

(c) whether Government have received any representation from the federation of the Associations of Small Industries of India in this connection; and

(d) if so, what are the reasons for permitting the large industrial units to manufacture Oscilloscopes with foreign collaboration ?

THE MINISTER OF STATE (DEFENCE PRODUCTION) IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : (a) to (d) The Government have at present under consideration a scheme from a unit in the private sector for the manufacture of high quality and high precision Oscilloscopes in collaboration with a foreign firm. All aspects of the case, namely the manufacture already established, the desirability of having Oscilloscopes of high quality and high precision to meet the more sophisticated requirements of research and development as also the points raised by the Federation of the Association of Small Industries of India are being kept in view.

† बिहार में थोरियम के भण्डार

1116. श्री जगदम्बी प्रसाद यादव : क्या प्रधान मंत्री यह बताने की कृपा करेंगी कि :

(क) क्या यह सच है कि बिहार में थोरियम बहुतायत में पाया जाता है ;

(ख) यदि हा, तो क्या इसे अब तक औद्योगिक प्रयोग में लाया गया है या नहीं ; और

(ग) उस राज्य में थोरियम के भण्डार के बारे में सरकार ने अब तक क्या अनुमान लगाया है ?

‡ [THORIUM DEPOSITS IN BIHAR

1116. SHRI J. P. YADAV : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that thorium is found in abundance in Bihar;

(b) if so, whether it has been put to industrial use so far or not; and

(c) what estimate has been made by Government so far with regard to thorium deposits in that State ?]

प्रधान मंत्री (श्रीमती इंदिरा गांधी) : (क) से (ग) यद्यपि बिहार में कुछ भण्डार पाये गये हैं तथापि क्योंकि उनसे धातुक निकालना आर्थिक दृष्टि से उचित नहीं पाया गया अतः इन भण्डारों को अब तक औद्योगिक उपयोग में नहीं लाया गया है ।

‡ [THE PRIME MINISTER (SHRI-MATI INDIRA GANDHI) : (a) to (c) Though some deposits of thorium have been located in Bihar, they have not yet been put to industrial use since this is not considered economically workable.]

12 NOON

CALLING ATTENTION TO A
MATTER OF URGENT PUBLIC
IMPORTANCE

REPORTED WITHDRAWAL OF COLLABORATION BY THE ALLIED CHEMICALS OF THE U.S.A. IN THE PROPOSED FERTILIZER PROJECT OF TATAS IN GUJARAT

SHRI LOKANATH MISRA (Orissa) : Sir, I beg to call the attention of the Minister of Petroleum and Chemicals to the reported withdrawal of collaboration by the Allied Chemicals of the U.S.A. in the proposed Rs. 176 crores fertilizer project of Tatas at Mithapur in Gujarat.

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI K. RAGHURAMAIAH) : Sir, in the proposal which Tata Chemicals had made for setting up a fertilizer plant at Mithapur, there was provision for participation by Allied Chemicals of U.S.A., in the equity capital of the enterprise to the extent of Rs. 5 crores. Allied Chemicals were also to supply to Tata Chemicals liquid ammonia, phosphoric acid and sulphur for the purposes of process use. Finally, the American company had offered the free use of its technology in the Allied-IMI process for the production of phosphoric acid through the hydrochloric acid route.

Government have since been informed by Tata Chemicals that Allied Chemicals have decided to withdraw their offer,

† Transferred from the 16th December, 1968.

‡ [English translation.

[Shri K. Raguramaiah]

to participate in the project. Tata Chemicals have accepted this position, but have informed Government of their determination to proceed with the project on their own in a fully Indian-owned company. Tata Chemicals understand that the National Petrochemical Co. of Iran will assume full responsibility for the supply of liquid ammonia, phosphoric acid and sulphur on the same terms as originally proposed by Allied Chemicals. Allied Chemicals' withdrawal will, therefore, only necessitate additional foreign exchange financing to the extent of their intended equity participation. This participation is relatively small compared to the total foreign exchange requirement of about Rs. 47 crores. Allied Chemicals' technology in the Allied-IMI process earlier referred to will have to be purchased, if and when necessary, in the normal way.

SHRI LOKANATH MISRA : The hon. Minister says in his statement that the foreign exchange that would be necessary for this project is only Rs. 4 crores, which would have been otherwise paid as equity capital by the Allied Chemicals. I do not know how much would have to be paid in the shape of foreign exchange for know-how and for the supply of other raw materials. That he has not stated now in his statement because he wants to make a secret of it. The reason for making a secret of it is that it is the Government that is responsible for this collaborator withdrawing. It is because of the tremendous delay in getting sanction from the Government of India that the collaborators are getting scared away. Now, they know that it is impossible to get any decision from the Government of India. During my last visit to the UK and the USA when I talked to the businessmen, they said that there are many other countries that invite foreign investment and foreign collaboration. They go all out in affording all types of facilities, while the Government of India feel as if "we are imposing or dumping ourselves on them". That is the feeling which the Government of India have created. Now, Sir, coming to the question, may I know whether the Planning Commission has not estimated, by 1975, a production of 8 million tonnes of fertilisers in the country—5 million tonnes of nitrogenous fertilisers, 2 million tonnes of phosphatic fertilisers and 1 million tonnes of potassium fertilisers? To what extent has the Government of India made arrangements already, so that this estimated production

would be available by 1975? So many letters of intent have already been issued to different parties in the country for all these three types of fertiliser production. Are you taking down the main points of my question?

SHRI A. D. MANI (Madhya Pradesh) : He has got memory.

SHRI LOKANATH MISRA : I want a reply to each individual question that I have asked.

MR. CHAIRMAN : Surely you can test this memory afterwards.

SHRI LOKANATH MISRA : Thank you. I can test his memory only if I get your blessings. If you say, "You have put your questions, no more", then I cannot do anything.

MR. CHAIRMAN : I will be reasonable as Chairman.

SHRI LOKANATH MISRA : How many letters of intent have been issued already and in how many cases the applicants have gone ahead with their letters of intent, so far as the projects are concerned? Then, may I know whether in any particular case the letter of intent has been issued on political considerations, rather than on economic considerations?

SHRI K. RAGHURAMAIAH : I will not only answer his questions one, two and three, but also correct the erroneous introductory remarks which he had made. I think, if I mistake not, he made a reference to the possible equity participation of Allied Chemicals and said that I had said that Rs. 5 crores, which would have been their participation, is all the foreign exchange that is required. I never said that. The total finances involved are of the order of Rs. 206 crores and in this the foreign exchange component comes to Rs. 46 crores or Rs. 47 crores. All I said was that the Rs. 5 crores in question is only a small amount in the overall foreign exchange that would be required. Well, Sir, I do not think there is any difficulty in getting foreign exchange from the various foreign sources, because the Tata Chemicals themselves are absolutely certain that they would be able to get the assistance, even without the Allied Chemicals' participation. About the nitrogen target by 1975, it is 5 million tonnes and we have now planned for round about 4.9 million tonnes. That is what we have programmed. As regards how many letters

of intent have been issued or how many licences have been issued, the House would not expect me to be an encyclopaedia of that type. I shall certainly furnish the information, if so required. Anything else ?

SHRI LOKANATH MISRA : There you are.

MR. CHAIRMAN : I will give you an opportunity.

SHRI LOKANATH MISRA : Now, he says anything else. I do not know whether it is intentional and he wanted to avoid the most important question. (Interruptions) This is very serious. I wanted to know at what stage are all the applicants. Now, after they have received the letters of intent, he would be depending upon the letters of intent for his production by 1975. May I know whether the soundness as to the finances of the parties, who have been issued letters of intent, has been ascertained ? May I know whether the necessary clearance from the income-tax department and the certificate that is needed, before issuing the letter of intent and finalising it with some parties, has also been obtained in the case of Kalinga Tubes Ltd., which have been issued a letter of intent ? I am very doubtful whether it would fructify at all, but in the interest of the country I want that any letter of intent that has been issued must fructify. Regarding this particular letter of intent that has been issued to Kalinga Tubes, I have my doubts as to its soundness ...

श्री अर्जुन अरोड़ा (उत्तर प्रदेश) : अरे, कलिंग ट्यूब में कहाँ पहुँच गये, यह तो टाटा है।

श्री लोकनाथ मिश्र : आप समझते नहीं, दिमाग ही नहीं है।

SHRI K. RAGHURAMAIAH : Generally, before we issue a letter of intent we do satisfy ourselves as to the capacity of the sponsoring party to generate the necessary resources. The actual finding and tie-up of foreign collaboration, foreign exchange and also the Indian rupee content, all that will have to be satisfactorily settled before the license is issued. It is not one of the functions of this Ministry to look into tax-clearance, but if there is anything wrong with any party, Finance, I am sure, will bring it to our notice.

SHRI A. G. KULKARNI (Maharashtra) : May I know from the Government of India whether due to the offer of the Allied Chemicals being withdrawn, in

principle the Tata Chemicals' new proposal has met the objections of the Planning Commission? Basically may I know from the Government whether the objections were of the nature that it increases progressively the import of chemicals like sulphur, phosphoric acid and ammonia from 28 million dollars to 54 million dollars, whether in the revised proposal there is any indication that it has been reduced? If not, why the Government is going after a proposal which is a permanent drain on the foreign exchange of this country? Secondly, may I know from the Government whether the new proposal of the Tatas has taken care of the objection of the Planning Commission that the Rs. 200 crores project is going to call on the semi-Government financial institutions of this country for internal resources, because the Tatas are only contributing Rs. 25 crores out of Rs. 200 crores? So, may I know whether in view of the information given in this House that the Tatas are second, whose assets are next to Birlas, the Government would allow the funds of these institutions to be utilised for investment in another monopoly concern, and will it not be worthwhile that the Government should seriously consider to take this into the public sector, as this proposal is, I think the Minister will categorically say, a proposal of a trading nature when finance is generated for the import of raw materials and it is not a manufacturing proposal? There is nothing new as you have already stated in the Lok Sabha that the technical know-how of the Allied Chemicals is to manufacture phosphoric acid through the hydrochloric acid at the plant stage. It has not yet been achieved. It is not commercially exploited.

(Interruption)

MR. CHAIRMAN : Do not repeat.

SHRI A. G. KULKARNI : What I am saying may be a little bit unpalatable to my friends on that side. I am putting the second question.

MR. CHAIRMAN : Do not repeat the same thing again.

SHRI A. G. KULKARNI : I am not repeating. I wanted to know this. Where the manufacture of phosphoric acid through hydrochloric acid is not yet commercially possible, it will amount only to allowing Tatas to import these chemicals which are scarce in this country. What is the reaction of the Government to this? My last question is whether Government is aware that the location of the project is within

[Shri A. G. Kulkarni]

100 miles of striking range of Pakistan. In case of an emergency the entire fertilizer project being concentrated at one place will jeopardise the agriculture programme. May I know whether all these things have been taken care of by the Government at the Cabinet level after this proposal is being renewed by the Tatas?

SHRI K. RAGHURAMAIAH : Some of the points raised by the Planning Commission the hon. Member has pointed out here. He has also pointed out certain strategic factors involved. I have no doubt that the Cabinet will certainly look into all the aspects. As regards the JMI process it is to be utilised only after seven years. Otherwise they have other alternative plans for the production of phosphoric acid. It is true that it is not yet commercially exploited. It is at the exploration stage. The Tatas say if we need it we can always buy it.

SHRI DAHYABHAI V. PATEL (Gujarat) : Is the hon. Minister aware that there is a very strong feeling in the whole of Gujarat that whenever it comes to anything for Gujarat, the matter is delayed particularly in the Planning Commission? Look at the Narmada scheme. The Prime Minister assured the House more than a year ago that it was going to be taken in hand. Where is it? This is one public sector project that is coming to Gujarat, and only the delay in the Ministries has scared away the foreign collaborator. After scaring away the collaborator when the Tatas who have initiated this project are coming forward with an alternative proposal that is suitable to Government, why is Government delaying the matter? I would also like to know whether the new proposal or the alternative proposal that is being discussed is considerably smaller than the original proposal. The original proposal, as the Minister himself said, was for Rs. 206 crores. I would like to know whether the new proposal is being reduced to one-fourth of it.

SHRI K. RAGHURAMAIAH : Answering the first point first, I do not think there is any justification at all for Gujarat to feel that way.

SHRI DAHYABHAI V. PATEL : Here is the newspaper report . . .

SHRI K. RAGHURAMAIAH : The interests of Gujarat are completely safe in the hands of the Cabinet. My friend need have no apprehension about that.

SHRI ARJUN ARORA : There are three Gujarat Ministers in the Cabinet.

SHRI DAHYABHAI V. PATEL : That is why no winter session of the Gujarat Assembly is being called.

SHRI K. RAGHURAMAIAH : About the size of the project I think it is an unnecessary apprehension. There is no cutting down of the size. The size remains as it is. The only thing that has happened is in regard to the equity participation of Rs. 5 crores, in effect it will work out only to Rs. 3.75 crores. This equity participation will not be there. To that extent more foreign exchange has to be generated. That is the only change. Otherwise the entire programme originally conceived stands as it is.

SHRI A. D. MANI : May I raise two points for clarification? I want the Minister to be specific in answering to the points. There has been a lot of complaint that on account of delays in official correspondence the Allied Chemicals withdrew from participation in the project. Would the Minister tell us on what date, calendar date, the proposal was submitted to Government so that we may know what delay has taken place? The second point is what is the balance sheet that is available now after the withdrawal of the Allied Chemicals? They have agreed to take Rs. 5 crores equity participation and provide assistance to the extent of Rs. 40 crores in the form of foreign exchange. Now these people have withdrawn and the Tatas have taken upon themselves the responsibility to import all the things necessary. What would have been the position if the Allied Chemicals had continued to participate in the project? What would have been the drain in foreign exchange after taking into account remittance of their profit and the drain in foreign exchange which would result now by Tatas importing themselves all the requirements for the completion of this project?

SHRI K. RAGHURAMAIAH : I think the project was formally mooted . . .

SHRI A. D. MANI : What about my first question?

SHRI K. RAGHURAMAIAH : First only. I will not answer the last now. I will take up the first. I think it was about a year ago that this project was formally mooted, if that is what my hon. friend wants to know. As regards the other question, the equity participation would

have been of the order of Rs. 5 crores. In effect it would have been only to the extent of about Rs. 3.75 crores, but there is no other foreign exchange element involved in their contribution. The supply of raw materials will be from the Shahpur Chemicals. Instead of the supply being made through the Allied Chemicals it will now be made through the National Petrochemical Co. of Iran. Both these are partners of Shahpur Chemicals. Therefore, it does not make any difference at all.

SHRI A. D. MANI : The date is very important. The complaint is made that for more than one year they sat on the project. That is why they withdrew.

SHRI K. RAGHURAMAIAH : I do not know the exact date. I have said that it was more than a year ago.

SHRI A. D. MANI : Would he give it before the House ?

MR. CHAIRMAN : You can get the date later. He has approximately stated it.

SHRI GODEY MURAHARI (Uttar Pradesh) : I would like to know from the Government whether the inordinate delay in accepting the proposals of Allied Chemicals was due to any political considerations and whether the latest agreement with the Iranian company is also politically motivated and, if so, what are the political considerations that have weighed with the Government of India in encouraging the Tatas to enter into this agreement with the Iranian company? May I also know whether the Government wishes to pursue in future a more co-operative policy with Iranian companies and, if so, whether they have taken into consideration the existing relations between Pakistan and Iran ?

SHRI K. RAGHURAMAIAH : The Government of India will always keep in mind the best interests of the country and the best interest has many facets.

SHRI GODEY MURAHARI : That is the answer, Sir. Is this an answer—“best interests of the country”? My question was specific whether they have taken into consideration the present relationship between Iran and Pakistan and whether the Government delayed the acceptance of the proposal of Allied Chemicals because of political considerations. No answer.

SHRI K. RAGHURAMAIAH : It has nothing to do with Pakistan. As regards political considerations, I said that the country's best interests will be taken into consideration. What more could I say?

SHRI BANKA BEHARY DAS (Orissa) : May I know from the hon. Minister when the Tatas informed the Government of India that Allied Chemicals of the USA are withdrawing from the collaboration and whether the reasons adduced by Allied Chemicals were advanced by the Tatas and if Allied Chemicals have taken exception to the Government's participation in that proposal, what is the extent of the Government's participation in that proposal? May I also know from him whether the Rs. 20-crore deep sea jetty which originally formed a part of the proposal has now been transferred to public control and, if so, whether the Government's participation is only limited to this deep sea jetty? May I also further know whether it is a fact that the Petroleum and Chemicals Ministry approved of this original proposal but this proposal was turned down by the Planning Commission and that this also was the reason for this American company withdrawing from the collaboration proposal?

SHRI K. RAGHURAMAIAH : Sir, in their communication Tata Chemicals have informed us that Allied Chemicals in their decision to withdraw have referred to various things including the delay, the various developments and in particular to the Government's participation. Now, as regards the extent of Government's participation, the share of the Government, the LIC, the Unit Trust and the State Governments, all told, can be of the order of up to 22 per cent.

About the jetty, in their latest communication, the Tata Chemicals have agreed subject to certain conditions, for public control of the deep sea jetty.

SHRI BANKA BEHARY DAS : I asked whether the Government's participation was confined to the jetty only or it was for the entire project.

SHRI K. RAGHURAMAIAH : It is for the entire project. The control of the jetty is different from equity participation.

SHRI M. M. DHARIA (Maharashtra) : When the country is in growing need of fertilisers, the whole production programme of fertilisers has suffered like anything

[Shri M. M. Dharia.]

because of the hesitant policy of the Government and indeed, this production programme has now become a very sad history. May I know from the hon. Minister the year-wise programme of production of fertilisers till 1974-75? Is it not a fact that in respect of fertilisers that we are in a position to produce in the year 1968—today is 19th December, 1968—we have been lagging? Under these circumstances, will the hon. Minister assure us that by 1974-75 the needs of this country in fertilisers will be substantially fulfilled? If in this plan of the Tatas, the Government institutions, the public financial institutions, are supposed to invest to the tune of Rs. 150 crores and the Tatas are going to invest only Rs. 25 or 26 crores, may I know from him why the Government should not have this project in the public sector and why the Tatas should be allowed to have that monopoly? Is it not a fact that under the Tatas...

SHRI SURESH J. DESAI (Gujarat): Sir, on a point of order.

SHRI M. M. DHARIA : We should protest . . .

SHRI SURESH J. DESAI : Sir, he is giving wrong information to the House. Let me raise my point of order. The hon. Member is giving wrong information to the House. He is misleading the House. I must raise a point of order. He is misleading the House. He is giving wrong information to the House. (Interruptions) Let me raise my point of order. It is a matter pertaining to Gujarat, it is in the vital interest of Gujarat. I shall state my point of order. Nobody can stop me from raising my point of order.

MR. CHAIRMAN : You can leave it to me. I shall try to see . . .

SHRI SURESH J. DESAI : I am not asking a question. I am raising a point of order.

MR. CHAIRMAN : It is not a point of order, I say.

SHRI SURESH J. DESAI : I am raising a point of order. The hon. Member is giving wrong information. (Interruptions) Nobody can stop me, nobody can stop me.

श्री राजनारायण (उत्तर प्रदेश) : श्रीमन्, जब प्वाइंट आफ आर्डर है तो प्वाइंट आफ आर्डर सुन कर आप उसका फैसला कर दीजिए, बिना प्वाइंट आफ आर्डर सुने ही आप फैसला कर देते हैं ।

MR. CHAIRMAN : All right. I have understood it. Still, it is not a point of order.

SHRI M. M. DHARIA : I am prepared to hear him.

MR. CHAIRMAN : Mr. Desai, I shall give you an opportunity.

SHRI B. K. P. SINHA (Bihar) : I do not understand. When a Member says that he is raising a point of order, it is open to you to reject that point of order after hearing him. Rejection cannot come before the Member has expressed himself.

MR. CHAIRMAN : I stated clearly that I have understood what he has said. There is no point of order. That anybody should question me ...

(Interruptions)

SHRI SURESH J. DESAI : Sir, I have not stated my point of order.

MR. CHAIRMAN : I have held that it is not a point of order. It is only a point of information. I shall give you an opportunity to put the question and clear up the whole matter.

SHRI M. M. DHARIA : Sir, I am sorry. My friend, Mr. Suresh Desai, perhaps did not hear me properly. Mine was a question to the Minister whether it is a fact that the investment of the public institutions is to the tune of Rs. 150 crores and the investment by the Tatas will be to the tune of only Rs. 25 or Rs. 26 crores and, if it is true, why the Government should not have it in the public sector. I made no statement. Mine was a question. Unfortunately, there is difficulty in Mr. Desai's hearing. I will not blame him. He is justified in getting up. But anyhow, he should have taken care to hear me. Unfortunately... (Interruptions) Please sit down. I am on my legs. I have not yielded.

SHRI SURESH J. DESAI : It is something vitally affecting Gujarat. (Interruptions) This proposal is something vitally affecting Gujarat and we have every right to raise it.

AN HON. MEMBER : It has nothing to do ...

SHRI SURESH J. DESAI : It is vitally affecting Gujarat...

(Interruptions)

MR. CHAIRMAN : Hereafter, if one Member is on his legs and another Member gets up, the Reporter shall not report. And especially when I stand up, you do not sit. If this is the way, how can I conduct the business? Hereafter, when I stand up, if a Member stands up and speaks and is on his legs, I would tell the Reporters not to report.

SHRI M. M. DHARIA : Mr. Chairman, Sir, my question was this. Is it true that the public financial institutions will invest to the tune of Rs. 150 crores and the Tatas will invest only to the tune of Rs. 25 or Rs. 26 crores? If it is true, why are these big monopolists being paid by the Government in this way? Instead of that, why is not the Government having this project, not in the private sector, but in the public sector? I want a categorical reply to this and also to the year-wise programme.

SHRI K. RAGHURAMAIAH : About this fertiliser programme, as I have mentioned earlier, the nitrogen requirement is of the order of five million tonnes in 1975-76. There is no reason to believe that this target will not be realised. Every effort is being made. I must add, however, that much will depend upon what will happen between now and the final date.

(Interruptions)

As regards the financial implications of the proposal, the hon. friend is perfectly right. Out of Rs. 206 crores, the share capital of Tata Chemicals will be raised from Rs. 3 crores to Rs. 25 crores. That will be their contribution. And then money will be raised through long-term and short-term loans to the tune of Rs. 119 or Rs. 120 crores. And the internally generated funds will be Rs. 82 crores. Broadly, therefore, the financial picture given by the hon. Member is correct.

श्री राजनारायण : श्रीमन्, प्वाइंट आफ आर्डर । मैं एक व्यवस्था के प्रश्न को लेकर धनमंत्रता से निवेदन करना चाहता हूँ कि जब शुरू

में व्यवस्था बिगड़ जाती है तो आप आखिर में उठते हैं । मंत्री बराबर श्री धारिया की तरफ मुंह करके जवाब देते हैं और ऐसा लगता है कि यह दोनों आपस में बात कर रहे हैं । तो शुरू से आप रोकें, शुरू से व्यवस्था होनी चाहिये । आज ही देखें, पांच आदमियों ने नाम देकर नोटिस दिया, हमारा दूसरा नाम था, हमने लिख कर दिया हमारी जगह गोडे मुराहरि प्रश्न करेंगे । उनको आपने पाँचवा कर दिया । यह सब ठीक नहीं है ।

MR. CHAIRMAN : You gave up your privilege. Therefore, I must first call the names of all those whose names are here on the list. Then he will be called.

श्री राजनारायण : नहीं, नहीं, सुनिये हमको । *(Interruptions)* हल्ला मत करिये । श्रीमन्, मुझे केवल इतना ही कहना है कि एक नियम आप लागू करें, यह नहीं कि श्री कुलकर्णी उठ कर दस मिनट तक बोलने लगे . . .

MR. CHAIRMAN : I can assure you, Mr. Rajnarain, that I have been following a certain procedure. All the names are here and I call those names first. Since you have given up your privilege of speaking, immediately all these names here are over...

श्री राजनारायण : हमने अपन प्लेस में दिया । हमारा नाम दूसरा है ।

MR. CHAIRMAN : . . . I will call Mr. Murahari.

श्री राजनारायण : मेरा व्यवस्था का प्रश्न है । अगर मान लीजिए मैं न भी लिखता मेरी जगह आप मुराहरि को बुलाए तो भी अगर मुराहरि मेरे सवाल पूछने के बाद उठते, यह आपका डिस्केशन था चाहे आप उनको बुलाते या न बुलाते । उनको पाँचवें, छठवें या आठवें नम्बर पर बुला सकते थे । फिर हमारे लिखने की जरूरत क्या थी ? जैसे आप धारिया को बुलाते, कुलकर्णी को बुलाते, देसाई को बुलाते, उसी तरह से आप उनको भी बुलाते ।

SHRI A. D. MANI : Mr. Chairman, Sir, with great respect to your ruling...

MR. CHAIRMAN : I can assure you this much, Mr. Rajnarain, that I am following a certain procedure. I shall first call the names that are there. Since you said that you did not want to take the privilege, that you had given up the privilege, you wanted Mr. Murahari to be called. Now, the moment the names of the Members here are over...

SHRI RAJNARAIN : In my place...

SHRI A. D. MANI : Sir, on a point of order. In his place nobody else can be substituted. Your ruling is all right.

श्री राजनारायण : तो यही नियम हमेशा के लिये रहेगा। हमें कोई एतराज नहीं है।

SHRI G. H. VALIMOHMED MO-MIN (Gujarat) : Sir, against your ruling three hon'ble Members are talking as if to each other...

SHRI GODEY MURAHARI : Sir, if it is your ruling that instead of Mr. Rajnarain I should not be called in his place then Mr. Rajnarain himself could have asked the question. You could rule like that. But the understanding was that you would call me in his place. (*Interruption by Shri A. D. Mani*) Let me speak. Do not interrupt. If my name could not be substituted for his name, then I could as well ask questions as Mr. Kulkarni, Mr. Dharja or somebody else have asked.

MR. CHAIRMAN : Mr. Rajnarain distinctly said that he was not exercising his privilege and that he would like Mr. Murahari to replace him. I am not taking you in place of Mr. Rajnarain.

SHRI GODEY MURAHARI : Hereafter Mr. Rajnarain will exercise his right to ask his question.

MR. CHAIRMAN : When Mr. Rajnarain's name is here he should speak. He said he would give up the privilege...

SHRI GODEY MURAHARI : Hereafter whenever Mr. Rajnarain's name is there he will exercise his right to speak.

श्री राजनारायण : हमारे दूसरे नम्बर पर बोलने के बाद ही अगर मुराहरी जी खड़े होते और आपकी कृपा होती तो उनको आप बुला सकते

थे इसलिये यह लिख कर देने की कोई जरूरत नहीं थी और हम अपने दूसरे नम्बर पर सवाल पूछ लेते।

MR. CHAIRMAN : Hereafter do not say that you give your place to Mr. Murahari.

SHRI GODEY MURAHARI : Hereafter he will not ask you for this favour. He alone would speak. . .

DR. ANUP SINGH (Punjab) : Sir, on a point of information. I would like to know and I would like to be enlightened according to which rule a Member here can surrender his right and nominate somebody else. It is possible to do so in a public meeting where you can say that you would like Mr. so and so to take your five minutes, or in your place Mr. so and so will speak. But here is there any rule according to which somebody can surrender his right and designate somebody else in his place?

MR. CHAIRMAN : It is not possible.

SHRI A. P. JAIN (Uttar Pradesh) : A Member is perfectly within his right to surrender his right to ask a question. But he has no right to suggest another name. If he makes a conditional offer it is for you, Sir, to accept a part of it and to reject the other part of it. Therefore, I think what you have done is the only correct thing and any objection to that is quite irrelevant.

MR. CHAIRMAN : We are really wasting the time of the House.

SHRI GODEY MURAHARI : Hereafter I would request you to call all the names on the list. If five people have given notice of the question, you will call all of them. If ten Members of the Swatantra Party have tabled a question you would call all of them. . . .

MR. CHAIRMAN : I have always stuck to that. There is no question. Hereafter, if a person from a party has taken much time I need not call others of the same party at all.

SHRI A. G. KULKARNI : Sir, the reply of the hon'ble Minister is not complete. The Minister has not replied the point. Let him reply.

SHRI K. RAGHURAMAIAH : Which point?

SHRI A. G. KULKARNI : Mr. Dhar's question.

MR. CHAIRMAN : Mr. Chatterjee.

SHRI KOTA PUNNAIAH (Andhra Pradesh) : I want to know from the hon'ble Minister...

SHRI A. P. CHATTERJEE (West Bengal) : I have been called. How can you know from the hon'ble Minister? The hon'ble Minister has said that the Allied Chemicals of U.S.A. either had been compelled to withdraw or had withdrawn voluntarily. That is not my point. The question which I am asking of the hon'ble Minister is it appears from the answer that in place of the Allied Chemicals some agreement is being concluded with the National Petrochemical Co. of Iran. As you know, the Iranian companies are soaked through and through with American capital. What I want to know from the hon'ble Minister particularly is whether in this Iranian company, with whom the agreement has been concluded, the American capitalists have any share or not, and to what extent if they have share. That is the first information which the hon'ble Minister may give.

The second information which I am asking from the hon'ble Minister is this. May I know whether just because of Rs. 25 crores which is being given—Tata is giving Rs. 25 crores while about Rs. 125 crores are being contributed by the public sector—by Tata he is being given whip hand over the project so that he can invite foreign exchange and other foreign collaborations in other disguises? If it is not so, may I know what steps will be taken by the Ministry in order to keep control over the Tata in calling for collaboration and in spending the foreign exchange? And the final question which I am asking from the hon'ble Minister is this.

As far as this collaboration with the Allied Chemicals was concerned, this collaboration was first okeyed by the Ministry of Petroleum and Chemicals, and it appears that it was afterwards turned down by the Planning Commission. Now if the Ministry of Petroleum and Chemicals had okeyed this preliminary proposal of participation of the Allied Chemicals in this project, may I know under what circumstances the Ministry agreed to this proposal?

SHRI K. RAGHURAMAIAH : There is no question of one Ministry approving and another rejecting. The Government works as a piece, as one unit.

SHRI GODEY MURAHARI : Question.

SHRI K. RAGHURAMAIAH : The Government as a whole has to take a decision.

As regards this National Petrochemical Co. of Iran, they along with the Allied Chemicals are already partners in the Shahpur Chemicals which originally had to supply raw materials and even now it will continue to supply. As to the composition and constitution of the Iranian Co. whether there is American participation, apart from their partnership with the Allied Chemicals in the Shahpur Chemicals, I have no information.

SHRI KOTA PUNNAIAH : The hon'ble Minister himself gave the detailed figures so far as financial involvement is concerned. Taking the financial involvement into consideration and taking the sentiment of this House into consideration, will the Government consider the question of having this plant in the public sector?

Number two, I would like to ask the hon. Minister what our fertiliser requirement is now and what our fertiliser requirement would be by the year 1975, what arrangements the Government are making to meet that demand by the year 1975, how many fertiliser factories are there in the public sector and how many in the private sector, how many licences have been issued to private individuals and how many have not set up factories due to financial difficulties and delays in the Government. I would like to have answers from the hon. Minister categorically, specifically and pointedly.

SHRI K. RAGHURAMAIAH : Generally speaking, Sir, in any project sponsored by a private party, there is always a considerable amount of financing from public institutions. Now as far as the Government is concerned, we have already got so many projects in the public sector. This project has come from Tata Chemicals and it is being examined as such.

MR. CHAIRMAN : Mr. Chitta Basu.

SHRI KOTA PUNNAIAH : Sir, I would request the hon. Minister to say whether they are thinking of taking this plant in the public sector . . .

(Interruption)

SHRI CHITTA BASU (West Bengal) : Sir, . . .

SHRI KOTA PUNNAIAH : Sir, this is a simple question. Let him answer. *(Interruptions)* Sir, this is a simple question, whether the Government is considering the question of taking this plant in the public sector or not.

SHRI K. RAGHURAMAIAH : Of course, there is a foreign exchange involvement of Rs. 47 crores. But the point is, here is a project which comes from Tata Chemicals. The Government have other projects under contemplation in the public sector. The two are different...

SHRI M. M. DHARIA : Sir, on a point of order.

SHRI K. RAGHURAMAIAH : The Tata Chemicals project has to be dealt with as Tata Chemicals project. We have various other projects in the public sector. How can I mix up the two?

SHRI M. M. DHARIA : Sir, is it not the policy of the Government not to allow monopolies to build up in this country?

SHRI CHITTA BASU : Sir, you have said that there should not be any point of order when there is a question, and when you have called me...

(Interruptions)

SHRI SURESH J. DESAI : Mr. Chairman, Sir, ...

(Interruptions)

MR. CHAIRMAN : You raise a point of order at a time when other Members are speaking.

(Interruption)

SHRI SURESH J. DESAI : Sir, I have not raised a point of order. *(Interruptions)* Some people are allowed to ask three questions but we are not allowed to ask even one question. This is an important matter affecting my State...

MR. CHAIRMAN : Please sit down.

SHRI SURESH J. DESAI : But the time is up, Sir...

MR. CHAIRMAN : I shall see about it.

SHRI M. M. DHARIA : Mr. Chairman, my point of order is, we have been raising specific questions. Even Mr. Lokanath Misra put a specific question. But we are

not getting specific replies to our questions. Let the Minister say whatever he has to say when hon. Members put categorical questions. I have also put a categorical question. Mr. Chairman, you please go through the record tomorrow, not today, and you will see. Whenever we put specific questions, why should not the hon. Ministers give categorical replies?

SHRI GODEY MURAHARI : They generalise.

SHRI M. M. DHARIA : Why should they generalise? That is my point of order. I would like to have your protection and your direction to the Ministers concerned.

SHRI K. RAGHURAMAIAH : Sir, what categorical answer can I give? I said this particular project is a project sponsored by Tata Chemicals... *(Interruptions)* Please listen. It is for the production of so much fertiliser, the factory is to be at Mithapur and it is to be financed in a particular way. There is no such project sponsored by the Government. It is sponsored by Tata Chemicals...

SHRI GODEY MURAHARI : Government money is involved. Public money is involved.

SHRI K. RAGHURAMAIAH : Whether it should be allowed or not is a matter for the Government to consider. Government have, independently of this, various projects for the public sector. The House will be interested to know that until the beginning of the Fourth Five-Year Plan, the investment made in fertiliser industry was of the order of Rs. 3,500 millions, out of which Rs. 2,500 millions is in public sector. The investment in the Fourth Plan is expected to be of the order of Rs. 14,030 millions, out of which Rs. 8,365 millions will be in the public sector. Government have their own projects. This is a separate project sponsored by Tata Chemicals. The two are separate. It has to be viewed in that light.

MR. CHAIRMAN : Mr. Chitta Basu,

SHRI CHITTA BASU : Sir, I think I should not be penalised for my obedience to you.

MR. CHAIRMAN : Nobody is penalised. Why do you think I penalise you? Please put your question.

DR. B. N. ANTANI (Gujarat) : Gujarat is on fire and these gentlemen are playing on the fiddle. Now, may I know from the hon. Minister,...

MR. CHAIRMAN : No, no. I have called Mr. Chitta Basu.

SHRI DAHYABHAI V. PATEL : Sir, there is a conspiracy to prevent Members from Gujarat from asking questions. We are vitally concerned with this and here are some Members preventing us . . .

MR. CHAIRMAN : Mr. Patel, you have put your questions very categorically. I shall give an opportunity for others also. Mr. Chitta Basu.

SHRI CHITTA BASU : Will the hon. Minister be kind enough to state the policy of the Government regarding fertiliser in this country and whether the granting of a licence to this particular Tata Fertiliser Plant is in violation of the stated policy of the Government in the matter of fertiliser?

SHRI ABID ALI (Maharashtra) : No.

SHRI CHITTA BASU : I want the Minister to answer.

SHRI K. RAGHURAMIAH : I have no idea of any contradiction.

(Interruptions)

SHRI CHITTA BASU : Sir, I am entitled to an answer from him.

SHRI K. RAGHURAMIAH : I said, I have no idea of any contradiction.

SHRI CHITTA BASU : What is the stated policy of the Government?

SHRI M. RUTHNASWAMY (Madras) : On a point of order. May I ask whether this is the time for asking the Government to state its policy? Matters of policy cannot be discussed during this time.

MR. CHAIRMAN : Mr. Desai. Do not make a speech.

SHRI SURESH J. DESAI : Sir, I have to put whatever I have to put and I will have to put it clearly. You will have to allow me time. (Interruptions) My State of Gujarat is concerned and I will have to put whatever I have got.

MR. CHAIRMAN : Why are you so sensitive, Mr. Desai?

SHRI SURESH J. DESAI : Sir, the hon. Minister has tried to water down the importance of the withdrawal of Allied Chemicals by emphasising merely on the equity participation issue. The fact is that the whole Tata fertiliser project is based on a new innovation, on sophisticated, new, up-to-date techniques, leaving aside the conventional method. If we follow the conventional method, by the time we reach 8 million tonnes, the import bill of raw materials alone would be Rs. 500 crores a year which we cannot afford. So the whole technique of the Allied Chemicals was a new, sophisticated, integrated technique which they were furnishing. That point has been ignored by the hon. Member and he is emphasising on the equity participation issue only. Number two, * * * in the Planning Commission . . .

SOME HON. MEMBERS : No, no.

SHRI SURESH J. DESAI : They are * * *

MR. CHAIRMAN : No, no, you should not. It is very wrong. That word should be deleted.

SHRI SURESH J. DESAI : They have been raising objection for instance, about the location of the Plant. Now why is it that it is located at Mithapur, Okha Mandal? It is because of the proximity of the sea, sunshine, bauxite, Tarapore atomic power, off-shore drilling, the vast coast line and the barren land near Okha Mandal, and the expertise which the Tata Chemicals have developed in all the past 25 years. Because of all this the best suitable place is Okha Mandal.

About the participation of Tatas, the Tatas will be surely participating by equity issue, by raising the capital of Tata Chemicals to 25 crores. But the cumulative draft every year will not be more than 12 crores of rupees. The cumulative draft will be only 12 crores of rupees, and most of the funds required will be obtained from the Cooley Fund, from the World Bank and its affiliate. The availability of funds from the Cooley Fund and from the World Bank and its affiliate is something which the Tatas alone can get. It will not be available to any other Indian concern. That is the most important point. Now, the honourable Minister has stated

*** Expunged as ordered by the Chair.

[Shri Suresh J. Desai.]

about the purchasing of the techniques. Firstly it will entail the country further loss of huge foreign exchange. Secondly, it will entail delay, considerable delay. And thirdly, while this delay occurs we will be going on importing fertilisers to the tune of 200 crores of rupees a year or more.

SHRI K. RAGHURAMAIAH : Sir, it is a matter of extreme gratification for me to know that my honourable friend knows much more about this proposal than Tata Chemicals themselves because...

SHRI SURESH J. DESAI : Yes, yes ...

MR. CHAIRMAN : You have raised your point of view.

SHRI SURESH J. DESAI : Sir, I must reply when I am sitting in the House. My Government, the Government of Gujarat, has studied it and they have submitted a note on that. We have examined it ... (*Interruptions*) Certainly I know it from various aspects more than the Tata Chemicals themselves know. Certainly.

SHRI A. G. KULKARNI : Sir...

(*Interruptions*)

MR. CHAIRMAN : Please sit down, I will give you an opportunity.

श्री राजनारायण : श्रीमन्, आप जरा कुलकर्णी जी को कंट्रोल कीजिये। कुलकर्णी जी पर कंट्रोल नहीं होगा तो सदन में बड़ा गड़बड़ रहेगा।

MR. CHAIRMAN : There are many who have to be controlled here.

SHRI K. RAGHURAMAIAH : Sir, the Tata Chemicals themselves have told us that the only know-how which will come into question because of the withdrawal by the Allied Chemicals, is IMI process, which is a pilot scheme, which is not on a commercial basis. It has yet to be further tried on commercial scale. And also the question of adopting it by the Tata Chemicals in this project will arise only after seven years, and the Tata Chemicals say, if and when there is a need, at that stage they can always buy it if it is found to be correct and shows good results. That is what they themselves say. About the Cooley Fund which my honourable friend has raised, the Tata Chemicals say... (*Interruptions*)

...not much importance was attached to it even then. So, according to them the only technical know-how, which comes into consideration in this context is the IMI process.

DR. ANUP SINGH : Mr. Chairman, Sir, I have always rated the honourable Minister as one of the ablest in the team without casting a reflection on anybody else. But I must confess that his answer has been neither illuminating nor satisfactory...

SHRI ARJUN ARORA : Nor entertaining.

DR. ANUP SINGH : The question put forward by three or four members was very specific. I will paraphrase it. In view of the fact that the public sources will contribute 125 crores or so and the Tatas will contribute only 25 crores, why does not the Government take this in the public sector? The honourable Minister's answer was because this proposal has come from the Tatas, and the Government has many other projects. No, I do not think that is a very satisfactory answer. You may have many considerations. You can say that the Tatas alone can fulfil, can foot the bill. You can also say that the Government under the present circumstances, financially and otherwise, is not in a position to take it over. But the generally accepted adage is "He, who pays the piper, calls the tune". In this case the piper is the public source—125 crores—and they should call the tune. But the process is being reversed here. I would like the honourable Minister to tell us a little bit more specifically why, in view of these compelling considerations pressed by the Members from both the sides, he is not in a position to consider the desirability of taking it over in the public sector.

SHRI K. RAGHURAMAIAH : Sir, it is like the question of fighting for more than one can digest. In this particular case there is no decision yet by the Government either way. It is a proposal which has come from the Tata Chemicals. We have enough on the plate to digest even otherwise, I have already given the various figures as regards the finances required for the total fertiliser production till the end of the Plan period. I have given all those figures. But this is a specific project to be established at Mithapur with such and such and such financial implications. It has to be examined in that light.

DR. B. N. ANTANI : I would ask a brief question. Is his attention directed to an editorial in the newspaper "Jan-mabhumi", concerned with Gujarat, which visualised this rejection a week earlier ? Is it not a calculated fatal blow to the development programme of Gujarat ? Is Gujarat softness and unvoiceness not being construed as its weakness by the Government ? What steps do you propose to take in this connection ?

(Interruptions)

SHRI K. S. CHAVDA (Gujarat) : Sir, I want to ask a simple question, May I know, Sir, as to when the Cabinet is going to give the green signal to this fertiliser project ? Will it be before the end of this session ?

SHRI K. RAGHURAMAIAH : Green or red, the signal is to be awaited.

PAPER LAID ON THE TABLE

ANNUAL REPORT (1967-68) AND ACCOUNTS OF THE HINDUSTAN AERONAUTICS LTD., BANGALORE AND RELATED PAPER

THE MINISTER OF STATE (DEFENCE PRODUCTION) IN THE MINISTRY OF DEFENCE (SHRI L. N. MISHRA) : Sir, I beg to lay on the Table, under sub-section (1) of section 619A of the Companies Act, 1956, a copy of the Annual Report and Accounts of the Hindustan Aeronautics Limited, Bangalore, for the year 1967-68, together with the Auditors' Report on the Accounts. [Placed in Library. See No. LT-2802/68.]

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STATEMENT BY MINISTER RE RECENT VISIT OF A RUSSIAN DELEGATION TO INDIA

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED) : Sir, at my invitation, His Excellency Mr. S. A. Skachkov, Chairman, State Committee of the USSR Council of ...

MR. CHAIRMAN : Is it a long one ?

SHRI FAKHRUDDIN ALI AHMED : Yes, Sir. It is over three pages.

MR. CHAIRMAN : Then, you can lay it on the Table.

SHRI FAKHRUDDIN ALI AHMED : Sir, I beg to lay on the Table of the House

a statement on the visit of the Soviet Delegation headed by H.E. Mr. S.A. Skachkov, Chairman, State Committee of the U.S.S.R. Council of Ministers for Foreign Economic Relations. [Placed in Library. See No. LT-2779/68].

SOME HON. MEMBERS : Sir, we would like to ask questions for clarifications.

SHRI ARJUN ARORA (Uttar Pradesh) : Sir, tomorrow morning we should get an opportunity to seek clarifications.

MR. CHAIRMAN : Tomorrow you may not have time, but certainly we shall see you get a proper answer and you can put questions. Now, this statement will be circulated.

MOTION RE APPOINTMENT OF A MEMBER OF THE LOK SABHA TO THE JOINT COMMITTEE OF THE HOUSES ON THE MONOPOLIES AND RESTRICTIVE TRADE PRACTICES BILL, 1967

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED) : Sir, I beg to move :

"That this House recommends to the Lok Sabha that the Lok Sabha do appoint a member of the Lok Sabha to the Joint Committee of the Houses on the Monopolies and Restrictive Trade Practices Bill, 1967, in the vacancy caused by the resignation of Shri Indrajit Gupta from the membership of the said Joint Committee, and communicate to this House the name of the member so appointed by the Lok Sabha to the Joint Committee."

The question was put and the motion was adopted.

EXTENSION OF TIME FOR PRESENTATION OF THE REPORT OF THE JOINT COMMITTEE OF THE HOUSES ON THE MONOPOLIES AND RESTRICTIVE TRADE PRACTICES BILL, 1967

SHRIMATI VIOLET ALVA (Mysore) : Sir, I beg to move :

"That the time appointed for the presentation of the Report of the Joint Committee of the Houses on the Bill to provide that the operation of the economic system does not result in the con-