

## RAJYA SABHA

Wednesday, the 9th June, 1971/the 19th  
Jyaishta, 1893 (Saka)

The HOUSE met at eleven of the clock, Mr.  
CHAIRMAN in the CHAIR.

### ORAL ANSWERS TO QUESTIONS

#### PRODUCTION OF AMMONIA

\*352. SHRI M. K. MOHTA: Will the Minister of PETROLEUM AND CHEMICALS/ **पेट्रोलियम और रसायन मंत्री** be pleased to state:

(a) whether it is a fact that an official delegation from Tehran recently visited India to have talks with Government of India for a joint venture for the production of ammonia; and

(b) if so, the outcome thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM AND CHEMICALS/ **पेट्रोलियम और रसायन मंत्रालय में उप-**

**मंत्री** (SHRI DALBIR SINGH): (a) and (b)

No official delegation from Tehran visited India recently for the purpose mentioned. The Governments of Iran and India had agreed to study the possibility of setting up a joint venture in Iran for the production of ammonia. A report has also been prepared in this connection by a joint working group. The report is still under examination of the two Governments.

SHRI M. K. MOHTA: May I ask the hon'ble Minister whether it is not a fact that the country's fertiliser manufacturing effort has been seriously jeopardised due to shortage of ammonia so much so that a shortfall of 2½ million tonnes of nitrogen is likely to arise by 1973-74? In view of this, how long does the Government think it will take them to come to an agreement with the Iranian Government for the production of ammonia in a joint venture in Iran?

Secondly, Sir, may I ask whether any alternative sources of ammonia have been explored by the Government in case this joint venture proposal does not fructify and, if so, what are the details of the total requirement of ammonia and the total estimated availability by the end of the Fourth Plan and the Government's further efforts to increase the availability of ammonia?

SHRI PRAKASH CHAND B. SETHI: Sir, as far as this joint venture with Iran is concerned we had two alternative proposals from them. Both are being examined and, as a matter of fact, there is difference of opinion on certain matters with regard to the capacity

of the plant, with regard to the utilisation of the equipment which India can manufacture indigenously. And, therefore, it is taking a long time. But as far as the requirement of ammonia is concerned, Sir, we are trying to enter into negotiation both for Trombay expansion and Trombay current production of fertilisers. I do not fear that much shortage of nitrogenous fertilisers in 1973-74, as the hon. Member has pointed out. Actually we are hoping that by 1975-76, as far as nitrogenous and phosphatic fertiliser is concerned, we shall be self-sufficient.

SHRI M. K. MOHTA: The hon. Minister has not given any figures about the total estimated demand of ammonia in the country for the production of fertilisers and the total foreseeable supplies and the Government's efforts to augment the supply. What are the actual figures? How much would be the shortfall, if any, and how would you meet that? My second question is whether the proposed fertiliser plant at Mithapur sponsored by the Tatas is dependent on imported liquid ammonia and, if so, what are the sources of supply that have been approved by the Government in this regard, and how long will this project take to fructify?

SHRI PRAKASH CHAND B. SETHI: I am sorry I do not have the requisite figures with regard to the total availability of ammonia. I would certainly collect and place them on the Table of the House. As far as the feedstock for the Mithapur plant is concerned, that is yet to be decided and negotiated.

SHRI A. G. KULKARNI: May I know, Sir, whether it is a fact that the policy enunciated by the Government is an umbrella blanket on the imports of ammonia? It was stated that they would encourage more production of naphtha and naphtha-based fertiliser units. Having once announced this policy, may I know why the Government are digging channels to dilute that policy?

Secondly, Sir, ammonia is a chemical in very great demand in this country.

Fertiliser plants and many other industries require ammonia. Instead of allowing Tatas and Birlas to produce ammonia piecemeal, will it not be more profitable to produce ammonia on a large scale in the public sector which can be supplied as feedstock to different units in the country?

SHRI PRAKASH CHAND B. SETHI: Sir, as far as fertiliser plants based on imported ammonia are concerned, the policy decision that has been taken is that fertiliser plants based on imported ammonia would not be allowed except on merits and preferably in the case of public sector plants. We are following that policy except with regard to a couple of old proposals which are still under the examination of the Government. As far as the question of basing fertiliser plants

either on naphtha or on ammonia is concerned, it is not as if we are too much surplus in naphtha. Therefore, the entire question of feedstocks of fertiliser plants requires a great deal of examination. That is why the Government has decided that the two projects at Talcher and Ramgundam will be coal-based because we are surplus in coal. It is a wider question which will have to be decided. We are not trying to dilute our policy with regard to import of ammonia. With regard to the suggestion of the hon. Member that Government should have a large ammonia-producing plant, it is for that reason that we are having a dialogue with the Iranian Government to have a joint venture in Iran for the production of ammonia.

**श्री निरंजन वर्मा :** क्या माननीय मंत्री जी यह बतलाने का कष्ट करेंगे कि अपने देश में सब प्रकार के कार्यों की प्रगति होने के बाद अमोनिया की कितनी आवश्यकता पड़ती है ? एक बात ।

दूसरी बात यह है कि यह जो ईरान के साथ ज्वाइन्ट वेंचर कर रहे हैं, इसमें अपने लिए कितनी कास्ट वहां पर लगेगी ? इसके अतिरिक्त आप यह भी बतलायें कि और देशों से भी आपने चर्चा चलाई थी और सब देशों के साथ चर्चा के बाद, भारत के फायदे के लिए केवल ईरान से ही यह ज्वाइन्ट वेंचर करने में लाभप्रद योजना रह गई थी क्या ? और अभी अपने देश में, जैसा आपने बतलाया रामगुंडम और दूसरा स्थान तालचेर, तो यहां पर अमोनिया बनाने का कार्य शुरू हो गया या नहीं ? अगर आरम्भ हो गया है तो उनके एकहसटेशन के लिए बाहर से मशीनरी आयात करने का कार्य हुआ है या नहीं ?

**श्री प्रकाशचन्द बी० सेठी :** अध्यक्ष महोदय, जहां तक ईरान के अन्दर यह अमोनिया का ज्वाइन्ट वेंचर बनाने का सवाल है, वह असल में दो तरह का है । इसमें एक प्लान्ट तो 600 टन पर डे का है जिसकी लागत 28.5 मिलियन डालर कूती गई है । दूसरा प्लान्ट बड़े कंपैसिटी का है 1000 टन पर डे का है, जिसमें 38.7 मिलियन डालर लागत कूती गई है ।

जहां तक अमोनिया की कुल तादाद का सवाल है कि देश में कितनी पैदावार होती है, उसके संबंध में मैं यह निवेदन करना चाहता हूँ कि मैंने अभी माननीय मोहता जी के प्रश्न के उत्तर में बतलाया कि यह फिगर मेरे पास नहीं है और मैं कलैक्ट कर के सदन के सामने रख दूंगा ।

**SHRI ARJUN ARORA :** May I know how long these negotiations with Iran have gone on? My impression is that they began seriously in 1968-69. Secondly, the Minister has expressed some amount of confidence about the supply of fertilisers. May I know if fertilisers are still imported to this country? If so, what are the latest import figures—quantity as well as money value—available with the Ministry? Thirdly, does not the Minister realise that ammonia is needed not only for fertilisers but also for the much-needed petro-chemical industries in the country? And even if he is able to meet all the requirements of fertilisers through imports and coal-based fertiliser plants, doesn't he propose to expedite action on these negotiations in view of the need for expansion of petro-chemical industries in the country?

**SHRI PRAKASH CHAND B. SEIHI :** The honourable Member is right in saying that these negotiations have been going on with Iran since almost 1969. The first meeting was held in Iran actually in the month of May, 1969. Then it was followed up by repeat meetings in Delhi from 14th to 16th February 1970, and since then these negotiations have been going on. As a matter of fact, as I have said, there was difference of opinion in these negotiations both with regard to the capacity of the plant and with regard to the total production and also with regard to the marketability and the utilisation of the indigenous capacity of India which we were in a position to produce as far as equipment is concerned. As far as we are concerned, we are trying to expedite these negotiations so that we can come to a conclusion either this way or that way. I am not very sure how this conclusion would finally shape itself. As far as the requirement of ammonia is concerned, I also agree with the hon. Member that ammonia is required not only for fertilizers, but also for soda ash and for petro-chemical complex and various other things. The main thing is even for the production of ammonia, raw material has to be located and in that direction also the Geological Survey and the Mines Ministry are doing their best to locate the proper sources for the raw material. As far as import of fertilizers is concerned, it is true there are about Rs. 75 crores worth of imports of fertilizers, and, as I have pointed out, we are today in short supply with regard to all the three types of fertilizers: nitrogen, phosphate and  $K_2O$ .