

use of urea will considerably come down or other fertilisers will be used to enhance production.

SHRI MAHESH PODDAR: Sir, it is obvious from the reply of the hon. Minister that the supply of urea after neem coating has increased tremendously and misuse has been stopped. Sir, I would like to know if there has been any study as to what is the positive effect of adding neem to the urea and if more coating of neem will be more effective to the farmer.

RAO INDERJIT SINGH: I don't know if there is any study that has taken place, but it must have taken place when one says that earlier, without coating urea was 50 kg. per bag and now it has become 45 kg. per bag. The reason why it has been reduced from 50 kg. to 45 kg. is that 45 kg. bag contains *neem*-coated urea and it is giving as much, if not more, sustenance to the crops as non-coated urea.

Revival of FACT, Kochi

*186.SHRI ELAMARAM KAREEM: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the steps Government has taken to revive the Fertilizers and Chemicals Travancore Limited (FACT), Kochi, a major fertilizer manufacturing company in the public sector;

(b) whether Government has received any representation from the Government of Kerala, requesting to save the ailing FACT; and

(c) whether Government would take necessary action to keep the FACT running in public sector?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (RAO INDERJIT SINGH): (a) to (c) A Statement is laid on the Table of the House.

Statement

As and when required, necessary financial support has been given by Government of India to keep FACT operational. Year-wise details of the same are as under:

2001-02

Financial relief package on the OECF loan obtained by the company for its Ammonia Project at Udyogamandal as under:

- (i) Waiver of outstanding interest amounting to ₹ 226.88 crore for the period from 1998-99 to 2001-02.
- (ii) Moratorium on principal repayment upto 31.03.2002 on the balance loan amounting to ₹ 378.20 crore.
- (iii) Waiving levy of penal interest on past defaults in repayment of principal due and interest accrued and due upto 31.03.2002.

2002-03

Financial reliefs sanctioned *vide* order No.14012/8/2002-FP dated 31.10.2003.

- (i) Waiver of outstanding interest of ₹ 87.80 crore on GOI loans of ₹ 497.20 crore as on 31.03.2003 along with waiver of penal interest for past defaults upto 31.03.2003.
- (ii) Moratorium on repayment of principal on GOI loans as on 31.3.2003 amounting to ₹ 497.20 crore upto 31.3.2004 to be repaid in 10 equal annual instalments from 2004-05 onwards.
- (iii) Reduction in interest rates on GOI loans of FACT as on 31.3.2003 to 7% with effect from 1.4.2003 from the existing rate of 13.50%-16.00%.
- (iv) Deferment of interest payment on outstanding GOI loans as on 31.3.2003 upto 31.3.2004. The deferred interest shall be converted into loan on 31.3.2004 and repaid along with outstanding principal as in (ii) above.

2005-06

Financial relief package sanctioned by Government of India *vide* letter NO.19047/3/2006-FCA-II dated 28.9.2006 based on BRPSE recommendations as follows:

- (i) Waiver of outstanding interest as on 31.3.2005 amounting to ₹ 85.77 crore.
- (ii) Conversion of 50% of the outstanding GOI loan of ₹ 584.60 crore as on 31.3.2005 (*ie.* ₹ 292.30 crore into equity capital).
- (iii) Write off of the non-plan loan of ₹ 60 crore given for voluntary retirement scheme.

- (iv) Write off of balance outstanding GOI loan of ₹ 232.30 crore as on 31.3.2005.

2007-08

During the year Government of India had released a grant in aid of ₹ 200 crore to sustain the operations of the company and help restart the shutdown plants.

2015-16

To avert immediate financial crisis in FACT, a Plan Loan amounting ₹ 1000 crore was sanctioned.

Further, facilities of priority payment and comfort letters etc. are also extended as and when felt necessary. Department of Fertilizers has also accorded approval for sale of unutilized surplus land of FACT to Bharat Petroleum Corporation Ltd (BPCL).

Government of Kerala has also accorded approval for negotiated purchase of unutilized surplus land belonging to FACT by Government of Kerala.

Recently, FACT has also approached Government of India with a financial restructuring proposal which includes waiver of outstanding loan and interest thereon, one-time compensation for the use of high cost LNG and approval for sale of land. Inter-Ministerial consultations are ongoing and the proposal is under finalisation.

SHRI ELAMARAM KAREEM: Sir, in reply to my question, the hon. Minister has stated about the steps taken by the Government to protect the FACT. But, Sir, the crisis still remains as it was. At this juncture, I would like to know this from the hon. Minister. Recently, the FACT has submitted a financial restructuring package for the approval of the Government. Now, the delay in approval will deepen the crisis. So, would the Government take immediate steps to approve that proposal?

MR. CHAIRMAN: We discussed it in the Zero Hour yesterday and now again there is a Question also! Okay.

RAO INDERJIT SINGH: Sir, this is a very old fertilizer unit and, over the years, the Government has been taking some measures to ensure that it continues with the production. The latest proposal that has been received by the Government of India, is only

of recent occurrence. And, the issues that have been put forward by the Fact management is that the sale of 481.79 acres of land to the Government of Kerala, that has already been sanctioned. And, they are going to gain ₹ 1,391 crores out of this sale. The second is the transfer of 169 acres of land by sale to BPCL. That has already been approved and they are going to get ₹ 420 crores out of this deal. Further, they have asked for writing off of outstanding Government loans, grant of a one time compensation of ₹ 140 crores for the use of high-cost LNG to test the LNG facilities, waiver of consequent tax liability etc. So, the three things which are still left in the pipeline are under active consideration of the Government. We want this plant to be revived to the fullest extent. We are taking it up on a priority manner and I think, soon, a decision favourable to FACT will come-into being.

SHRI ELAMARAM KAREEM: I appreciate your reply. In this crisis period, the top management posts are kept vacant. There is no CMD, Director (Finance), and Director (Technical). These posts are all vacant. Many employees...

MR. CHAIRMAN: Right. What is your question?

SHRI ELAMARAM KAREEM: I would like to ask from the hon. Minister whether these posts would be filled at the earliest.

डा. चन्द्रपाल सिंह यादव: माननीय सभापति जी, मैं आपके माध्यम से मंत्री जी के ध्यान में लाना चाहता हूँ कि अभी FACT के revival की बात हो रही है, लेकिन देश में बहुत सी कंपनियाँ ऐसी हैं, जो यूरिया का उत्पादन करती हैं, परंतु आज वे बन्द होने के कगार पर हैं। हम सब जानते हैं कि यूरिया पैदा करने वाली कंपनियों का profit और loss सरकार की जो उर्वरक की नीति होती है, उस पर depend करता है और उसी के कारण उनका profit और loss होता है। मैं माननीय मंत्री जी से जानना चाहता हूँ कि मौजूदा यूरिया नीति के कारण यूरिया के जो कारखाने बंद हो रहे हैं, उन्हें देखते हुए, क्या सरकार अपनी नीति में परिवर्तन करने पर विचार कर रही है?

राव इन्द्रजीत सिंह: सभापति महोदय, मैं माननीय सदस्य के ध्यान में लाना चाहता हूँ कि यूरिया की नीति की वजह से कंपनियाँ बंद हो रही हैं। यह एक बड़ा विशाल मामला है और कई चीजें इसके अंदर होती हैं, तब जाकर कोई कंपनी red में चली जाती है। कुल मिलाकर Public Sector की लगभग 45 बड़ी कंपनियाँ हैं, जो fertilizer produce करती हैं और लगभग 105 छोटी संस्थाएँ हैं, जो fertilizer produce करती हैं। आजकल भारत सरकार की तरफ से जो major ध्यान दिया जा रहा है, वह उन बड़ी कंपनियों पर दिया जा रहा है, जो Public Sector के अंदर हैं। उनमें से पांच ऐसी बड़ी कंपनियाँ हैं, जिन्हें भारत सरकार की ओर से दुबारा चालू कराने का प्रयास किया जा रहा है और जल्दी ही

उसके ऊपर अमल हो जाएगा। उनमें से एक बड़ी कंपनी तो ऐसी है, जो वर्ष 2018 में ही चालू हो जाएगी। चार कंपनियां ऐसी हैं, जो 2011 तक चलने की संभावना में आ जाएंगी। यह एक continuous process है।

श्री सभापति: इसमें गोरखपुर, सिंदरी, रामागुंडम, ये सब हैं?

राव इन्द्रजीत सिंह: इसमें ये सब हैं?

डा. चन्द्रपाल सिंह यादव: सर, वह तो पहले बंद हो रहा है।

श्री सभापति: वह तो प्राइवेट वाला है।

राव इन्द्रजीत सिंह: मैं बता देता हूं। ...**(व्यवधान)**...

श्री सभापति: चन्द्रपाल सिंह जी, अगर हम लोग इस पर ज्यादा चर्चा करें, तो इसमें एक secret है, मैं वह secret बताऊं। Companies manufacture करती है, subsidy कंपनी में जाती है। अभी इसमें ऐसा हुआ कि जब neem-coating शुरू हुई, तो वह chemical company के उपयोग में नहीं आएगी। इसलिए automatically उन्होंने production कम कर दिया। पहले वे ही produce करती थीं। हम लोग जो पैसा देते थे, वह सीधे किसान को नहीं पहुंचता था, क्योंकि किसान के पास एकाउंट नहीं था। ...**(व्यवधान)**... आप बैठ जाइए। ...**(व्यवधान)**... मुझे मालूम है, आप बैठ जाइए। ...**(व्यवधान)**... Dr. Chandrapal Singh Yadav, please sit down. ...**(Interruptions)**... This is not the way. ...**(Interruptions)**... If you want to support the companies, that is a different matter. ...**(Interruptions)**...

डा. चन्द्रपाल सिंह यादव: *

श्री रवि शंकर प्रसाद: सर, यह expunge किया जाए, यह बिल्कुल गलत है। It is very unfair. आप इसको withdraw कीजिए। ...**(व्यवधान)**...

MR. CHAIRMAN: Yes. Now, we go to Question No. 187. ...**(Interruptions)**... आप यह विषय छोड़ दीजिए। ...**(व्यवधान)**... प्लीज़, आप छोड़ दीजिए। मैंने किसान के लिए facilitate किया। ...**(व्यवधान)**...

श्री सुरेन्द्र सिंह नागर: *

श्री सभापति: ये दोनों रिकॉर्ड पर नहीं जाएंगे, आप चिन्ता मत कीजिए। ...**(व्यवधान)**... हमने किसान के हित में सोचा कि जो fact है, वह देश के सामने आना चाहिए। अगर कंपनी को protect करना है, तो अलग बात है। Now, Question No. 187 ...**(Interruptions)**...