

manufacture of suit cases. So, the hon. Member will understand that this is part of a condition in the Indo-German Trade Agreement.

PROF. G. RANGA: The question was different.

MR. CHAIRMAN: From which country do we import the bulk of these locks.

SHRI T. T. KRISHNAMACHARI: The present relaxation for the period January-June 1953, is only in order to fulfil the conditions in the Indo-German Trade Agreement and the quota is 10 per cent.

SHRI H. C. MATHUR: Question No. 73, Sir.

SHRI K. C. REDDY: Perhaps questions 73 and 76 may be taken together, Sir, if you agree.

MR. CHAIRMAN: .Yes, shall we take them together.

SHRI B. C. GHOSE: Yes, Sir. MR.

CHAIRMAN: Yes.

#### **PRODUCTION OUTPUT OF SULPHATE OF AMMONIA**

\*73. SHRI H. C. MATHUR: Will the Minister for PRODUCTION be pleased to state:

(a) what is the Sindri Fertiliser Factory's capacity for annual output of sulphate of ammonia; and

(b) what was the production and off-take of sulphate of ammonia during the year 1952?

THE MINISTER FOR PRODUCTION (SHRI K. C. REDDY): (a) 3,50,000 tons.

(b) The production and the off-take of ammonium sulphate at Sindri during the year 1952 were 1,72,519 tons and 1,30,614 tons respectively.

#### **ACCUMULATION OF STOCKS IN SINDRI FERTILIZER FACTORY**

\*76. SHRI B. C. GHOSE: Will the Minister for PRODUCTION be pleased to state:

(a) whether there has been any large accumulation of stocks in the Sindri Fertiliser Factory; and

(b) if so, (i) the extent of such accumulation; (ii) the reasons for such accumulation; and (iii) the measures adopted by Government to dispose of the accumulated stock and to ensure that stocks do not accumulate in future?

THE MINISTER FOR PRODUCTION (SHRI K. C. REDDY): (a) Yes.

(b) (i) The stock of ammonium sulphate at Sindri on 31st January 1953 amounted to 72,735 tons.

(ii) The accumulation of stocks is due to poor off-takes which could be attributed to several factors, such as the uncertainty prevailing at the end of last year about the future of the Central Fertilizer Pool, an anticipation of possible decline in fertilizer prices, drought in some parts of the country, fall in purchasing power in rural areas, lack of credit facilities and the crisis in the tea industry resulting in a decline in the demand for fertilizer by tea plantations.

(iii) The Ministry of Food and Agriculture who are operating the Central Fertilizer Pool are endeavouring to induce the State Governments to take larger supplies of the fertiliser for distribution to the farmers with an incentive in the shape of short-term loans. Efforts are also being made by them to popularise the use of fertilisers on a barter basis of supply of fertiliser for rice after harvest. The structure of the end-price of the fertiliser to the consumer in the States is under examination with a view to reduce the same to the extent possible. These and other steps as are likely to ease the position are under the active consideration of Government.

SHRI H. C. MATHUR: What is the system for marketing this produce?

Sfmr K. C. REDDY: I thought I had already answered that question. The system is briefly as follows. All the available fertilizer in the country and also the imported fertilizer is contributed towards what is known as the "Central Fertilizer Pool". This Central Fertilizer Pool is operated by the Ministry of Food and Agriculture. The Ministry of Food and Agriculture ascertains from the various States and other consumers as to what quantities they would require during the course of the year or for each quarter. Then they consider all the demands so made and make suitable allocations to each State and to tea plantation, coffee plantation, etc. Then the Central Ministry of Food and Agriculture passes on the indent to the Sindri Factory and says, "Please supply such and such a quantity to such and such a State, or such and such tea plantation or coffee plantation," etc. The Sindri Company then executes the indents. This in brief is the system. I may also add that once the allocations are made and the stuff is moved, the internal distribution and the arrangements incidental thereto are the responsibility of the State Governments so far as distribution in the respective States is concerned.

SHRI H. C. MATHUR: Is it a fact that this fertilizer is being forced upon the agriculturists?

SHRI K. C. REDDY: No, Sir. If it had been forced on the agriculturists, during the last three months, we would not have had this sorry spectacle of having these huge stocks about which so many questions are being asked. There is no compulsion in the matter, but every effort is made to popularise the use of fertilizer. If anything, a promotional campaign has got to be started not only by the Governments concerned, but also by the hon. Members of this House.

SHRI H. C. MATHUR: May I know whether it is a fact that the agricul-

turists who want better types of seed are forced to take fertilizer as a condition precedent to getting improved seed?

SHRI K. C. REDDY: I have no information on that point.

SHRI H. C. MATHUR: Have any concrete steps been taken by the Government to popularise the use of fertilizer among farmers?

SHRI K. C. REDDY: Yes, Sir. The State Governments through their agricultural departments are expected to do the main part of this work. I have already thrown out a hint to the hon. Members of this House also that they also might contribute towards this campaign. The multi-purpose co-operative societies also are taking some interest in the matter. And latterly a special request has been made to the community projects which are being worked in several parts of the country to intensify the use of fertilizer with a view to increasing rice production. As I said, much more remains to be done, and Government are taking active steps to intensify this promotional campaign.

SHRI H. C. MATHUR: What new factors are likely to enable the Government to market fertilizer at a cheaper rate? The other day the hon. Food Minister said that it would go down by about Rs. 50 or Rs. 60 per ton next year. What new factors are likely to enter into this which will be responsible for the lowering of the price?

SHRI K. C. REDDY: Government are aware that the gap between the pool price and the end price (to the consumer is rather on the high side. One of the items that contributes to the difference is railway freight. The railway freight is less in West Bengal, but it is very high in, for example, Madras and Bombay. In Madras and Bombay the freight is in the neighbourhood of Rs. 40 or Rs. 50 per ton. After the railway freight, there is commission to be paid to the agents, in some cases to co-operative societies, and in some

cases some firms have been entrusted with this work; particularly in North India, the I.C.I. has been entrusted with this work and in certain areas multi-purpose co-operatives have been asked to do this work, and they are being given some commission. And then there are the incidental charges— handling charges, packing charges, etc. And in some cases unfortunately the point of destination is one place and the stuff has to go to some other place and there is some amount of cross-transport. All these items go to make the gap between the pool price and the end price. Government are aware that there is scope for reduction in some of these charges, and the Central Government has asked the State Government to look into the matter carefully and tell us to what extent they can bring down the incidental charges, etc. so as to make it possible for us to supply the fertilizer at a lower price than the price at which it is being supplied now. I may also add, Sir, that we are going into the question of the pool price and the factory price with a view to seeing if there is any possibility of reducing it still further. The idea is to see, after taking into consideration all these aspects, whether we could reduce the end price to the consumer by, say, Rs. 50 per ton.

MR. CHAIRMAN: Shri Ghose.

SHRI H. C. MATHUR: Only one question, Sir.

MR. CHAIRMAN: No; Shri Ghose will continue the questions.

SHRI B. C. GHOSE: Probably I could not ask his question.

Of the 4½ -lakh tons of normal demand, which is the figure quoted by the hon. Minister in the other House, what is the proportion of off-take by Governmental agencies?

SHRI K. C. REDDY: If the hon. Member puts a separate question, I will be able to answer it. But the assumption that I said that the normal demand is 4½ lakh tons is somewhat incorrect.

That is the estimated consumption for the year 1953. We have not yet got the indents from the various State Governments and it is not possible to say here and now as to what would be the percentage which would be supplied to the various State Governments.

SHRI B. C. GHOSE: May I ask, then, what was the consumption during the last two years, 1951 and 1952, and what proportion was the off-take by Governmental agencies of that consumption?

SHRI K. C. REDDY: I have got the figures in the file, and it will take time to give them straightaway. If the hon. Member puts a separate question, I shall certainly be glad to give the fullest possible information.

SHRI B. C. GHOSE: When the Sindri Fertilizer Factory was contemplated, the scheme was planned in accordance with a certain normal demand. What was the normal demand that was taken into consideration in planning the factory scheme?

SHRI K. C. REDDY: I can give the figures somewhat approximately. In 1950 it was between 3½ and 4 lakh tons. In 1951 also it was in the neighbourhood of 4 lakh tons. In 1952 it was a little less—about 3½ lakh tons. This was the normal consumption during the last three years. So far as 1953 is concerned, according to the estimate of the Planning Commission, it is about 4½ lakh tons.

SHRI B. C. GHOSE: Can the hon. Minister give some information about what proportion of that consumption is the off-take by the Governmental agencies? Has he any figures of that?

SHRI K. C. REDDY: As I said, I could not give the figures here and now, but I may say that tea plantations take to the extent of about 60,000 or 70,000 tons, and coffee plantations to the extent of 10,000 or 20,000 tons; and the rest is consumed mostly by agriculturists in the various States.

SHRI B. C. GHOSE: May I know whether Government have any plan

for an extension of the Sindri Fertilizer plant still further?

SHRI K. C. REDDY: That raises, I submit a different question altogether. But I may inform the hon. Member that the Sindri Fertilizer and Chemicals, Ltd., have a proposal actively under consideration for the manufacture of urea or ammonium nitrate out of the gases that will be thrown out by the coke oven plant. The establishment, of the coke oven plant has been sanctioned and work has started and it will be completed in about two years. A technical mission has gone out already from this country consisting of three or four people, one of them representing the T.C.A. They have gone out to study the processes in various countries on the Continent and the U.S.A. They will study the various processes and recommend to Government what process can be adopted advantageously in this country. We are expecting a report in about six weeks' time. That is one of the new fertilizer schemes which the Sindri Fertilizers and Chemicals, Ltd. proposes to implement.

SHRI B. C. GHOSE: Have the Government estimated the demand for these new fertilisers that are going to be produced?

SHRI K. C. REDDY: All that will be done. What we are doing now is investigation. I may tell for the information of the hon. Member that the Planning Commission has gone into this question very carefully. In fact, in one place they estimated that the requirements of fertilisers for our country will ultimately be in the neighbourhood of two million tons. They estimated that the barest minimum demand of the country will be going up to 6 lakh tons by 1955-56.

SHRI H. D. RAJAH: In view of this huge surplus lying with the factory, will the Government consider the desirability of supplying fertilisers free to the poor peasants?

MR. CHAIRMAN: That is a suggestion for action.

SHRI RAJAGOPAL NAIDU: Is ammonium sulphate still being imported from Belgium etc.?

SHRI K. C. REDDY: We have got an agreement with the T.C.A. Under that agreement T.C.A. gives us some fertilisers free. We had been getting fertilizers free during the last two or three years and this year also according to that agreement, we have to get about a lakh of tons of fertilisers. We do not know from what countries the T.C.A. will import ammonium sulphate, but recently they imported about 25,000 tons or 26,000 tons from Japan and the rest 75,000 tons is expected to be imported through the T.C.A. and I cannot, I am afraid, give the information whether that is to come from Belgium or any other country.

SHRI RAJAGOPAL NAIDU: Could not this stuff, that is imported, be pooled with the sulphate that is manufactured by the Sindri Fertiliser Factory and sold at a cheaper rate to the consumers?

SHRI K. C. REDDY: That is exactly what is being done.

#### SHIFTING OF GOVERNMENT OFFICES FROM DELHI

\*74. SHRI H. C. MATHUR: Will the Minister for WORKS, HOUSING AND SUPPLY be pleased to state whether it is proposed to shift Government offices from Delhi to various convenient places in the country; and if so, what steps have been taken in that direction?

THE MINISTER FOR WORKS, HOUSING AND SUPPLY (SARDAR SWARAN SINGH): Yes. The accommodation available at various stations has been surveyed and the question as to which offices should be shifted is being examined. Arrangements for shifting the offices of the Salt Commissioner and Directorate of Marketing and Inspection, which have already been selected for move, are being made. The office of the Narcotics Commissioner has already been shifted to Simla.