

LOK SABHA DEBATES

LOK SABHA

Tuesday, December 15, 1998/Agrahayana 24, 1920 (Saka)

*The Lok Sabha met at
Eleven of the Clock*

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

Indo-Oman Project

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*221. SHRI FRANCISCO SARDINHA :

DR. T. SUBBARAMI REDDY :

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

(a) whether the Government have accepted terms of bankers for Indo-Oman project;

(b) if so, the details thereof;

(c) whether the Union Fertilizer Secretary had visited Oman in regard to inquiries into the Oman Fertilizer Project;

(d) if so, the outcome thereof;

(e) whether the present Government is in favour of setting up of joint venture projects in the countries where abundant supply of cheap gas is available; and

(f) if so, the latest position in this regard?

THE MINISTER OF CHEMICAL AND FERTILIZERS AND MINISTER OF FOOD AND CONSUMER AFFAIRS (SARDAR SURJIT SINGH BARNALA) : (a) to (f) A statement is laid on the Table of the House.

Statement

(a) and (b) Government has approved investment by Rashtriya Chemicals & Fertilizers Limited (RCF) and Krishak Bharati Cooperative Limited (KRIBHCO), the two Indian Sponsors, in the Oman India Fertilizer Project in December, 1997. No proposal has been received from the Indian Sponsors to revise the investment approval as the terms and conditions suggested by the consortium of banks mandated to arrange debt for the project—mainly revision in the debt equity ratio and increase in debt service reserve account — are under discussion between the arranging banks and the Indian and Omani Sponsors.

(c) and (d) The Union Fertilizer Secretary has not visited Oman to conduct enquiries in regard to matters relating to the Oman India Fertilizer Project.

(e) Yes, Sir.

(f) Two joint venture projects abroad for manufacture of fertilizers/intermediates are under operation, two such projects are being implemented by private sector companies and two are at the planning stage.

SHRI FRANCISCO SARDINHA : Mr. Speaker, Sir, we have seen that the use of fertilizers per hectare in this country is much less compared to other developing and developed countries. It tells on the production of foodgrains, the prices of which are sky-rocketing everyday. I am sure that this is reflecting on our economy because inflation for the last one year has nearly doubled. I would like to know from the hon. Minister as to when the idea started off about this project between Oman and India. Secondly, how much money has been spent by the Government on this project in terms of feasibility report and other things so far? When do you think the Government will complete the stage of discussion and start this project? And lastly, what will be the cost of urea per tonne after the project is completed vis-a-vis the present price per tonne of urea?

SARDAR SURJIT SINGH BARNALA : Sir, the hon. Member has asked several questions in one supplementary. The idea originated long back and the MoU was signed in July 1994 between the Government of India and the Sultanate of Oman — RCF, KRIBHCO and OOC. Thereafter, the Government approved the RCF and KRIBHCO for entering into a Joint Venture Agreement in April 1997. The Joint Venture Agreement was signed in April 1997 and the Government's approval to RCF and KRIBHCO for investment was given in December 1997. The Government is not a party as such, but these two Indian companies are parties from our side and the Oman Oil Company is the party from the other side. So, the Government is not spending anything on this. The companies are spending money on it and they expect that by 2002 the project will be on line.

SHRI FRANCISCO SARDINHA : Sir, he has not answered my relevant question.

MR. SPEAKER : You ask a supplementary.

SHRI FRANCISCO SARDINHA : What is the cost of urea per tonne today and what will be the cost after this project is completed? I would like to ask another question also.

SARDAR SURJIT SINGH BARNALA : Today, there is no production of urea as the plant has not yet started. It is not on line as yet.

SHRI FRANCISCO SARDINHA : I know that. I am talking about the country. What is cost of urea per tonne today and what will be the cost of urea per tonne after this project is completed?

SARDAR SURJIT SINGH BARNALA : The project is likely to be completed in about four years from now onwards. And nobody can predict the price of urea at that time.

SHRI FRANCISCO SARDINHA : What is called the feasibility report? What is the meaning of feasibility? It may not be *in toto* but the point is, they have to know what will be the cost.

MR. SPEAKER : What is your supplementary?

SHRI FRANCISCO SARDINHA : My supplementary is this. What is the cost now and what will be the cost later? If the Government has taken four years only for the stage of discussion, you can imagine how long it will take to bring this project. I am sure that this project will never come and it will not see the light of the day.

SARDAR SURJIT SINGH BARNALA : As I said earlier, the project is likely to be completed by 2002. That is what is expected. Nobody can predict the international price prevailing at that time because prices are going up and down everyday.

SHRI FRANCISCO SARDINHA : Sir, the hon. Minister has still not answered my question. Let me know what is the price today. I do not know why he is evading the answer.

SHRI BALRAM JAKHAR : Sir, I had written a letter to the hon. Minister regarding the Oman Project. The then Leader of Opposition and now the Prime Minister himself, Dr. Murli Manohar Joshi, Shri Arunachalam, Shri Chidambaram and a number of others had written about the complications or rather something fishy about this Project. Now, after taking over office, Shri Barnala had issued a statement also on 22nd March, 1998 in which he said that he would look into it. Then I wrote those letters to the Prime Minister and Shri Barnala also regarding what has happened now, how they are going to approve it, whether there has been a plea by one of the participants to reduce this already calculated expenditure by 100 million dollars or not. If things are going on and it is being delayed like this, then what is going to happen? Why did you retrace back your step when you said that you are going to look into it? You have to probe into it. What was happening at that time when the Prime Minister had written, when you had written, when Dr. Murl Manohar Joshi had written and when everybody had written about that? What has happened to that?

SARDAR SURJIT SINGH BARNALA : Sir, the hon. Member had written a letter to the Prime Minister on 27th June, 1998 regarding this and a reply was sent to the hon. Member by me on 28th October, 1998. In this respect, I had mentioned like this in the long reply which I had sent:

"In view of the foregoing, a revaluation of the engineering, procurement and construction (contract based) for Oman India Fertilizer Project is not called for. Any action on our part that may shake the confidence of the international leading community in this project which has been taken up in pursuance of the Government policy of promoting fertilizer joint

ventures in countries with abundant resources of endowments would not be in the national interest."

I had written this reply to the hon. Member at that time.

SHRI SHARAD PAWAR : Was there a demand for revaluation by Shri Atal Behari Vajpayee in the capacity of the Leader of Opposition of Lok Sabha? What exactly has the Government done about it?

SHRI BALRAM JAKHAR : Secondly, I would like to know whether anybody has written about reduction of the amount to be spent on this Project.

SARDAR SURJIT SINGH BARNALA : At that time, when these letters from various political leaders were received, they were referred to the Joint Committee dealing with joint ventures and it was examined at various levels. Thereafter, it came to the Cabinet. The Cabinet also considered it and decided that the venture should go on as it is and that there is no need of any interference at this stage.

SHRI BALRAM JAKHAR : You have not still replied whether anybody had asked for reduction in the investment, whether it is still viable or not and whether you are holding 100 per cent control over it or not. What about the visit of the Secretaries and others to Oman? What have they done so far?

SARDAR SURJIT SINGH BARNALA : None of the two Indian Companies has written anything regarding reduction, etc.

[Translation]

SHRI SHAKUNI CHOUDHARY : Mr. Speaker, Sir, through you I want to know from the hon. Minister the quantity of urea being produced presently in our fertilizer factories? How much is our requirement and how much urea is required from other countries? What is the present price of urea being produced in our country? (Interruptions)

MR. SPEAKER : Please understand that this is a question regarding Indo-Oman Project.

....(Interruptions)

[Translation]

SHRI SHAKUNI CHOUDHARY : My question is that the factory which we are going to set up with Oman collaboration....(Interruptions)

[English]

MR. SPEAKER : This is not relevant to the present question.

SHRI LAKSHAMAN CHANDRA SETH : Sir, comparing the rest of India, in West Bengal, fertilizer consumption is increasing day by day. In West Bengal, consumption of urea is about 9 lakhs tonnes a year. But in West Bengal, so far, there is no fertilizer factory(Interruptions)

MR. SPEAKER : Please understand that this question is relating to the Indo-Oman Project, not about any fertilizer factory.

SHRI LAKSHAMAN CHANDRA SETH : I would like to know from the hon. Minister whether the Government is considering the proposal is given by a private sector company to set up a urea factory at Haldia in collaboration with the West Bengal Industrial Development Corporation. I would also like to know whether the Government is considering the revival of the Haldia unit of the HFC
...(Interruptions)

MR. SPEAKER : Shri Lakshman Chandra Seth, please take your seat. Mr. Minister, you need not answer this question. I will not allow such kind of supplementaries.

...(Interruptions)

SHRI LAKSHAMAN CHANDRA SETH : I want to know about the joint venture company. It is a related question....(Interruptions)

Employment to Disabled

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*222. VAIDYA VISHNU DATT :

SHRI C. D. GAMIT :

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state:

(a) whether the Government have issued any orders to various Ministries/departments/agencies to give priority in employment to the disabled;

(b) if so, the details thereof, and;

(c) the details of the action taken by the Government in providing employment to disabled in J&K as compared to other States?

THE MINISTER OF STATE OF THE MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT (SHRIMATI MANEKA GANDHI) : (a) to (c) A statement is enclosed.

Statement

(a) to (c) The Government has taken steps to provide employment to persons with disabilities in the Government Sector as follows:-

(i) Section 33 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Participation) Act, 1995 contains a provision that the appropriate Government shall appoint in every establishment not less than 3% of persons with disability of which 1% each shall be reserved for suffering from:-

(a) blindness or low vision;

(b) hearing impairment; and

(c) locomotor disability or cerebral palsy.

In the post identified for each disability, 3% reservation in Group 'C' and 'D' for handicapped persons had already been there even before the Act came into force. In pursuance of this provision, extension for 3% reservation in Group 'A' and 'B' posts under the Central Government for physically handicapped persons - 1% each for visually, hearing and orthopaedically handicapped have been notified by DOPT's circular No. 36035/16/91- Estt (SCT) dated 18.2.1997.

(ii) 50 Special Employment Exchanges and 39 Special Cells for the handicapped persons have been set up exclusively to help the handicapped persons in getting gainful employment. Besides, the Normal Employment Exchanges also help the handicapped persons in finding suitable employment.

(iii) Chapter I, Section 1, Clause 2 - of the Act, states that it extends to the whole of India except State of Jammu & Kashmir.

[Translation]

VAIDYA VISHNU DATT : Mr. Speaker, Sir, in the written answer it has been stated that this Act does not extend to Jammu-Kashmir State. I want to say that this should be implemented strongly in Jammu-Kashmir State also and a letter should be written to the State Government asking them to provide the facility to the people after making necessary amendments in the Act because handicapped people these are helpless, they do not get reservation.

[English]

SHRIMATI MANEKA GANDHI : Sir, we have written to the State of Jammu & Kashmir. I am happy to tell you that on the 20th July, 1998, they had passed a Notification reserving three per cent for the disabled. Therefore, now the entire India is under the same Act.

MR. SPEAKER : Shri Vaidya, do you want to put the second supplementary?... There is no second supplementary.

SHRI S. JAIPAL REDDY : Mr. Speaker, Sir, the handicapped in the country account for really seven crore people, that is, around eight per cent of the population. But the reservation is only three per cent. Will the Minister appreciate the need for raising the percentage of reservation? Does the Minister realise that even this three per cent reservation has been more honoured in breach than in observance? It is a dead letter. It is only on paper. Will the Minister take stringent action in the matter?...
(Interruptions)