

was the only supplier of 7,50,000 DWT buoys of latest technology in the world ?

THE MINISTER OF ENERGY (SHRI P. SHIV SHANKAR) : (a) No, Sir.

(b) The purpose of the visit of the team was to assess the change out operations under self-installation proceeding of the buoys and, therefore, the team visited Tanzania and UK/Holland.

(c) From the supply list of M/s. SOFEC Inc., it is observed that M/s. SOFEC, Inc., had supplied Single Anchor Leg Mooring System (SALM) suitable for 7,50,000 DWT tankers and not for CALM Type system as required by the Indian Oil Corporation.

**मैसर्स हिन्दुस्तान डेवलपमेंट कारपोरेशन द्वारा सीरे पर आधारित उद्योग की स्थापना**

10473. श्री कृष्ण चन्द्र पाण्डे : क्या रसायन और उर्वरक मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि मैसर्स हिन्दुस्तान डेवलपमेंट कारपोरेशन ने खलीलाबाद, जिला बस्ती, उत्तर प्रदेश ने सीरे पर आधारित उद्योग को स्थापित करने के लिए एक आवेदन पत्र प्रस्तुत किया है ;

(ख) क्या यह भी सच है कि बस्ती जिला औद्योगिक रूप से पिछड़े क्षेत्रों की श्रेणी "ख" के अन्तर्गत आता है ;

(ग) यदि हाँ, तो आवेदन पत्र पर क्या कार्यवाही की गई है ;

(घ) यदि कोई कार्यवाही नहीं की गई है तो उसके क्या कारण हैं ?

**रसायन और उर्वरक मंत्रालय में राज्य मंत्री (श्री राम चन्द्र राय) :** (क) मैसर्स हिन्दुस्तान डेवलपमेंट कारपोरेशन ने जिला बस्ती उत्तर प्रदेश में स्थापित होने वाली अपनी परियोजना में इथिलीन ग्लाइमोल के उत्पादन के लिए आवेदन पत्र दिया है।

(ख) जी, हाँ।

(ग) आवेदन पत्र को प्रत्यक्षतः इस आधार पर रद्द कर दिया गया था कि प्रस्तावित परियोजना के लिए कच्चे माल के रूप में अपेक्षित सीरे की उपलब्धता राज्य सरकार द्वारा प्रमाणित नहीं की गई है। तथापि इस मामले में अभी अन्तिम निर्णय लेना बाकी है।

(घ) प्रश्न नहीं उठता।

**Increase in Price of Industrial Alcohol by Maharashtra Government**

10474. SHRI RAMKRISHNA MORE : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) whether it is a fact that Maharashtra Government have increased the price of industrial alcohol without consulting the Central Government ; and

(b) if so, Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI R.C. RATH) : (a) The Government of Maharashtra have informed that they have not increased the price of industrial alcohol.

(b) Does not arise.

**Thal Vaishet Fertilizer Project**

10475. SHRI RATANSINH RAJDA : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) whether it is a fact that the cost estimates of the public sector Thal Vaishet Fertilizer Project have shot up from Rs. 511.34 crores to a staggering Rs. 919 crores due to delays ; and

(b) the steps, if any, adopted for earliest commissioning of the project ?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASANT SATHE) :

(a) The original cost estimates of Rs. 511.3 crores for the Thal Project were based

on mid 1978 prices, on a urea capacity of 4200 tonnes/day and facilities for generation of 25 MWs of power only. As it turned out, the actual costs at the time of start of the project were considerably higher and the difference in costs on this account alone were of the order of Rs. 125 crores. During the scheduled time for completion of the plant, there was price escalation amounting to Rs. 40 crores. It was later decided to increase the urea capacity to 4500 tonnes/day, and increase the capacity of the boiler and T.G. sets, provision of more elaborate pollution control measures, and some new items introduced which resulted in an increased expenditure of Rs. 42.2 crores. The original estimates were based on the ICB procedure, though ultimately it was decided to follow the global tendering procedure for the Thal Project. The global tendering procedure allows a much higher price preference to the indigenous manufacturers and the impact of this change in the procurement procedure resulted in additional costs of Rs. 31.3 crores. During this period, there were also changes in the rates of duties and taxes which resulted in additional expenditure of around Rs. 51 crores and changes in the exchange rate parities which resulted in additional costs of Rs. 22 crores. The difference between the original cost estimates of Rs. 511.3 crores and the revised cost estimates of Rs. 919 crores is attributed to factors as mentioned above.

(b) All possible steps are being taken in order to ensure that the project is commissioned at the earliest. RCF is keeping close liaison with the equipment suppliers in order to expedite delivery of all critical equipment. The progress of the project is periodically reviewed at the Ministry to assess the progress made and the difficulties being faced by the project authorities and necessary action is taken to ensure early commissioning of the project.

**Abbott Laboratories (India) Limited**

**10476. PROF. MADHU DANDAVATE :**  
Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state :

(a) whether it is a fact that according to

the Articles of Association of Abbott Laboratories (India) Ltd., legal provision has been made to ensure that out of nine Directors, five will be from multi-nationals with the Chairman having a casting vote ;

(b) if so, whether this has been achieved by providing that one-third of the Directors will be nominated by 'Abbotts' and out of the remaining six Directors, two will be elected by a system of proportional representation on the voting strength of the multi-nationals concerned thereby ensuring a representation of five for the Multi-nationals on a nine member Board of Directors ; and

(c) if so, the steps Government propose to prevent such a back-door control by the multi-nationals ?

**THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI JAGANNATH KAUSHAL) :** (a) and (b). The Articles of Association of the company provide that M/s. Abbott Laboratories, USA, so long as they hold not less than 25% of the equity, can appoint one-third of the total number of Directors. The other Directors of the company, as per the said Articles, are to be appointed once in three years in accordance with the principle of proportional representation. Further, M/s. Abbott Laboratories, USA, are entitled to appoint one of the Directors as Chairman of the company who, in case of an equality of the votes in the Board, has a second or a casting vote. As on 17.5.83 there were seven Directors of whom three are Americans and one Pakistani. The remaining three, including the Chairman and Managing Director are Indian.

(c) The said provisions of the Articles of Association of the company relating to the appointment of one-third of the total number of Directors by Abbott Laboratories, USA and the remaining two-third in accordance with the principle of proportional representation as also the provision relating to the casting vote by the Chairman, do not violate the provisions of the Companies Act, 1956.