

ance on the floor of this House that he would tighten up the tax collection machinery and would mop up all the taxes evaded by certain people, in the context of that, may I know whether he has tried to find out the taxes evaded by Aminchand Pyarelal group of firms and, if he has found out the taxes evaded by them, what steps has he taken against this particular firm or, as is alleged in some section of the press, he is reluctant to take any steps against this firm because of the substantial contribution it has made to his party funds?

Shri Morarji Desai: Again an insinuation is made by the hon. Member.

Shri Jyotirmoy Basu: What a pity!

Shri Morarji Desai: I do not want to enter into it. I do not want to take up that matter. He can do what he likes. I never promised in this House at any time that I will mop up all the evasion of taxes. It is not possible for anybody to do so. What I said was that I am trying to devise a machinery and a method whereby this will be lessened to the minimum. That has not yet been done. I have not yet been able to find it out. If the hon. Member can help me to do it, I shall be eternally grateful to him. Therefore I want suggestions from him.

Shri Hem Barua: He has not replied to the latter part of my question.

Mr. Speaker: Next question.

Shri R. Barua: Question No. 1559.

Shri Shivaji Rao S. Deshmukh: Sir, question No. 1575 is also connected with it.

Mr. speaker: That has been transferred to the 11th.

Fabrication of Fertilizer Plants

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*1559. **Shri R. Barua:**

Shri D. N. Patodia:

Shri D. C. Sharma:
Shri Kameshwar Singh:
Shri A. Sreedharan:

Will the Minister of Petroleum and Chemicals be pleased to state:

(a) whether it is a fact that the country is likely to be in a position to fabricate her plants for production of fertilizers within 4-5 years time;

(b) if so, whether Government purpose to revise its policy on fertilizers and stop further erection of new plants with foreign assistance and expedite the process of fabrication of plants in India; and

(c) the economy of postponing further erection under foreign assistance and importing additional quantity for the next 3-4 years?

The Minister of State in the Ministry of Planning and Social Welfare (Shri Raghuramajah): (a) It is expected that a major portion of plant and equipment for fertilizer factories can be manufactured in the country progressively in the next five years.

(b) Government will naturally do all in its power to expedite the indigenous fabrication of plant and equipment. It is entirely because of our expectations in this matter that Government has agreed to consider new proposals with foreign assistance only if they can be finalised by the end of this year and could come into production in 3 to 4 years from now. The present policy is consistent with the objective of major self-sufficiency in the next few years and does not require any change in the meanwhile.

(c) If projects now contemplated are not proceeded with, indigenous fertilizer production that will be lost to the country upto 1973-74, when the first plants built from mainly local equipment may be expected to be ready, will be valued at about Rs. 500 crores. This may be compared with foreign assistance for investment on these plants of about Rs. 150 crores.

Shri R. Barua: What is the proportion of indigenous component of fertiliser plants and what step is the Government taking to fabricate all the plants and in collaboration with which foreign parties?

Shri Raghu Ramiah: The indigenous component at the moment available works out to only 10 to 15 per cent of the total value of the project. The main parts of the plant which have to be imported at the moment are vessels, valves, pumps and compressors, air separation equipment, seamless steam pipe, instrumentation and electrical plant. But there are various projects to manufacture some of these. For instance, the Heavy Plate and Vessels Works, Visakhapatnam, has a programme to manufacture heat exchangers, pipe fabrication etc. Similarly, the Foundry Forge Project at Ranchi has on its schedule the manufacture of high pressure vessels. In regard to valves there is a programme scheduled in Bharat Heavy Electricals Limited, Tiruchinapalli. In most of these cases there is foreign collaboration. In the case of the Heavy Plate and Vessels Works it is with Skodaexport. In the case of the Foundry Forge Plant at Ranchi it is with the Japanese firm. Similar foreign collaborations in regard to many projects are there.

Shri R. Barua: May I know whether any Indian concern has come with any proposal for an all-India consortium in India in order to fabricate these plants: if so, what is the reaction of Government?

Shri Raghu Ramiah: The fabrication of the plant requires all these components and there are various units which have proposed to manufacture them. I am not aware of any proposal by a consortium of people to manufacture the entire plant.

The Minister of Planning, Petroleum and Chemicals and Social Welfare (Shri Asoka Mehta): May I add that the question does not arise because these things have to be manu-

factured in different public sector factories in India some of whom are either being set up or are being enlarged in order that they may be able to undertake this work?

Shri D. N. Patodia: Foreign assistance and setting up of a factory under foreign collaboration will involve not only a drain on our foreign exchange resources but will also involve higher cost of the plant and also payment of royalty for several years to come. Therefore may I know as to what would be the cost of setting up a plant with foreign assistance compared to the estimated cost when the plant will be fabricated in India after four years?

Shri Asoka Mehta: As has been pointed out, at present, we are not in a position to set up a plant of our own because we do not fabricate sophisticated equipment needed for a fertiliser plant, particularly, a modern fertiliser plant and it is, therefore, not possible to give the cost of such a plant in India today. We have our own assessments but until we are in a position to fabricate these parts here, these assessments are not of much importance. It is true, if we could buy the equipment with free foreign exchange, the cost would not be as high as it is. But we have set up most of these plants by drawing upon credits that are extended to us by friendly Governments and when we have to draw upon credits which are extended to us, we have often to pay higher prices because we cannot go in for global tenders.

Shri D. N. Patodia: Could we at least know the estimated cost of the plant?

Shri D. C. Sharma: Sir, the replies given by the two Ministers have been very depressing. I want to know whether the production of the various components of fertiliser plant will continue in this country and how long it will take us set up a plant which can manufacture all the components

of the fertiliser plant and how much it will cost?

Shri Asoka Mehta: There is no single plant which tries to manufacture all the components. Take, for instance, instruments. We have specialised plants for manufacturing instruments. Surely, instruments will be obtained from these plants. Then, take the seamless tubes. The seamless tubes are needed by refineries, by fertiliser plants and by a variety of other industries. There will be a plant which will manufacture the seamless tubes. What we are trying to see is that there are facilities for fabricating all these various components in the country for the purpose of setting up indigenous plants.

Shri A. Sreedharan: The Czechoslovakian experts have recommended Cochin as the most ideally suited location for the heavy plates and vessels plant. But, as usual, Kerala is ignored in a rough manner and our claim has been brushed aside and the plant is now going to be located in Vishakhapatnam. In the Draft outline of the Fourth Plan, there is a provision for a fabrication shop for fertilizer and chemicals costing Rs. 12.8 crores. In view of the fact that Cochin is ideally suited for the fabrication shop for fertiliser and chemicals and also in view of the fact that Kerala has been consistently ignored in her claims, will the Government categorically state that they will locate the fabrication shop for fertiliser and chemicals in Cochin.

Shri Asoka Mehta: We shall convey the suggestion to the Minister of Industrial Development who is in-charge of this.

Shri Shivajirao S. Desmukh: Will the Government be pleased to tell us what is the cost of turn-key agreements entered into for fertiliser plants and how do they do compare with the indigenous capacity? Is the hon. Minister aware of his learned predecessor's announcement that

the country and particularly the Fertiliser Corporation of India with an army of 300 design engineers and several thousand other employees are in a position to fabricate indigenous fertiliser plants and even Dr. Mukherjee of the Trombay unit has been pleased to say that not only India has got indigenous capacity for fabrication of fertiliser plants but the cost also will be to the tune of about Rs. 4 crores to Rs. 5 crores. How does the Minister explain one of the turn-key agreements entered into with an Italian firm, S.N.A.M. and Monte Carlo, under which Government is paying them Rs. 15 crores or so when the same firm in the technical journals of the world is quoting 8 million dollars for similar plants which hardly works out to Rs. 4-1½ crores?

Shri Asoka Mehta: I shall be grateful to the hon. Member if he will kindly give me the figures because he has massed up his figures.

Shri Shivajirao S. Deshmukh: I wanted to know....

Mr. Speaker: We cannot enter into a discussion now.

Mr. Pashabhai Patel.

Shri Pashabhai Patel: We have been able to manufacture motor cars, bicycles, aeroplanes, engines, tractors, sewing machines and sugar machinery. I want to know why the Government is not able to make this machinery. I think, the Government's stand is not convincing at all.

Shri Asoka Mehta: I would like to answer Mr. Deshmukh. Only one point, Sir.

What the FCI said was that they had designing and engineering capacity and they were utilising it fully. I have made it clear over and over again that we can design and engineer four plants over a period of four years. We have taken up four plants and we are doing that. The

engineers and designers do not fabricate. Fabricating machinery is somebody else's job. That is why I said that, if the hon. Member would see me, I could explain everything.

The argument what can be manufactured in India and what cannot be is a matter which could be easily discussed with such an eminent industrialist like the hon. Member. I am willing to sit with him, get the DGTD people and the industries and carry conviction to him that whatever can be manufactured in India is being manufactured. He is well aware that the DGTD will not clear any application for importing capital goods unless every care is taken to see that the indigenous fabricating capacity is fully utilised. A distinguished industrialist like him surely knows what the procedure is.

Shrimati Lakshmi Kanthamma: May I know whether the Government has offered any concessions to foreign companies to establish fertiliser factories in our country and if so, whether they are coming forward and if they are not coming forward, what are the reasons why they are not coming forward?

Shri Asoka Mehta: What concessions have been offered are well known to the hon. Member. As to what the results would be, we would be able to say only by the end of the year because that is the period till which we are waiting for these applications to be finalised.

Shri Ranga: How do they find the response so far?

Shri Asoka Mehta: It is difficult to say this because the applications are at various stages of consideration. If I were to say today that the response is very good and tomorrow we are not able to agree to some of the applications, then I will be questioned. So, I will be able to give a proper statement only after the applications are fully and finally cleared.

श्री शिवचन्द्र झा: क्या यह बात सही नहीं है कि बम्बई की एक कम्पनी ने कुवैत की एक कम्पनी से भ्रमोनिया वेस्ट फर्टिलाइजर प्लांट खोलने का समझौता किया है जब कि सरकार की नीति है कि नेप्या वेस्ट इंडिजिनस प्रोडक्ट के आयात पर प्लांट खोला जाय ? मैं जानना चाहता हूँ कि यह जो समझौता हुआ है उस पर हमारा कितना फारेन एक्सचेंज जायेगा और जिस कम्पनी ने सरकार की नीति के खिलाफ काम किया है उसके विरुद्ध क्या कार्रवाई सरकार करने जा रही है ?

Shri Asoka Mehta: No such decision has been taken.

Secondly, this is a question about fabrication of fertiliser plants. I do not know where Ammonia comes here.

Shri Bal Raj Madhok: It is a question whether India needs chemical fertilisers more urgently or the other things more urgently.

An hon. Member: Natural fertilisers.

Shri Bal Raj Madhok: We have enough of natural fertilisers and we can make use of compost as well.

May I know whether we cannot wait for the indigenous fertiliser plants to come up? We can expedite their construction and avoid spending foreign exchange for getting foreign collaboration and foreign machinery for this purpose. That will save foreign exchange and that will also add a sense of urgency which will also be helpful.

Shri Asoka Mehta: The requirements of fertilisers have been assessed very carefully and I am sure, the hon. Member has seen the various reports and the various calculations that have been made. The requirements by the end of the Fourth Plan will be 2.4 million tonnes of nitrogenous fertilisers, one million tonnes of phosphatic fertilisers and something

like 800,000 tonnes of potassic fertilisers. Without these fertilisers, it has been established that we will not be able to reach our targets either of foodgrains or of agricultural production. These are matters which have been gone into very very carefully by all the experts concerned. As far as our Ministry is concerned, we have to produce the fertiliser that is needed in the country, and in order to produce fertilisers we are going ahead with creating facilities for fabricating equipment in the country so that in future we are able to do it on our own, by setting up new plants here and now in the country so that we may be able to produce the fertilisers needed, utilising our existing capacities to the utmost, and making up by imports whatever shortfalls are still left. This is the overall policy, and I think this policy is necessary if targets of food production and agricultural production are to be reached.

श्री गा० सं० मिश्र : कोरबा के लिए जिस प्रकार का इन्विपमेंट बनाया जा रहा है उसकी क्या प्राप्ति है और वह कारखाना कब तक चालू हो जाएगा ?

Shri Asoka Mehta: The FCI is engaged in drawing up a project report for a fertiliser plant in Korba which will be coal-based. When that report is ready, we shall consider the economics of the plant and decide whether it is advisable to set it up or not.

Shri Lobo Prabhu: While the anxiety of the hon. Minister to increase fertiliser production is quite intelligible, may I enquire why only half the established capacity is being utilised now? Particularly, may I know from the hon. Minister what arrangements have been made to provide power and coking coal the shortage of which has been responsible for the failure to utilise the full capacity?

Shri Asoka Mehta: As far as phosphatic fertilisers are concerned, there has been a considerable amount of un-

utilised capacity because we could not get sulphur. There was short supply of sulphur during the last two years. As far as other kinds of fertilisers are concerned, I shall have to go plant by plant to explain why there has been a shortfall. In some cases, there has been shortfall because of shortage of power. As you know, last year was a very difficult year as far as hydro-power was concerned; both in the Punjab and in Kerala there was this difficulty. In the case of Sindri, for instance, it is rather an old plant and it is having a number of difficulties. Therefore, we are now working on schemes to modernise it. It is a very old plant and it has to be modernised. We have taken certain steps in that direction and we hope that the production at Sindri will improve. Likewise, there are other plants which have their own peculiar problems. It would be very difficult for me to give all these details here. But if the hon. Member is interested, I shall be happy to send him all the details plant by plant, or if you so direct, I shall place a statement on the Table of the House.

Shri Ranga: That would be better.

Mr. Speaker: Yes.

Shri Krishna Kumar Chatterji: The answers so far evoked from the hon. Minister lack in a sufficient awareness of the urgency of the matter. It is not a question of financial implications, but I am sure the hon. Minister will agree that it is a question of national security and prestige as well. At this time of world tension, if we depend on food imports from foreign countries, then it would be a question of national security and national prestige as well. So, is the hon. Minister prepared to stop all kinds of these fertiliser plants being made here with the help of the foreign Governments?

Shri Asoka Mehta: I have not the slightest objections, and let us not have any fertiliser produced in the country, but I do not know how that will solve the food problem. I do not see the connection between the two statements made by the hon. Member.

Shri Jyotirmoy Basu: May I know whether there was a proposal to start a fertiliser plant under the co-operative sector and for this purpose Government have been negotiating with the American Co-operative League, and if so, the terms and conditions that they have been negotiating with the American Co-operative League?

Shri Asoka Mehta: These discussions are going on, and when the discussions are over, we shall place the terms and conditions before the House.

श्री प्रेम चन्द दर्मा : भारत में जितने फर्टिलाइजर के कारखाने हैं उनकी जितनी क्षमता है वह पूरी प्रयोग में क्यों नहीं लाई जा रही है ? मंत्री महोदय ने कहा है कि आगे भी नए कारखाने बनने वाले हैं। मंत्री महोदय ने नंगल फर्टिलाइजर फैक्ट्री का और सिन्धी का जिक्र किया है और बताया है कि वहां त्रिजली का दिक्कत महसूस की गई थी या गन्धक की दिक्कत महसूस की गई थी। मैं जानना चाहता हूँ कि इस बात की क्या गारंटी है कि जो नए कारखाने आप करौड़ों रुपये लगा कर बनाएंगे उन कारखानों में इस तरह की दिक्कतें पेश नहीं आएंगी और जो मशीनरी है वह बेकार नहीं पड़ी रहेगी ? मैं जानना चाहता हूँ कि जब आप नए कारखाने लगायेंगे तो क्या इस बात का भी ध्यान रखेंगे कि ऐसी दिक्कतें पेश न आयें और मशीनरी काम में आए और ये कारखाने ठीक तरह से चलें ?

Shri Asoka Mehta: Because of severe drought, there is great inadequacy of water and as a result of that, power is not available. I do not know what safeguards can be provided. Droughts are things that occur infrequently and we have got to take them in our stride. This has not been a normal situation and I hope

in future such situations will not emerge.

श्री मधु लिसये : माचं महीने के अन्त में मंत्री महोदय ने यहां घोषणा की थी कि भविष्य में जितने फर्टिलाइजर के कारखाने बनाये जायेंगे वे हमारे देश में जो नाफता तैयार होता है उसके आधार पर बनाये जायेंगे। बाद में कुछ नीति परिवर्तन की बात आई। मैं जानना चाहता हूँ कि क्या इस नीति परिवर्तन के बारे में वारह अगस्त के पहले उन सदन के सामने वह निवेदन करेंगे और हमको चर्चा करने का मौका देंगे ?

Shri Asoka Mehta: If there is any change in policy before that, I shall be happy to make a statement and give every opportunity to hon. Members to discuss it.

Revision of Lists of Scheduled Castes and Scheduled Tribes

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- *1561. **Shri Dhuleshwar Meena:**
Shri Vishwa Nath Pandey:
Shri Ramanchandra Ulaka:
Shri Heerji Bhai:
Shri K. Pradhani:
Shri Deorao Patil:
Shri K. P. Singh Deo:
Shri D. N. Deb:
Shri Siddayya:
Shri M. L. Sondhi:

Will the Minister of Social Welfare be pleased to refer to the reply given to Unstarred Question No. 455 on the 25th May, 1967 and state:

(a) whether Government have since finalised the revision of the lists of Scheduled Castes and Scheduled Tribes; and

(b) if so, the result thereof?

The Minister of State in the Department of Social Welfare (Shrimati Phulrenu Guha): (a) and (b). Government hope to introduce a bill on the subject in the near future.

Shri Dhuleshwar Meena: While the Ministry was consulting MPs state-wise, many of them suggested the