

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:835
ANSWERED ON:27.07.2000
LEASING OUT OF PLANTS
SADASHIVRAO DADOBA MANDLIK

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the Government propose to lease out all the public sector plants under the Ministry of Chemicals & Fertilizers;
- (b) if so, the reasons therefor; and
- (c) the offers received in this regard alongwith the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS)

(a): No, Sir. However, the Government has permitted leasing out of only the Saladipura unit of Pyrites, Phosphates & Chemicals Ltd.(PPCL).

(b) & (c): PPCL had sought approval of Government to the proposal of the Indian Potash Limited (IPL), for taking Saladipura Unit on wet lease, which had the approval of the Board of Directors of PPCL. The operations of the Unit have been under suspension since May, 1999 and the unit, along with other units of PPCL, is under preservation where standing charges including salary and wages to the workers are being provided through Non-Plan assistance by the Government of India. On receipt of the proposal and after due examination thereof, the Government have granted permission to PPCL for giving management control of Saladipura unit to IPL on a temporary wet lease basis. It is only an interim measure initially for a period of one year keeping in mind that the unit will thus resume production of Single Super Phosphate under this arrangement which will also lead to reduction in outgo by way of budgetary support to PPCL. The sanction accorded by the Government, however, could not be implemented as, in the meanwhile, PPCL was declared as a sick company under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 by the Board for Industrial and Financial Reconstruction (BIFR). PPCL has since requested BIFR to accord permission to implement the above proposal.