

Title : Need to revamp Fertilisers and Chemicals Travancore Limited in Kerala - Laid.

SHRI K. MURALEEDHARAN (CALLICUT): I would like to invite your kind attention to problems faced by the Fertilizers and chemicals Travancore Limited (FACT), the oldest and the largest Central Public Sector Undertaking in Kerala State is engaged in the production and marketing of Fertilizers and Caprolactam, in engineering consultant service and in fabrication of equipments. FACT has been consistently making profits during the period 1984-98 However, some of the recent developments have placed FACT in an unenviable and precarious situation. There are reasons for the loss of FACT. The first reason is the sharp increase in the petroleum products during last two years. The second reason for the loss of FACT was connected to interest payable by FACT for the project loan taken from OECF, Japan through Central Government. Third reason for the loss is the unremunerative selling price of Factmos and ammonium Sulphate fixed by Central Government and 4th reason for the loss is that, during last few years import duty on Caprolactum has been reduced drastically. The viability of the FACT Petrochemical Division producing Caprolactum is increasingly under the threat due to the influx of Caprolactum from foreign suppliers at very low price.