उसकी कमी भी नहीं हो सकती, आज से कुछ साल पहले बहुत ज्यादा इम्पोर्ट होता था। अब पोटाश निकाल दीजिए तो यहां 70 परसेंट हम खुद बनाते हैं और 30 परसेंट हम इम्पोर्ट करते हैं। अगर आप चाहते हैं कि कितना इम्पोर्ट किया जाता है तो उसके आंकड़े मेरे पास हैं और आप जो चाहते हैं हर प्रांत में कितना इस्तेमाल होता है, वह आंकड़े भी मेरे पास हैं। अगर आप चाहें अध्यक्ष महोदय, तो मैं इन्हें पढ़ सकता हूँ, लेकिन इससे सदन का काफी समय लगेगा और देर लगेगी।

MR. CHAIRMAN: You can send that information to the hon. Member.

SHRI K. NATWAR SINGH: I will do that, Sir.

श्री रजनी रंजन साहू : सभापति महोदय, मेरा दूसरा प्रश्न है, इन्होंने प्रश्न संख्या "ग" में कहा है कि 15 उर्वरक योजनाएँ आरम्भ की गई हैं। तो क्या सरकार को मालूम है कि बिहार सरकार के पास एक यूनिट है, जो सिंगल सुपर फास्फेट बनाती है और वह सालों से बन्द है और बिहार प्रदेश को इस समय 1985-86 में 1 करोड़ 12 लाख 540 मी० टन की आवश्यकता है, जो खरीफ के सीजन में 37,540 मी० टन और रबी सीजन में 75 हजार मी० टन की आवश्यकता है और बिहार में लघु उद्योग, जिसके पास एस०एस०पी० सिंगल सुपर फास्फेट बनाने का रा-मेटोरीयल उपलब्ध है, उसे भारत सरकार लारेंस नहीं देनी है और पश्चिम बंगाल, मध्य प्रदेश और उत्तर प्रदेश से मंगाकर, जो 200 कि लोमीटर का एक मापबंड है, उससे अधिक दूरी से मंगाते हैं और वहाँ उसमें सरकार को अधिक सबसिडी देना पड़ती है। इतना ही नहीं प्रति वर्ष देश में 40-205 की खपत बढ़ती जा रही है। खासकर यहां के पिछड़े बिहार में 75 परसेंट खपत बढ़ी है... (समय की घंटी)... तो क्या मंत्री महोदय, बताने की कृपा करें कि क्या 15 फैक्ट्री जो लगाई

जा चुकी हैं या लगाई जा रही हैं, उसमें क्या-क्या उर्वरक बनेंगे और कितने टन में उनका कितना प्रोडक्शन होगा और बिहार के पास इनके पास एस०एस०पी० बनाने का रा-मेटोरीयल नहीं है या क्या इन्हें उपलब्ध कराएंगे ?

MR. CHAIRMAN: Time is over. The Minister may reply.

SHRI K. NATWAR SINGH: Mr. Chairman, Sir, I am aware of the background of this particular matter and the anxiety of the hon. Member to get information on single super phosphate plants with regard to the State of Bihar. Twenty per cent of the total demand for phosphatic fertiliser is planned to be met through S.S.P. plant. In the seventh Five Year Plan, we have 9 nitrogen fertiliser projects coming up and 6 phosphatic fertiliser plants coming up.

With regard to the SSP plants there are smaller undertakings and the only local raw material available is available in Rajasthan. If a particular plant in Bihar is not economically viable, naturally we would like to have a very close look at it and this applies to all SSP plants in India.

The location is important because transport costs are very, very high indeed and we subsidise the production of fertilizers. But we are not likely to subsidise any project which we think is economically not viable. But if the hon. Member has any specific project in mind, I am very happy to clarify his misunderstanding anywhere we have gone wrong, we would like to be corrected.

SHRI K. VASUDEVA PANICKER: Sir, this country is witnessing a green revolution but at the same time we are not self-reliant on fertilizer front which process is still a contradiction in terms. So, I would like to now from the hon. Minister as to

what are the compulsions on the part of this country which make the Government buying fertilizers from other countries.

SHRI K. NATWAR SINGH : Sir, it is a simple question of supply and demand. If you look back at the history of the fertilizer industry 30 years back, we were producing less than 50,000 tonnes and consuming about 70,000 tonnes. Today the production of fertilizers in India has gone up by about 150 times. Now we are using nearly 9.5 million tonnes of fertilizers.

SHRI K. VASUDEVA PANICKER : That is.....

SHRI K. NATWAR SINGH : I am answering your question for the simple reason that the projects have come up in the various plans. In the next Plan, we are going to have 15 more plants. And we will still be importing because of green revolution for which fertilizer production in India is largely responsible. In the mid-60's, you will recall, Sir, we were importing a large amount of foodgrains. But when Mrs. Gandhi returned from the USA in the 60's she decided that we should go in for large investment in the fertilizer industry which we did. And the result was that by the mid-70's we became self-sufficient in food which, I think, is an indication of the success story of the fertilizer industry. The very fact that very large plants are coming up for nitrogenous fertilizer in the Seventh Plan--they will be coming up at Sawai Madhopur, Jagdishpur, Shajanabad, Guna and Amla--and also for phosphatic fertilizer shows that there is very great demand but we are unable to meet the demand. As I said earlier in reply to a supplementary, we do not have certain raw materials which we will be importing for all time to come. And this amounts to about one million tonnes a year. That is why we are importing. Secondly, in some cases fertilizer outside is cheaper. But the import each year or, for example this year is much less

than we did last year. It depends upon the monsoon. It depends upon the offtake. If the monsoon is very good our consumption will be high. If the monsoon is bad, we will have a lot of large inventories. But a very close watch is kept on this and I myself want to make our dependence on import as little as possible. As I said earlier, even a country like China thinks it economically advisable sometimes to import. And we will never be self-sufficient in fertilizer for the simple reason that certain ingredients are not available.

SHRI SURESH KALMADI : Sir, in spite of the precarious position of foreign exchange, we are buying fertilizers in a massive manner. Sir, many projects are coming up in the country. Actually, some of them should have been completed this year. But thinks to the Governments, indecision on deciding on the HBJ pipeline contract, on the one side the plants are not coming up and on the other the pipeline is not ready and because of this indecision on the part of the Government, India stands to lose very heavily in terms of foreign exchange and in getting fertilizers from the foreign markets. I would like to know--(a) exactly how much the country stands to lose in terms of foreign exchange due to delay in awarding the contract and actually when the pipeline will be completed. From the initial projected time and your delay, how much this country stands to lose in terms of foreign exchange? (b) Maharashtra had put up a demand for the Fertilizers plant in Vidarabha at Malkapur. The Rashtriya Chemical Fertilizers had done a project report. Is the Government thinking in terms of addition to the pipeline from the initial portion via the Bhusaval railway line to Hajira to Malkapur? Is this under the consideration of the Government?

SHRI K. NATWAR SINGH : Sir, part (a) of the question should be addressed to the Ministry of Pet-

roleum. I have no control over the start or completion of work of the HBJ Pipeline. With regard to the expansion of Corpica, we have some discussion going on in the Ministry.

SHRI SURESH KALMADI :
Sir, my question is very specific. I have asked how much foreign exchange have we lost. I am not asking you about the pipeline. How much more fertiliser are we going to import? How much more foreign exchange is going to go out because of the delay of the pipeline? Maybe your Ministry is concerned, maybe Petroleum Ministry is concerned or maybe any other Ministry is concerned, but how much are we losing?

SHRI K. NATWAR SINGH :
I do not know how you are relating your question to the HBJ pipeline, because it has not begun. It is a hypothetical question. It is going to be completed maybe in five years. As of now....(Interruptions).

AN HON. MEMBER You : answer the main question.

SHRI K. NATWAR SINGH :
Well, I am trying to answer the main question if you give me a chance.

MR. CHAIRMAN : I will give you the chance.

SHRI K. NATWAR SINGH :
What I am trying to say is that I am really unable to comprehend the linkage of the foreign exchange spent in the Ministry of Fertiliser with the HBJ project, which will be completed after five years when gas will be available. When gas is available at a very exorbitant price, it is not going to reduce the price of fertiliser. I am not controlling it. The Petroleum Ministry controls it. With regard to the import of fertilisers we sit down with the Ministry of Agriculture each semester, both for rabi and kharif, and draw up a particular programme. The objective is to reduce the import as much as we can. We are short of foreign exchange. But there

are certain areas in which I said again and again, we have to import. There is no escape from it. (Interruptions).

SHRI SURESH KALMADI :
Sir, I need your protection. How much more foreign exchange....

MR CHAIRMAN : How can he quantify? He says, it is not possible.

SHRI K. NATWAR SINGH :
Even after these 15 plants are ready, we will still be importing.

MR CHAIRMAN : The point which the hon. Member wants to know is how much is the quantum of foreign exchange which we will incur on account of the delay in the completion of the pipeline. How can you quantify? (Interruptions)

SHRI SURESH KALMADI :
Hunderds of crores of rupees.

SHRI K. NATWAR SINGH :
Why should I say hunderds of crores. It may be only a few crores.

SHRI SURESH KALMADI :
You concede only a few crores. (Interruptions). Sir, he has not replied to my question.

SHRI VITHALRAO MADHAVRAO JADHAV : May I know from the hon. Minister if the fertiliser are being imported from foreign countries? Are they different in respect of the ingredient nitrogen, phosphorous and potash, which are produced in our country? Secondly, may I know how much foreign exchange is spent on the import of fertilisers this year and what was the quantum of foreign exchange spent on the import of fertilisers last year?

SHRI K. NATWAR SINGH :
Yes, Sir, I will give this information, to the hon. Member. In 1984-85 Rs. 134 crores payment in rupees. Purchases against credit agreements Rs. 93 crores, purchase against foreign exchange, Rs. 1019 crores. In 1985-86, payment in rupees 178 crores, credit agreement 64 crores,

purchases against foreign exchange Rs. 854 crores, less by Rs. 150 crores.

SHRI SUSHIL CHAND MOH-UNTA : Sir, the hon. Minister has said that there are certain things which are not produced in this country. Therefore, the import of fertilisers to that extent cannot be avoided, and one of the items he mentioned was potash. May I inform the Minister and the hon. Member sitting there, Sardar Darbara Singh, that in the District of Bhatinda in Punjab there are enormous reserves of potash underneath the ground nearly 700 to 800 meters deep. The problem is only of taking out that potash from under the ground. Limitless reserves are there. Will the hon. Minister consider getting reports on the amount of potash which is available there and the technology by which it can be made available? This is number one. Secondly, the potash which is imported from outside, my information is that a lot of that potash is used of by certain manufacturers in making potassium nitrate. Instead of using it for agricultural purposes, they divert it to making potassium nitrate which is heavily priced. Therefore, they purchase it not for agricultural purposes, for making fertilizers etc. but they divert its use to making potassium nitrate. To that extent, it does not go for manufacture of fertilizers. Will the hon. Minister explain how he can control this malady which is now growing and how to make use of potash reserves available in district Bhatinda in abundance?

SHRI K. NATWAR SINGH : I was not personally aware of the deposits we have in such large quantities in the district of Bhatinda. We and the Ministry of Mines will certainly get together and find out. Now we are exploiting the reserves in Rajasthan and we are trying as much as we can. I am not a technical man but I am told that the quality is not quite high as we actually require for producing one tonne of fertili-

zer, we need 100 tonnes of potash and only 16 per cent of the Potash that we have is really worthwhile for this purpose. That is the ratio. With regard to deposits, as I said, for this particular part of India, we will certainly have a look into it.

SHRI G. S. DHILLON : We will....

MR. CHAIRMAN : He has answered it ; why you create a problem.

SHRI SUSHIL CHAND MOH-UNTA : He has not answered about diversion of potash for manufacture of potassium nitrate. How can that be controlled?

SHRI K. NATWAR SINGH : We will find out if he can let me know the details as to where it is being done. I will find out and let him know and if it is being used for a different purpose, it will be stopped.

MR. CHAIRMAN : Do you still want to say anything, Mr. Dhillon?

SHRI G. S. DHILLION : That question was over. I only wanted to say that we will try to find out. So far as we know Bhatinda is a district where we have maximum number of extremists underground.

MR CHAIRMAN : It is a very good answer.

SHRI S. S. AHLUWALIA : I want to know what is the installed capacity of different fertilizer manufacturers in India and their percentage capacity utilisation. If the capacity utilisation is less, what are the reasons thereof?

SHRI K. NATWAR SINGH : Capacity utilisation varies in the public sector, private sector and the cooperative sector. With regard to public sector I was actually hoping

that I would be answering it to later question; but I will do it now—we have two sick units, Fertilizer Corporation of India and Hindustan Fertilizers, where capacity utilisation for variety of reasons—mismatch of equipment, poor technology, power failures, labour trouble -- is being rather low. But in other plants like Rashtriya Chemicals, in Trombay, they are doing very well; NFL is doing very well; Madras Fertilizers is doing very well.

In the cooperative sector, we are doing very well. The capacity utilisation is 100 per cent. Similarly, in the private sector.

I am not at all happy with certain of our plants in the public sector which are not working as well as they should be working. The losses last year were high but we are reducing these losses next year by about 50 per cent. Only three are running in loss.

MR. CHAIRMAN : Next question.

SHRI B. SATYANARAYAN REDDY : Sir, I have given my name first.

MR. CHAIRMAN : I have already allowed twenty minutes to this question. Next question now.

Exploration of New Mineral Deposits

*224. SHRI SANTOSH KUMAR SAHU : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government propose to explore new mineral deposits in Orissa, Bihar and in the North-Eastern States;

(b) whether in view of the future requirements, Government propose to formulate a perspective plan to explore mineral deposits; and

(c) if so, what are the details in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES (SHRIMATI RAM DULARI SINHA) : (a) to (c) A statement is laid on the Table of the House.

Statement

(a) Survey of minerals is a continuous process and exploration of mineral deposits including new mineral deposits are being undertaken based on the results of such surveys in various parts of the country including Orissa, Bihar and North-Eastern States by Geological Survey of India, Mineral Exploration Corporation Ltd., State Directorates of Geology and Mining etc. as per their respective programmes. GSI is carrying out regional mineral assessment programme mainly with a view :

(i) to locate additional prospects of deficient minerals in the extension areas of known deposits or in new geological environments ; and

(ii) to remove regional imbalances.

(b) and (c) The sub-group on exploration, constituted by Government, under the working group on non-ferrous metals for formulating the Seventh Five Year Plan, has *inter alia* suggested a strategy for exploration upto 2000 AD. The total requirements of drilling and mining for exploration from 1990 to 2000 AD are projected in the region of 156 lakh metres and 6 lakh metres respectively.

SHRI SANTOSH KUMAR SAHU : Sir, I would like to know from the hon. Minister : what are the priorities by the Geological Survey of India and other agencies in regard to exploration of new mineral deposits in the Seventh Five Year Plan