†[THE DEPUTY MINISTER OF COM-MERCE AND INDUSTRY (SHRI SATISH

to Questions

CHANDRA): (a) and (b) A statement is laid on the Table of the House.

It has been decided to issue licences to M/s. International Minerals and Chemical Corporation/California Chemical Company/E.I.D. Parry Group for Vishakhapatnam project, to Shri B. L. Jalan for Hanumangarh project and to M/s. Khandelwal Bros. Ltd., for Madhya Pradesh project.

फासफेट ग्रौर डाइ कैलशियम फासफेट के कारवाने लगाने या जो पहले से चले ग्रारहे हैं उनको बढ़ाने के लिये दिये जा चुके हैं।

श्री नवाबींसह चौहान: उनके द्वारा जो उर्वरक तैयार किया जाता है क्या वह पूल में शरीक किया जायगा या वह खुले बाजार बेचने के लिये श्राजाद होंगे? मगर उनके लिये कीमत मुकरेर की जायगी तो क्या वही होगी जो हमारे सरकारी कारखानों की होती है ?

श्री सतीश चन्द्र: जो नाइट्रोजन के कार-खाने हैं उनका नाइट्रोजन खाद पूल में ग्रायगा। उसकी कीमत वहीं मुकर्रर होगी जो इसी तरह के दूसरे सरकारी कारखानों की होती है।

SHRI BABUBHAI CHINAI: May I know the States in which these works are going to be put up and what are the names of the applicants?

SHRI SATISH CHANDRA: Sir, there is another question by the hon. Member on this subject which we shall be taking up soon.

MR. CHAIRMAN: Combine them.

SHRI SATISH CHANDRA: Very well, Sir.

†SETTING UP OF FERTILIZER PLANTS IN THE PRIVATE SECTOR DURING THE THIRD FIVE YEAR PLAN

\*268. SHRI BABUBHAI CHINAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the number of proposals so far received for the establishment of fertilizer plants in the private sector in the Third Five Year Plan period; and
- (b) the names of the parties from which these proposals have been received?

## STATEMENT

Five proposals had been under consideration for the establishment of a complex fertilizer plant at Vishakhapatnam, three for the establishment of a nitrogenous fertilizer factory at Hanumangarh in Rajasthan and two for the establishment of a nitrogenous fertilizer factory in Madhya Pradesh. The names of the parties are given below:

## Vishakhapatnam-

- 1. Birla Gwalior Private Ltd.
- 2. M/s. Seshasayee Brothers Ltd.
- 3. M/s, Khandelwal Brothers Private Ltd.
- 4. M/s. Shaw Wallace and Co. Ltd.
- The International Minerals and Chemicals Corporation, California Chemical Company/ East India Distilleries and Sugar Factories Ltd,—Parry Group.

## Hanumangarh\_\_

- 1. Shri B. L. Jalan.
- 2. Shri Dharamsey Mulraj Khatau.
- 3. Shri S. P. Jain.

## Madhya Pradesh

- M/s. Khandelwal Brothers Private Ltd.
- 2. M/s, Krishna Distributors, Indore.

<sup>†</sup>This question was taken up along with Starred Question No. 263, as directed by the Chair.

In addition to the above, six more proposals have been received for the establishment of fertilizer factories at different locations and are under consideration. It is not advisable to disclose the names of the parties and other details till final decisions are taken.

SHRI BABUBHAI CHINAI; What are the capacities of all these three licences?

SHRI SATISH CHANDRA: The capacity of Vishakhapatnam project is 81 thousand tons of nitrogen and 80 thousand tons of P205. In the case of Hanumangarh and Madhya Pradesh projects, Sir, it is 80 thousand and 50 thousand tons of nitrogen respectively.

SHRI BABUBHAI CHINAI: May I know whether it is the policy of the Government that there would be only one fertiliser factory in one State or there would be more than one in one State?

SHRI SATISH CHANDRA: There can be more than one if sufficient resources are available or private parties come forward to set them up.

Shri Bhupesh Gupta: It was proposed originally, at the time of the Second Five Year Plan, and even earlier in the Industrial Policy Resolution of the Government, that fertilizer factories should be started in the public sector. May I know, Sir, why—

- suddenly this change\_over has taken place in favour of the private sector and licences are being given to them; and
- (ii) again certain foreign concerns are being brought in to set up fertilizer factories in our country, especially when we can do it ourselves in the public sector?

SHRI SATISH CHANDRA: Firstly, Sir, I would request the hon. Member to have a second look at the Industrial Policy Resolution. He will find that the production of nitrogenous fertilizers.

is included in Schedule B of the Resolution according to which it is envisaged that the Government will increasingly take part in the production of certain items, but the private undertakings are not debarred from coming forward to set up similar factories.

As for the second part of the question, Sir, the foreign partners in these undertakings have come as junior partners and the controlling authority will vest in Indian hands.

Shri A. D. MANI: Is it a fact, Sir, that a licence is going to be given to Messrs. Khandelwal Bros. Ltd., for locating this plant at Katni and, if so, why the Government turned down the recommendation of the expert committee that the plant should be set up at Itarsi?

Shri Satish Chandra: The exact location has not yet been decided. The private party which has been given a licence is studying both the sites. According to present indications there are more facilities readily available at Katni as compared to Itarsi.

SHRI V. C. KESAVA RAO: May I know who the applicants from Andhra Pradesh are and whether the State Government have recommended any of those applicants?

SHRI SATISH CHANDRA: I have said just now that the Vishakhapatnam project has already been licensed and I have given the names of the parties. There is another site in Andhra Pradesh i.e., Kothagudam for which applications will be considered now. In fact, the licence had been issued to the State Government, but now they want some other alternative arrangements to be made.

Shri BHUPESH GUPTA: Sir, the hon. Minister has given a very strict interpretation of Schedule B of the Industrial Policy Resolution. We clearly understood from it that Government would participate more and more and it was suggested at the time of the formulation of the Second Plan that

such things would be taken over in the public sector. Now about 200 thousand tons is being entrusted to the private sector, and that too to foreigners. May I know whether this is the way in which the Government propose to implement Schedule B of the Industrial Policy Resolution and why in that case again these private foreign undertakings are brought in? Of course, the consolation given is that they will be junior partners, but once they come in, Sir, they will not be junior partners; let the hon. Minister know it.

SHRI SATISH CHANDRA: Sir even in the Third Five Year Plan, more capacity will be installed in the public sector as compared to the private sector. The private sector factories are being brought in because the resources allocated in the Plan are limited and the target that has been food production requires fixed for larger production of fertilizers. Foreign companies are welcome only because the technical know-how becomes available, but also because the strain on foreign exchange resources is eased to the extent of their capital investment.

Shri A. D. MANI: Going back to the answer given by the Government, may I ask whether it is true that the expert committee which went into the matter of locating the fertilizer factory in Madhya Pradesh recommended that Itarsi had all the facilities and, if so, would Government be able to state what those recommendations were that were made by the expert committee?

SHRI SATISH CHANDRA: It is not so, Sir. In fact, the members of the technical committee differed among themselves. Itarsi was recommended on certain assumptions, on a railway line being laid, a new coal-field being opened and so on. But it has not been found possible to include them in the Plan.

SHRI FARIDUL HAQ ANSARI: Is there any proposal to start a fertilizer

plant in the private sector during the Third Plan in Uttar Pradesh?

SHRI SATISH CHANDRA: A public sector plant is envisaged at Gorakh-pur.

SHRI JASWANT SINGH: Sir, the hon. Deputy Minister replied that for the Hanumangarh project, the licence is given to Shri B. L. Jalan. May 1 know whether it has been decided that the licence will be given to Shri B. L. Jalan or is it under negotiation?

SHRI SATISH CHANDRA: Yea, finally decided.

प्रधान मन्त्री सहायता कोष ग्रौर टी० बी० एसोसियेशन के सहायतार्थ नेशनल कल्चरल ब्युरो द्वारा ग्रायोजित सांस्कृतिक कार्यक्रम

\*२६४. श्री नवाबसिंह चौहान : क्या प्रधान मन्त्री यह बताने की कृपा करेंगें कि :

- (क) क्या यह सच है कि गत ३१ दिसम्बर भ्रौर १ जनवरी को नेशनल कल्चरल ब्यूरो की भ्रोर से प्रधान मंत्री-सहायता-कोष भ्रौर टी० बी० एसोसियेशन के सहायतार्थ राष्ट्रीय व्यायामशाला में एक सांस्कृतिक-कार्यक्रम ग्रायोजित किया गया था :
- (ख) यदि हां, तो क्या यह सरकार की सहमति से ग्रायोजित किया गया था ग्रीर क्या इसे मनोरंजन-कर से विमुक्त कर दिया गया था ;
- (ग) इस प्रदर्शन की ग्राय से कितना रुपया प्रधान मंत्री-सहायता-कोष तथा टी० बी० एसोसियेशन के लिये दिया गया ; ग्रीर
- (घ) यदि उपरोक्त भाग (ग) का उत्तर 'ना' हो तो संयोजकों के विरुद्ध क्या कार्यवाही की गयी है ?