

way Board, this work will certainly be considered.

**FAULTY MACHINERY IMPORTED BY F.C.I. FOR DURGAPUR UNIT**

\*559. SHRI M. K. MOHTA: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether it is a fact that the Fertilizer Corporation of India imported faulty machinery from West Germany and Italy for its Durgapur Unit and that these machines have become unserviceable; and

(b) if so, whether Government have made any inquiry into the deal; if so, the result thereof and the action taken in the matter?

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM AND CHEMICALS (SHRI H. R. GOKHALE): (a) No Sir. However, some parts of the pumps and compressors imported by the Fertilizer Corporation of India got damaged during initial start-up/commissioning on the Durgapur plant. Replacements for damaged parts are being made by the suppliers free of cost.

(b) Does not arise.

SHRI M. K. MOHTA: There appears to be an apparent anomaly in the answer. If the parts were not defective, how is it that the suppliers have agreed to replace them free of cost? May I ask the hon. Minister whether the replacement by the suppliers has already been effected and what has been the delay in the time schedule in the completion of the plant, if any, due to this fault or the breaking down of these parts?

SHRI H. R. GOKHALE: Sir, the question was whether the machinery imported was faulty and the answer was that basically the machinery imported was not faulty. In the course of the commissioning itself, some parts got damaged and this damage is now being sought to be repaired by the persons who supplied this machinery, free of cost.

SHRI M. K. MOHTA: The original question was whether there has been any delay in the time-schedule for completion?

SHRI H. R. GOKHALE: Undoubtedly, there has been inordinate delay because the plant was to be ready by 1969. It has not been possible to attribute this delay only to the damage caused in the imported machines. There are various factors which came in the way. Major parts of the plant had to be done by fabrication and our own fabrication did not give satisfactory results in the initial stages. Sir, if I enumerate the various items on which the difficulty was felt, it will take a long time. I do agree with the hon. Member that there has been delay for which we are not happy.

SHRI M. K. MOHTA: May I ask the hon. Minister who were the persons responsible for the delay and whether it has been due to the lapse on the part of some contractors? If so, what action has been taken against those contractors?

SHRI H. R. GOKHALE: It was not due to administrative lapse or due to failure on the part of contractors. If I may say so, this particular plant is based on the most sophisticated equipment and most of the fabrication was done in India and defects were noticed in fabrication time and again. After the commissioning was done, parts of the machinery got damaged. As the damage related to certain portions of the machinery which was imported, they had to be replaced or repaired and the exporters who were supplying them have agreed to do this free of cost. They are actually on the job.

SHRI BABUBHAI M. CHINAI: May I know from the hon. Minister what is the extent of loss which the Government of India suffered due to these defects?

SHRI H. R. GOKHALE: Do you want to know in terms of money or in terms of production?

SHRI BABUBHAI M. CHINAI: Production and money, both.

SHRI H. R. GOKHALE: In terms of money, the immediate impact of the delay was the increase in the project cost itself. Now, the increase in

the project cost is again due to various factors, a break-up of which I can generally give.

SHRI BABUBHAI M. CHINAI: Give the whole amount.

SHRI H. R. GOKHALE: The whole amount is about 17 crores of rupees.

SHRI BABUBHAI M. CHINAI: What about the second part?

SHRI H. R. GOKHALE: The capacity of the plant was 600 tonnes per day of ammonia and 1000 tonnes per day of urea. Production of nitrogen would have been 151,000 tonnes at full capacity. Now the fact remains that the commissioning has started very recently and there was trouble in the beginning.

SHRI BABUBHAI M. CHINAI: The other day, the hon. Minister said that we would have 90% efficiency<sup>^</sup> from the beginning.

SHRI H. R. GOKHALE: AH of us would wish that we should have 90% efficiency from the very beginning or we should have 100% efficiency from the beginning. Take, for example, Nangal. For a considerable length of time, we had reached the optimum capacity and in some cases more than the optimum capacity. But certain difficulties which were not inherent in the building of the capacity came in the way, like shortage of water in the lake, shortage of electric supply and things like that which are sometimes beyond our control.

SHRI A. G. KULKARNI: May I know if the Minister is aware that optimum capacity utilisation is a dream with the Fertilizer Corporation of India? It is very rare. Actually you are running it under capacity, between 50 and 60% due to large-scale administrative lapses or scandalous or administration plus technocracy. Is it a fact that under utilisation of capacity in the existing plant or in the new plant might be due to obsolete technology and the attitude of the Fertilizer Corporation of India to be in league with the trading community for the production and distribution of their products?

SHRI H. R. GOKHALE: Sir, the question is really in two parts. One is, there are aspects which sometimes go beyond our control—io. which I have already referred and I won't repeat it again. But the hon. Member is right that the sole reason cannot be that and there would be other reasons like management policies, administration of the plants and things like that. I might mention for the satisfaction of the hon. Member that while I share his anxiety, we have recently undertaken a very close study of the working of the FCI. An Action Committee was appointed<sup>1</sup> and it has submitted a report to the Prime Minister and to me. We are taking very quick remedial measures. If there are any organisational or top-managerial defects, we will remedy them as soon as possible.

SHRI A. G. KULKARNI: I have asked him about production and distribution—both to be taken together—because he has got a social accountability. He is not a private party.

SHRI H. R. GOKHALE: Distribution again is a matter which is not entirely in the hands of the Petroleum Ministry, but I agree that we have got to correlate production as well as distribution. We are taking steps in conjunction with the Agriculture Ministry.

DR. R. K. CHAKRABARTI: Is it a fact that many of the machineries imported for the Durgapur plant—supplied by foreign countries—are junk, outdated and defective and this is due to the negligence of people who are in charge of such purchases and signing of agreements? I specifically ask this question because recently we have received one equipment under some programme at the Jadavpur University costing Rs. 74,000. thirty per cent of the components of which are defective.

SHRI H. R. GOKHALE: I can answer about the Durgapur question, as I have already partly answered earlier. I said it was not defective import of the machinery as such, but while the commissioning was going on some parts were damaged and they

are being replaced by the exporters themselves free of cost.

**MERGER OF ADMINISTRATIVE SET UP OF POONA-SHOLAPUR-BARSI AND POONA-MIRAJ WITH CENTRAL RAILWAY**

\*50. SHRI AG KULKARNI, SHRI V. R. PARASHAR, SHRI S. BOBDEY:

Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have received any proposals to merge the administrative set up of Poona-Sholapur-Barsi and Poona-Miraj with the Central Railway from the control of South Central Railway due to technical reasons and improved administration; and

(b) if so, what decision Government have taken in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MOHD. SHAFI QURESHI): (a) and (b) A proposal had been received sometime back for creating a new division headquartered either at Sholapur or Miraj consisting of Puna-Mi-raj, Puna-Sholapur and other sections lying in Marathawada area and attaching the same to the Central Railway. The proposal was not accepted on administrative and operational grounds.

SHRI A. G. KULKARNI: May I know whether the Government is aware that while nobody will expect the Government to have any reorganisation of the railways on a linguistic basis, administratively, economically and operationally this section between Poona and Sholapur was with the Central Railway previously and it was called out by no less a person than Mr. S. K. Patil for political reasons? May I know from the hon. Minister whether the political wisdom or foolishness done will be undone on administrative, economic and operational grounds?

MR. CHAIRMAN: Can there be political foolishness also?

fThe question was actually asked on the floor of the House by Shri A. G. Kulkarni.

SHRI A. G. KULKARNI: What else, Sir? When Mr. Patil was the Railway Minister he went out to deprive Maharashtra of something.

SHRI BABUBHAI M. CHINAI: Point of order. Is it really fair for the hon. Member to say something—that it was political foolishness—against an ex-Minister who is not present here and who is not in a position to reply? Is it fair to say that Mr. S. K. Patil deprived Maharashtra of getting this line? \_\_\_\_\_

SHRI A. G. KULKARNI: It is political . . .

(Interruptions)

When Mr. Patil was there he was anti-Maharashtra.

(Interruptions)

SHRI BABUBHAI M. CHINAI: Why impute motives like this?

SHRI MOHD. SHAFI QURESHI: If I have correctly understood the hon. Member, it appears that the reminder of Shri Kulkarni is based purely on linguistic considerations.

SHRI A. G. KULKARNI: No. no. How do you say that? I appreciate that I do not want it on a linguistic basis.

SHRI MOHD. SHAFI QURESHI: I have to add something more. The railway zones and divisions cannot be so organised as the delineation of the territory has been to satisfy the technological, operational and management needs in relation to providing adequate facilities to the travelling public and for transshipment of commodities. As I have already said, it will entail a lot of expenditure and it will not be possible to have this new division created. As it seems, I am prepared to the extent that in case he can justify the creation purely on economic, administrative and operational grounds, this can be considered, various representations justifying

SHRI A. G. KULKARNI: My second question is that it is not only Mr. Kulkarni who has to justify but your Ministry has also to assure about this because we have received