

18.07 hrs.

HALF-AN-HOUR DISCUSSION
PRODUCTION AND IMPORT OF FERTILIZERS

MR. CHAIRMAN: Mr. Samar Guha, this is a Half-an-Hour Discussion. Let us keep it really as a half-an-hour discussion. There are four Members who have to put questions also. So you may kindly cooperate and take about 5 to 10 minutes. Then, other Members will put questions and the Minister is also to reply. How will you break up the half-an-hour discussion?

SHRI SAMAR GUHA (Contai): At least the mover of the Half-an-Hour Discussion gets 15 minutes. Then, 2 to 3 minutes each to other Members. They have to ask only questions.

MR. CHAIRMAN: You have also to raise the question according to rules. Anyhow, I will give you 10 minutes.

SHRI SAMAR GUHA: Sir, the Ministry of Petroleum and Chemicals is facing today the most challenging task before the country. I think, no other Ministry is facing that task. Problems of oil and fertiliser are inter-linked. The situation is more serious for the reason that the stock in the international market is dwindling. The price of fertiliser has shot up two to three times. If you want to have it, you are not able to get it from the international market. Unless this Ministry meets this challenge mass starvation in the near future and mass starvation in the near future and for consequential political crisis developing after that.

I am sorry to say how the senior Minister was dealing with the F.C.I. It was a trickery to drive out one very efficient chemist from F.C.I. The Minister was busy with Orissa elections to get political laurels. I want both the senior and the junior Ministers to see that their time, att-

ention and energy are devoted as much as possible, almost exclusively to solve the problems of oil and fertiliser facing the country. They can at least solve the problem of fertiliser to a certain extent if they make a determined effort. What is the position of fertiliser production in our country? I will give the figures. West Germany, France and Japan are very small countries compared to India. Even though USA and USSR are big countries, their agricultural population is much less than in India; therefore, in terms of agricultural population, they are also not comparable to the immensity of the problem facing India. Nevertheless, let us see what was the fertiliser production in those countries and in our country, in 1969-70; West Germany 31 lakh metric tonnes, France 42 lakh metric tonnes, Japan 23 lakh metric tonnes, USA 145 lakh metric tonnes, USSR 80 lakh metric tonnes, and India only 20 lakh metric tonnes. We do not produce have to purchase potassium-containing fertiliser from outside.

Now, this is the tragic situation of production in our country. In 1972-73 the installed capacity for fertiliser production could be utilised by the public sector plant only to the extent of 55.9 per cent and by the private sector to the extent of 61.2 per cent. There is a big imbalance also between our indigenous production and the import. I shall give the figures. In 1972-73 the indigenous production was 13.20 lakh metric tonnes and the import was 33.61 lakh metric tonnes, the gap being 20.41 lakh metric tonnes. In 1973-74 the indigenous production was 17 lakh metric tonnes and the import was 22.30 lakh metric tonnes, the gap being 5.30 lakh metric tonnes. In 1974-75 the estimates are 22.85 lakh metric tonnes of indigenous production and 22 lakh metric tonnes of import, the gap being 0.85 lakh metric tonnes. Due to the abnormal rise in the price of fertilisers outside and non-availability of fertilisers in international market, I am afraid that our estimate of consump-

tion may not be fulfilled even to the extent of half of the targeted amount.

Now I shall quote from the report of the Estimates Committee. I do not think any greater strictures and adverse comments have been passed on any other Ministry as have been passed by the Estimates Committee on the Ministry of Petroleum and Chemicals—there are strictures page-to-page and point-to-point. This is what the Estimates Committee have observed in their 40th Report on page 132:

"They are also surprised at the leisurely manner in which the public sector projects were identified and finalised even though the Fourth Plan envisaged their implementation with the Plan period. They also feel that the capital intensive long gestation and low profitable nature of the fertilizer industry was a sufficient warning for the Government that the private sector may not have an impressive role to play in this field yet Government had not taken up in advance preparation for a maximum effort in the public sector to achieve the targetted capacity.

I want to know from the Government whether all the recommendations that have been made whether all the criticism analysis and assessment that have been made, in the 4th Report of the Estimates Committee have been carefully gone through by them, and if they have carefully gone through them, I want to know what are the steps that they have taken for implementation of the recommendations of the Estimates Committee. I will enumerate, in nutshell, the reasons for the failure of the Ministry of Petroleum and

Chemicals to reach the production target: (i) the leisurely and slovenly attitude of Ministry towards the problem of fertiliser production; (ii) frequent shift in policy, pattern and target of production; (iii) delay in clearing licences and releasing foreign exchange for the approved projects; (iv) failure to assess in time non-availability of fertiliser import and world food shortage; (v) failure to take decision in time on the national imperative of switching over to coal-based projects; and (vi) failure to generate a sense of urgency in working out the projects:—

(vii) Failure to realise in time that capital-intensive projects like fertiliser with low profit potential and long gestation period should be handled by the public sector; (viii) Failure to accelerate exploitation of the Rajasthan Phosphate resources; (ix) Failure to take effective measures for utilising installed capacities of the plants under operation; (x) Failure to develop technology to use fully Assam and Gujarat natural gases, largely wasted for flaring; (xi) Failure to allocate greater amount of financial resources for fertiliser production; (xii) Delay in setting up a separate Petro-Chemical Ministry.

You know, Sir, this portfolio was mixed up with other Ministries.

(xiii) Failure to introduce incentive schemes to create a competitive spirit among the fertiliser producing projects; (xiv) Failure to expedite the import of necessary expertise.

And lastly,

(xv) Failure to set up a high-power task force for co-ordination, supervision and evaluation of the progress of construction of new plants and production of existing ones.

[Shri Samar Guha]

How to meet the problem? How to meet the fertilizers crisis? I want to know. These are main charges that have been brought about in the Estimates Committee's report, I want to know from the hon. Minister as to how they going to tackle the problem? There I would say that a long term measure can be to accelerate the construction of the new plants and also to see that the installed capacity of the plants in operation is fully utilised. Lastly, how to develop the organic manure.

About the long-term measures, what is the observation of the Estimates Committee;

"The targets of the capacity and production projected for inclusion in the Fifth Plan are too ambitious as they envisage a five-fold increase in the achievement made in the Fourth Plan they feel."

They feel

"Such a massive programme is impossible of attainment except on the basis of a crash programme to be earnestly implemented."

I want to know from the Government what steps they are taking. Will they undertake it as a crash programme measure? If they undertake it as a crash programme measure, what are the policies? What are the principles? What are the mechanics and steps they have undertaken?

I would draw your attention to one important point. You know Bangla Desh has a surplus of natural gas. The Japanese is taking keen interest in it and they are almost going to finalise a joint sector project for production of fertiliser in Bangla Desh. Our Gov-

ernment is also trying in their usual lethargic method. The Government should make a serious effort and enter into a dialogue and negotiations with friendly Bangla Desh for the mutual benefit of both the countries so that a joint fertilizer sector can be set up in Bangla Desh.

About the plants under construction and operation, the question is: how they can be accelerated. They can accelerate the construction of the Barauni and the Namrup plants. If they can be completed in a shorter period than is expected, then we can meet some of our requirements.

I want to draw your attention to a very serious and constructive suggestion made by the Estimates Committee. They say:

"We would like the Government to analyse, in detail, the reasons for which each of the plants in the public sector has not been able to achieve production according to its full-rated capacity and to take concerted measures to achieve it by a date to be specified in this behalf. The Committee need hardly stress that in carrying out the analysis and the follow-up action, the best technical talent in the country should be utilised. The Committee would also suggest that the performance of each of these plants should be reviewed at a high level in the Government at least once in every quarter...."

MR. CHAIRMAN: All this is supposed to be known to the Government. The hon. Member may just say that this is the report and these are my suggestions. Why are you reading what is reported in the report? This is unnecessarily wasting your time and we are losing time. The report is supposed to be known to the Government. You please ask questions on the basis of that and that will save your time also.

SHRI SAMAR GUHA: I want to know from the Government what steps are taking about these recommendations and the observations of the Estimates Committee.

About the full utilisation of the installed capacity I want to know whether they are going to introduce any sort of incentive scheme like the incentive bonus if need be by giving excise rebate, if need be by giving promotion to the best who will be able to fulfil the targets of installed capacity. The Government have talked a lot about organic manure. But no action has been taken. Organic manure is less costly. It can be made available quickly and it can be manufactured easily. You can have the participation of the people with such projects also. I think the House will remember that Gandhiji tried to stress the importance of compost manure. Even in our pre-independence days he was talking about compost manure. But our Government has done nothing. I know qualitatively it is less effective than nitrogenous fertiliser, potash fertiliser or phosphatic fertiliser. But in view of the big gap between the import and the national requirement some serious efforts should be made by the Government to get engaged in the production of organic manure in the form of night soil, city-waste, garbage and sewage. The people also should be trained to use organic manure.

I wish also to state that Government should have a massive programme and that they should set up an institute with sub-divisions for each such job. They should train people how to use and develop organic manure. Government must undertake production and use of organic manure in the rural areas and in the urban areas. I want to know what steps they have taken or they are going to take. The immediate need is to set up a task-force having personnel from the Ministries of Petro-Chemicals, Railways, Ministry of Agriculture and Power, Mines, Industrial Development

and Finance. The task force should be sub-divided into four sub-committees to look after the difficulties and constraints facing the progress in respect of the following:

- (i) Long-term projects;
- (ii) Projects under construction and projects to be taken up;
- (iii) utilisation of installed capacities of the plants under operation; and
- (iv) organic manure programme.

I want to know the steps which the Government are going to take in this regard. This task-force has to take stock every month so that we may be able to move in the right direction.

SHRI JYOTIRMOY BOSU (Diamond Harbour): Sir, Certain facts which have been brought out by the Food and Agriculture Organisation really alarms me. We are the poorest country in the world; our per capita income is the lowest, our G.N.P. is the lowest, our tillers and our consumers are at the bottom of the world.

But, why in the fertiliser, there is an exception that we are almost the poorest in the world? I have got the compilation from the FAO Production Year Book, 1971. Take for example ammonium sulphate. Its price in rupees per tonne nutrient is as follows:

India	Rs. 2,665.
Ceylon	Rs. 1,583
Belgium	Rs. 1,793
Australia	Rs. 1,688.
Newzealand	Rs. 1,793.

Now I come to another item—ammonium nitrate. There are no figures available for India. For Calcium Nitrate, the figures are as follows:

India	Rs. 2,280
U.K.	Rs. 1,245

(Shri Jyotirmoy Bosu)

Why is it so?

I come to urea—very vital for India. The figures are as follows:—

India	Rs. 2,085
U.S.A.	Rs. 1,470
Ceylon	Rs. 1,185
China (Taiwan)	Rs. 1,808
Australia	Rs. 1,418
Morocco	Rs. 1,425

You may go in for any other item—sulphate potash and Muriate of potash. For every item why is it that the country has to pay a lot more in spite of the facts I have mentioned. I am very sorry I have to repeat it. We are the poorest people and we should buy them at less and the consumers can buy them at lesser price. In spite of that, why is it like this here? I shall tell you why it is so. It is because....

MR. CHAIRMAN: Are you going to answer the question?

SHRI JYOTIRMOY BOSU: I do not want to carry coal to New Castle when you are now in charge of the House. The question is: Is it not due to the fact that you have completely surrendered to the monopolists capitalists? (foreign as well as Indian capitalists). They have made a policy statement that three-fourth of the fertiliser production will be in the public sector. What have they done? What about Shri Tata? What about Shri Birla—in Goa? I have got some figures. Look at the volume of profits that the private sectors make. Take Gujarat State Fertilizer Company Ltd., Their net profit for the year ending 31st March, 1973 after providing for development rebate reserve was Rs. 807.77 lakhs profit alone is Rs. 374.61 lakhs, Coromandel Fertilizer Ltd., earned a profit, for the year ending 31st December, 1972 after taxation, of Rs. 455 lakhs; the Indian Explosives Ltd., a

completely British-monopoly company earned a profit, for the year ending 30th September 1973 after providing taxation, of Rs. 286.91 lakhs. Can you imagine that? Delhi Cloth Mills Co. Ltd. for the year ending 30th June, 1973 earned a profit of Rs. 187.36 lakhs after providing for taxation and development rebate. I do not wish to say very much more. I would like this Government to tell this House clearly and categorically why is it that they have not been able to get the fertilisers at a cheap price here and they have been allowed to make so much money at the hands of the starving consumer in this country and exploiting the tillers? I have told you that they cannot do it because they are completely for monopolists, by the monopolists and to the monopolists.

*SHRI S. A. MURUGANANTHAM (Tirunelveli): Mr. Chairman, Sir, in reply to the Question under discussion, the hon. Minister of Petroleum and Chemicals has stated that for both Kharif and Rabi crop of 1974-75 the requirement of fertilisers is: Nitrogen—29.70 lakh tonnes; Phosphate 9.40 lakh tonnes; Potassic 5.16 lakh tonnes; the total requirement comes to 44.26 lakh tonnes. On the basis of requirement for 1974-75, the first year of the 5th Five Year Plan, the requirement for the entire Fifth Five Year Plan comes to 221.30 lakh tonnes. In fact, in order not only to sustain the present rate of agricultural production but also to augment it substantially, the requirement of fertilisers would be even higher than this. But, in the 5th Plan document says that only 200 lakh tonnes of fertilisers would be the requirement during this period. I would like to know on what basis the requirement of the 5th Plan has been worked out.

According to the statistics of the Planning Commission, the productive capacity in 1973-74 of nitrogen was 22.84 lakh tonnes and the actual pro-

*The original speech was delivered

in Tamil.

duction was 11.62 lakh tonnes. The productive capacity of phosphate in 1973-74 was 5.80 lakh tonnes and the actual production was only 3.50 lakh tonnes. From this it is clear that only 50 per cent of the installed productive capacity is utilised for actual production. On the basis of production for 1973-74, i.e., 15.12 lakh tonnes, in 1974-75 the Government will have to import not less than 23.98 lakh tonnes of nitrogenous and phosphatic fertilisers to meet the total requirement of 39.10 lakh tonnes of nitrogenous and phosphatic fertilisers. I would like to know from which countries and at what rates the Government would be importing this huge quantity, especially when there is worldwide shortage of fertilisers. I would also like to know whether the Government will have sufficient foreign exchange resources to import the entire quantity.

From 1966-1973 36 industrial licences have been given to monopoly industrialists for setting up fertiliser units. It is really regrettable that in spite of this the production is just 50 per cent of the installed capacity. I would like to know from the Government the steps taken to increase the production substantially.

On March 18 last the hon. Minister, Shri D. K. Barua stated that a Fertiliser Holding Company would be set up. I would like to know at what stage this proposal is now before the Government.

The work of setting up the Southern Petro-Chemical Complex at Tuticorin in my constituency is nearing completion. This is being set up in collaboration with a Japanese firm. I would like to know from the hon. Minister whether he would ensure timely and adequate supply of raw materials like naphtha to this new unit so that there will be uninterrupted production of fertilisers, to meet the increasing demand in the country.

Sir, this unit proposes to set up another factory at Cuddalore with the

assistance of Tamil Nadu Government. This State Government of Tamil Nadu has approached the Central Government for sanctioning this fertiliser unit at Cuddalore. I would like to know from the Minister the reasons for the inordinate delay in sanctioning this unit at Cuddalore, when the cry of the hour is more and more fertiliser production within the country, and when the sanction letter would be issued to this project.

श्री चन्द्रिका प्रसाद (बलिया): मंत्री महोदय ने अपने उत्तर में कहा है कि देश भार में फर्टीलाइजर प्लाट लगेंगे। मैं जानना चाहता हूँ कि कितने लगने वाले हैं और विशेष कर बैकवर्ड एरियाज में कितने लगेंगे। क्या उत्तर प्रदेश के पूरब भागों में विशेषकर बलिया, भाजमगढ़ और गाजीपुर में भी कोई कारखाना लगाने का प्रश्न आपके सामने है या नहीं है ?

फर्टीलाइजर प्लाट को जो बैकवर्ड एरिया में लगे हैं उनका खाद उस एरिया के लोगों को नहीं मिलता है। मैं जानना चाहता हूँ कि उस का कुछ परसेंट आप उस एरिया के लिए पत्र करके ताकि वहाँ 'हरित क्रांति' के विकास के कामों में कोई बाधा न पड़े ?

वितरण की जो प्रणाली है वह बहुत दोषपूर्ण है और प्रदेश सरकार फेल हो गई है। फर्टीलाइजर का जो बोरा जो सो रुपये का है वह 250 रुपये और 300 रुपये में बिकता है। लोगों का यह विश्वास है कि फर्टीलाइजर की कमी नहीं लेकिन इंतजाम इसका खराब है। मैं जानना चाहता हूँ कि वितरण व्यवस्था क्या भारत सरकार अपने हाथ में लेगी या कोई रास्ता निकालेगी ताकि किसानों को यह ठीक तथा उचित दामों पर समय पर मिल सके ?

SHRI C. K. CHANDRAPPA (Tellicherry): Sir, it has been pointed out we are going to import more and more fertiliser in our country. In this connection I would only ask a few

[Shri C. K. Chandrappan]

question of the Minister. In the matter of organising production and also distributing properly the Government often talked of setting up a fertiliser authority as a holding company. I want to know, have the Government now discarded that idea as these days we do not hear about it? Secondly, when we are depending so much on import there are reports that most of the plants in the public sector are not utilising fully the installed capacity. What steps Government would take to fully utilise the installed capacity of the fertiliser plants? Thirdly, there is a lot of complaint from various areas that they have not been given adequate quantity of fertiliser even from the available fertiliser in the country and whatever has been supplied is going to the blackmarket. Whether Government would take concrete steps to see that the distribution is organised more properly? Lastly, whether alternate sources for production of fertiliser will be found? In that context I would like to know whether they are going to instal coal based fertiliser plant in our country in view of the difficult oil situation which we are facing?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI SHAHNAWAZ KHAN): I am very grateful to my hon. friend for initiating this debate. I entirely agree with him that the situation as far as fertiliser is concerned is really very serious and critical. In view of the difficulty in procuring foodgrains from abroad and the difficulty of procuring fertilisers from other countries, the need for concentrating on domestic production of fertiliser is very urgent. I am grateful to him for having drawn our attention to the very vital matter.

I can assure him that Government are fully apprised or seized of the situation, and we are sparing no effort

to ensure that we increase the domestic production as fast as we can.

A number of hon. Members have stated that the utilisation of capacity which is existing at present is not satisfactory. I would like to inform the hon. Members that except for two or three plants which you may say are sick plants, like Neyveli, Rourkela and FACT in Cochin, which are sick for various reasons, the utilisation is around 80 per cent. Rourkela does not get enough coke oven gas; they are trying to take remedial steps. The Udyog Mandal plant is very old and outmoded. We are trying to improve the position in that plant also. Barring these three sick plants, the utilisation of capacity in the public sector and in other fertiliser factories is around 80 per cent and that cannot be said to be a small thing. That is fairly good. I would like to inform my hon. friend that only yesterday I had returned from Bombay where I had the opportunity of paying a visit to our Trombay unit, and they are doing exceedingly well.

SHRI SAMAR GUHA: I would request the hon. Minister not to make such a sweeping remark that 80 per cent of the installed capacity is being utilised. I do not want to controvert him now, but I have done a lot of home work with his documents. So, let him not say that 80 per cent of the rated capacity has been attained.

MR. CHAIRMAN: Let us not get into a debate.

SHRI SHAHNAWAZ KHAN: I agree that there is a gap between the indigenous production and what we require in this country, and I am sorry that this gap, from whatever we foresee, will continue during the Fifth Plan also, but we are trying to

increase and step up the production from the present figure.

SHRI JYOTIRMOY BOSU: If he would compare the performance of the private sector and of the public sector, the whole picture will be different.

SHRI SHAHNAWAZ KHAN: Barring the three plants which I mentioned, we compare very favourably with the private sector; we do not compare unfavourably with them.

SHRI JYOTIRMOY BOSU: Let us have concrete figures.

SHRI SHAHNAWAZ KHAN: A number of hon. Members stressed the need to switch over to coal-based plants. That is also a very good suggestion, since nature has blessed this country with huge coal resources. My hon. friend Prof. Guha knows that we have already under construction three coal-based plants at Talchar, Ramagundam and Korba. These plants are at different stages of construction and I hope that within the next year or so at least two of these plants will go into production.

We have also appointed a committee of FCI to look into this very important aspect of basing our fertiliser projects on coal and FCI is examining various other suitable sites. As you know, the coal mines are spread all over the country. So FCI is looking into this matter and as soon as it comes to any conclusive arrangements we shall take further action in the matter.

SHRI JYOTIRMOY BOSU: Reply to my question.

SHRI SHAHNAWAZ KHAN: Regarding the recommendations made by the Estimates Committee, I can assure my hon. friends that the Ministry has fully accepted practically all the recommendations. We have implemented most of them. We accept all

those and will be whatever we have been directed to by the Committee.

We are making the best use of natural gas wherever it is available.

My hon. friend has made a suggestion that we should open talks with Bangladesh for putting up a fertiliser plant there. It is a very useful suggestion. We will certainly keep that in mind when we talk to our friends from there.

We have already some incentive schemes. But as soon as the production is stabilised, we will I think of having more. It is a good suggestion and I thank my hon. friend for making it.

He suggested that a task force should be appointed. We have already done that. There is a standing committee looking into the working of various plants and pinpointing whatever the weaknesses are and we hope that whatever the defects or hold-ups there are, that committee will take effective steps to ensure that those are set right as early as possible.

SHRI SAMAR GUHA: Organic manure?

SHRI SHAHNAWAZ KHAN: That is a subject not really dealt with by my Ministry. The hon. Minister of Agriculture has explained at length what action is taken to ensure that maximum use is made of organic manure in the country. I happen to be a farmer myself and I fully appreciate the utility of organic manures.

SHRI SAMAR GUHA: Because chemical fertilisers and organic manure are directed to the same purpose, the two are interlinked. Is there any co-ordinating committee of the Petroleum and Agriculture Ministries in developing organic manure?

SHRI SHAHNAWAZ KHAN: There is need to make maximum utilisation of all forms of fertiliser and manure.

MR. CHAIRMAN: Will he come to the questions of other members.

SHRI SURENDRA MOHANTY (Kendrapara): On a point of order. This is a half hour discussion and its dimension must be limited to half an hour.

SHRI JYOTIRMOY BOSU: No, we can limit the dimension to two hours.

SHRI SURENDRA MOHANTY: Then let us have a two-hour discussion.

SHRI SAMAR GUHA: An Opposition member should not raise this.

MR. CHAIRMAN: I see your point of order. We are trying to end it within the time. Please be patient.

SHRI JYOTIRMOY BOSU: I have given specific figures to show that we pay the highest price for most fertilizers in the world. Touch that point.

SHRI SHAHNAWAZ KHAN: The hon. House is aware of the fact that the prices of nitrogenous fertiliser are statutorily controlled under the Fertiliser (Control) Order.

MR. CHAIRMAN: Why are they higher here than elsewhere?

SHRI JYOTIRMOY BOSU: One of the highest.

SHRI SHAHNAWAZ KHAN: We have committees which go into all these matters. There is cost accounting. It is subject to all those processes.

SHRI JYOTIRMOY BOSU: I have co-operated with you fully. Now Mr. Chairman, you will be graceful enough to extract a reply from the hon. Minister. We are not interested in committees, travelling allowances and patronage. We are interested in knowing why in the prices of fertilisers here are about the highest in the world. Take the case of the Coromandel Fertiliser.

SHRI SHAHNAWAZ KHAN: I do not know the year for which he has quoted those figures. I was in the Department of Supplies which was charged with the responsibility of importing fertilisers and from personal knowledge I may tell him that we were paying something like 46 dollars per ton of Urea some two years ago. The prices have now shot up to anything up to 115 dollars per ton. Even at that price we do not find it possible to make purchases. I do not think our prices are high. We have a Bureau of Cost Accounts in this country.

SHRI JYOTIRMOY BOSU: I am sorry I have to rise on a point of order. I have given specific figures, for five items at least. I have given the figures showing the rates prevalent in some countries. I have quoted from the Food and Agriculture Ministry's booklet. In spite of that this gentleman is beating about the bush. He tries to take us for a ride. If he says that what I have said is incorrect. I shall to-morrow bring a privilege motion against him. If it is not, let him tell us why our rates are the highest in the world.

MR. CHAIRMAN: You do not have to threaten the Minister that you will do this or that; that is not proper.

SHRI SHAHNAWAZ KHAN: I said the prices had escalated to anything up to 115 dollars. The latest figures are 320 dollars per ton of urea. As against that our price in the domestic market is Rs. 1050. You can compare it. Our prices are definitely much lower than the prices prevailing in the foreign countries.

SHRI JYOTIRMOY BOSU: What about the high profits of the private sector?

SHRI SHAHNAWAZ KHAN: The price is statutorily controlled. I admit that there have been some defects in the distribution system. There are

complaints of large scale black marketing in fertilisers. To control them is the function of the State Government. .(Interruptions).

MR. CHAIRMAN: You cannot get away like that. You must say what you are doing to persuade the State Governments to regulate this.

SHRI SHAHNAWAZ KHAN: We have made an offer to the State Governments saying that we are prepared to hand over the maximum quantity to the State Governments for distribution through cooperatives or any other agency. The Government of Maharashtra and Andhra Pradesh have come forward saying that they would take over the entire distribution system and we would like to co-operate with them.

SHRI JYOTIRMOY BOSU: I have quoted the figures from the letter I received from this hon. gentleman only five or six days ago. I wanted

to know the international prices, our prices and the profits earned by the private sector. He has signed and sent me a letter a few days ago and now he is disputing the contents of that letter. I can lay that letter on the Table of the House if you want me. This House is made a mockery. I am sorry for you, Minister; you do not know anything. You are disputing what you have yourself stated. I will send you that letter. I will send you the letter, if you want.

SHRI SHAHNAWAZ KHAN: Coming to the holding companies, certain recommendations have been made. But those are to be implemented in phases. The first one was the regionalisation and the next one was the concept of holding company. It is yet too early to come to any decision,

18.51 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Tuesday March 19, 1974/Phalgun 28, 1895 (Saka)