

PRICES OF WAGONS

515. SHRI KALYAN ROY : Will the Minister of RAILWAYS be pleased to state :

(a) whether any prices for building wagons have been negotiated with the manufacturers; and

(b) if so, what is the price fixed for various types of wagons ?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SARDAR BUTA SINGH): (a) Prices for procurement of wagons against 1974-75 Rolling Stock Programme have not yet been negotiated. Tenders for 1750 wagons are under finalization and further tenders have been invited for procurement of 11,711 wagons in terms of four wheelers, which are due opening on 16-12-1974.

(b) Does not arise.

DURGAPUR FERTILISER PLANT

516. SHRI KALYAN ROY : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether Government's attention has been drawn to a news-item which appeared in the 'Hindusthan Standard' on September, 26, 1974 under the caption, "Durgapur Fertilizer work not to start before 1976";

(b) if so, what is Government's reaction thereto;

(c) whether Government have assessed the value of loss of production due to defective equipment, etc.; and

(d) if so, what are the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI K.R. GANESH) : (a) Yes, Sir.

(b) to (d). A statement containing the required information is placed on the Table of the House.

STATEMENT

(b) to (d). The Plant which started production in October, 1973 has not so far been able to stabilise production at a satisfactory level as a result of failure and breakdown of several critical items of equipment, including imported machinery and components. Since a chemical plant of this type would normally take about two to three years to optimise production, the loss on

this account could be estimated at around 2 lakh tonnes of urea per annum.

The imported items of equipment and components valued at Rs. 4 crores were purchased under Suppliers Credit from Italy through reputed firms like Societa Impianti Italiana (SII) in the case of the ammonia plant, and Montedison in the case of the urea plant, and other suppliers, who are also well established manufacturers like Nuove Pignone (Italy), Thermo-Meccanica (Italy), Lentzes/Rekuperator (West Germany). In many cases, the equipment suppliers, both indigenous and foreign, were fabricating the items of equipment for the first time for the duties and in the sizes required. Several parties, were thus involved in the implementation of this project which was the first major effort towards indigenisation based on maximum utilisation of indigenous equipment and expertise.

From time to time, systematic efforts have been made to identify and overcome the various mechanical defects and other problems with a view to ensuring satisfactory operation. In several cases, replacements have been obtained for equipments found defective. Since these steps were not wholly successful, Messers Technimont, who were intimately involved with this project in designing, supplies, etc., were invited to make a comprehensive survey from end-to-end, and suggest measures necessary to ensure reliability of operations at satisfactory levels. The end-to-end survey report has been received and appropriate action is in hand to put through the remedial and other measures considered necessary in the light of this report. It is expected that these modifications etc. will be completed in the next 18 months and that the plant should be able to stabilise production in about 24 months from now. In addition to the technological problems referred to above, the plant has also been facing difficulty in stabilising production due to frequent power failures and instability in the power supply system. The matter has been taken up with the State Government, who are taking necessary action to ensure adequate and regular power supply. The plant authorities are hopeful that given steady power supply, the plant could stabilise production at about 50% of its capacity.