

Tourism; Telecommunications & Postal Services; Environment and Prevention of Drug Trafficking. A Cultural Exchange Programme was also concluded.

During the period of the Iranian President's visit, the Foreign Ministers of India, Iran and Turkmenistan met in New Delhi and discussed the issues of regional cooperation with focus on trade, transit and transport between the Central Asian region, Iran and India. A tripartite Memorandum of Understanding on International Road and Rail Transport and Transit between the Governments of India, Iran and Turkmenistan was signed. The Foreign Ministers agreed that a full-fledged agreement in this sphere will be negotiated and concluded within the next six months.

Government is taking steps to implement the proposals agreed upon in the MOUs concluded with Iran. The MOUs signed between India and Iran are bilateral in nature and will not have any adverse impact on our relations with third countries, including Iraq and the Gulf countries.

Iran has called for a peaceful resolution of the Jammu & Kashmir issue, through a dialogue between India and Pakistan, taking into account the wishes of the people of J&K, and has offered to be of assistance in this regard.

Government believe that the all-round cooperation and mutual understanding between India and Iran subsisting at present will be further enhanced in the period ahead.

Revival Package for IISCO

*546. SHRI BOLLA BULLI RAMAIAH : Will the Minister of STEEL be pleased to state :

(a) whether representatives of the trade unions and management of IISCO have decided to renew efforts for a revival package;

(b) if so, whether any concrete measures have been taken in this regard; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV) : (a) to (c). In terms of the Sick Industrial Companies (Special Provisions) Act, 1985 (as amended in February, 1994) Indian Iron and Steel Company Limited (IISCO) became a sick industrial company. Accordingly, a reference was made by the Board of Directors of IISCO to BIFR in June, 1994, as required under Section 15 of the Act, for determination of measures to be adopted with respect to the company.

The case has been registered with BIFR in terms of Section 15 of the Act. Sick companies registered with BIFR can take up revival/modernisation schemes only with the sanction/approval of BIFR.

[Translation]

Agreement with Vietnam

*547. SHRI SATYA DEO SINGH :
SHRI RAMPAL SINGH :

Will the Minister of MINES be pleased to state :

(a) the terms of agreement/Memorandum of Understanding (MOU) signed with Vietnam for cooperation in the field of Geology and Mineral resources;

(b) the duration of the agreement/MOU; and

(c) the date from which it would be effective?

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI BALRAM SINGH YADAVA) : (a) The Memorandum of Understanding (MOU) signed with Vietnam for cooperation in the field of Geology and Mineral resources identified the following areas for cooperation :

(i) Mineral Exploration : The Geological Survey of India would offer assistance in different phases of mineral exploration (geophysical and geochemical exploration and drilling) and also provide training for geologists of Vietnam in various geoscience disciplines;

(ii) Mineral Processing and Development : Indian Bureau of Mines would offer assistance in orebody modelling and assessment of ore reserves using computerised techniques;

(iii) Setting up of an Aluminium Smelter in Vietnam;

(iv) Setting up of joint venture to mine and process mineral resources in Vietnam;

(v) Setting up of a joint venture to explore and develop gold deposit at Pac Lang in Vietnam.

(b) The MOU is valid for a period of three years and is extendable.

(c) The MOU is effective from 18th April, 1995, the date on which it was signed.

[English]

FWFI Revival Plan

*548. SHRI SANAT KUMAR MANDAL : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) whether the Fertilizer Workers' Federation of India (FWFI) has urged the Government to reconsider the techno-economic revival plan it had submitted five years ago, for each of the sick units under the Hindustan Fertilizer Corporation (HFC);

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM LAKHAN SINGH YADAV) : (a) to (c). A Techno-Economic Revival Plan (TERP) for three public sector undertakings, including Hindustan Fertilizer Corporation Limited (HFC), prepared by the Fertilizer Workers' Federation of India (FWFI) and others was submitted to the Government in April, 1992. In the TERP, revival of various units of HFC was suggested by writing off of accumulated losses, Government loans and interest thereon, derating of the capacity of the units, fresh investment for undertaking replacement/renewal of the trouble-prone equipments in the plants and providing funds for meeting the working capital requirement. Among other things, these suggestions have also been kept in view by the Government in the exercise for preparation of revival package for HFC for submission to the Board for Industrial and Financial Reconstruction (BIFR). Any action with regard to the long term future of the various units of HFC would depend upon the outcome of the proceedings pending before the BIFR, which is a quasi-judicial authority.

[Translation]

Self-Reliance in Fertilizers

*549. SHRI RAM PRASAD SINGH : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) whether the Government have formulated an Action Plan for making the country self-reliant in the Production of fertilizers; and

(b) if so, the details thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM LAKHAN SINGH YADAV) : (a) and (b). Of the three main fertilizer nutrients required for various crops, namely, nitrogen, phosphate and potash, indigenous raw materials are available mainly for nitrogen. Government policy has been to achieve maximum possible degree of self-sufficiency in the production of nitrogenous fertilizers based on utilisation of indigenous feedstocks. At present, the country is self-sufficient to the extent of about 82% in the case of nitrogen. In the case of phosphate, the domestic raw material constraints do not permit self-sufficiency in production. Since indigenous rock phosphate supplies are only 5% of the total requirement, phosphatic fertilizers produced in the country are substantially based on imported raw materials and intermediates. Moreover, because of these inherent handicaps, the cost of production of indigenous phosphatic fertilizers is high vis-a-vis the imported finished products. There are no known and commercially exploitable reserves of potash in the country and per force the entire requirement of these fertilizers is met through imports. Apart from direct application, imported potash is used by the indigenous manufacturers for making complex fertilizers.

Under the Industrial Policy of July, 1991, the fertilizer industry has been delicensed. At present, the installed capacity in the country is 89.72 lakh tonnes of nitrogen and 28.22 lakh tonnes of phosphate. Currently, a number of projects are under implementation and on completion these on-going projects will contribute an additional 14.71 lakh tonnes of nitrogen and 0.31 lakh tonnes of phosphate. A number of other projects have also been identified for implementation in due course of time. Much, however, would depend on the availability of natural gas which is the most preferred feedstock for production of nitrogenous fertilizers.

[English]

Haldia Fertilizer Project

*550. SHRI JAGAT VIR SINGH DRONA : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) whether the Standing Committee on Petroleum and Chemicals had expressed concern at the Government's decision not to appoint a high level independent committee to enquire into the failure of the Haldia Project;

(b) if so, the reasons for not appointing a committee;

(c) whether over fifteen hundred employees are getting their salaries since 1979, without being given any meaningful work; and

(d) if so, the steps proposed by the Union Government to rectify these anomalies?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM LAKHAN SINGH YADAV) : (a) Yes, Sir.

(b) to (d). The Standing Committee had been informed that the main reason for the failure of Haldia Project of Hindustan Fertilizer Corporation Limited (HFC) was mismatch of various equipments and machinery as the same had been procured from various sources against credit tie-ups due to funds constraints. In the view of the Ministry, the problems of Haldia project were due to factors beyond the control of any individual. No enquiry from an independent committee was, therefore, got conducted. However, the Standing Committee was informed that the relevant old records were being looked into to examine as to how important decisions were taken during the project implementation.

As on 31.3.1995, about 1526 employees were on the rolls of Haldia project. Since HFC as a company, including its haldia Fertilizer Project, stand referred to the BIFR, any final decision on the future of the project would depend upon the outcome of the proceedings pending before the BIFR, which is a quasi-judicial authority.