

of this Committee as given in the report and the decisions taken by the Government upon them are commendable.

In addition, our Ministry should guide certain scientific research in the agricultural field including animal husbandry and the various aspects of it should be developed in a proper way. Unless we create great confidence among the scientists it cannot be developed. Also, the scientists should be given the freedom to work and also financial help and assistance to carry on research without fear or favour. Because of a few appointments and because of the frustration of a few, and because of certain administrative methods, and also because of administrative control, they might have failed, and so, agricultural administration should be entrusted to the scientists. I also agree that scientists should be properly represented in their respective fields and any kind of discrimination should be immediately nipped in the bud.

This kind of vilification of scientists on any side, from any angle, is very bad for our country because our country has to develop and grow so far as the agricultural field is concerned. Therefore, I would like to suggest that full autonomy should be given to research institutions and other organisations including the universities who carry on research. The financial aspect has to be controlled by the ICAR and the scientists should be given full freedom to work and have their say in the administration and even in promotions and regulations in the institutes. Otherwise, the dual policy, the dual power and the dual administration would also shatter the scientists' minds and this will not allow a healthy competition to grow for scientific research in this country.

Therefore, the hon. Minister has really rendered some service to this great country through the ICAR. Not only that. They have given full free-

dom to the ICAR by accepting the findings of this Inquiry Committee. That would create a great change in the ICAR and I hope and trust that this change will always be for the better, and that the scientists could do better work in scientific research in the ICAR.

MR. CHAIRMAN: Mr. H. M. Patel. Please begin.

SHRI H. M. PATEL (Dhandhuka): Mr. Chairman, Sir, I would like to say that much of the discussion today—

MR. CHAIRMAN: Please continue when the subject comes up again.

Now, we are taking up the half-an-hour discussion raised by Shri Jyotirmoy Bosu.

17.34 hrs.

HALF-AN-HOUR DISCUSSION AVAILABILITY OF FERTILIZERS

SHRI JYOTIRMOY BOSU (Diamond Harbour): Sir, this is an important subject. Today, the country is in the grip of a serious crisis and the poor farmer has been really pushed to the corner of his life, and I cannot but say that the ruling party is wholly responsible for this. In that context, I would like Mr. F. A. Ahmed to kindly give us a comprehensive list of the wholesalers in fertilizers appointed since December, 1970 State-wise, month-wise, till date.

THE MINISTER OF AGRICULTURE (SHRI F. A. AHMED): I might inform the hon. Member that so far as the appointment of the wholesalers is concerned, it has nothing to do with this.

17.35 hrs.

[SHRI SEZHIYAN in the Chair]

SHRI JYOTIRMOY BOSU: I wanted Mr. Borooh to be present here for this discussion, but I do not find him here.

SHRI F. A. AHMED: You can put the question to Mr. Shahnawaz Khan.

SHRI JYOTIRMOY BOSU: Mr. Shahnawaz Khan, please make a note of this. I want the list of wholesalers appointed since December, 1970, State-wise, month-wise till date that is, 28th November, 1973.

MR. CHAIRMAN: How can it be given today?

SHRI JYOTIRMOY BOSU: There is a complete surrender to foreign and Indian monopolies. Government made a policy statement that in the Fourth Plan they would increase the production in the public sector, but in application it is quite different. There was a big fertiliser pressure lobby, Fertiliser Association of India and they wanted Ford Foundation to probe into the working of the Fertiliser Corporation of India. You can imagine how powerful they are and how deep they have penetrated. General Shahnawaz Khan, you are aware of it no doubt. In a free country it is unheard of. The foreign monopoly producers could come and get the freedom of price fixation, freedom for distribution and a guaranteed return on their equity capital, I am told, of a minimum of 25 per cent. I had produced a photostat copy and laid it on the Table of the House and I have told Mr. D. K. Borooah about it. It had revealed that the imperial chemical industries a British monopoly concern, had been indulging in malpractices, blackmarketing—of urea out of their Kanpur plant. I have done it months ago. Today at about 3 O'clock I telephoned Mr. Borooah to be present here so that he can answer. I take it that the Government is hand in glove with the ICI. They have done that with your full concurrence. In the course of these few months I have not heard a single word from the Minister about the photostat copy I have produced. Is it not that they are ruining the country for sheer gain for some individuals and for the ruling party? That is why these things are happening. On top of that we hear

something more. We read the disturbing news. "close on the heels of the Governments denial of any change in the policy intended India to invite multi-national Corporations to India we have learnt of negotiations with the imperial chemical industries for setting up a fertiliser project. What is significant is that the initiative has come from New Delhi and two Ministers have reportedly sounded the multi-national Corporation. Now our industrial correspondent confirms from the Kanpur that a proposal for a new ICI project is very much in the air."

You want blackmarketeers, you are product of blackmarketeers. Otherwise when I have given specific charges supported by photostat copies on the floor of the House, even after four months you have not been able to contradict it. You want to give to the ICI a fresh licence for a new plant. They are the godfathers that you have got.

Look at the high profits which the private sector are making at the cost of the poor farmer in this country. The profit of the private sector before tax was Rs. 1091 lakhs in 1970-71. In 1971-72 it rose by 50 per cent to Rs. 1529 lakhs. Can you imagine? Compared to that the public sector shows a loss of Rs. 64 lakhs in 1970-71 and the loss increased to Rs. 76 lakhs in 1971-72. How is that Mr. Shahnawaz Khan has to explain to this House. How while the private sector is flourishing and its profit has gone up in the course of one year by more than 50 per cent the public sector is losing money. That means you have a secret arrangement with the private sector. You are hand in glove with the foreign monopolies and the blackmarketeers. You are subservient to them. You have sold your soul to foreign monopolists and you are ruining and exploiting the poor farmers in the country.....(Interruptions). About the Durgapur plant we know that there had been a loss of about Rs. 17 crores already although their functioning had been very meagre. The foreign cartel is something very alarming. I am told that both the

Ministries are full of agents—agents on the pay role of the foreign fertiliser cartels. I am not talking just now of the ruling party and the money that flows into the foreign fertiliser cartels. I will give you a quotation from the *Hindustan Standard*. We are in the hands of bandits; farmers; the poorest men in the country who toil from morning to evening are in the hands of bandits. They are fleeced; for every grain you produce in the country there is dividend for the god-fathers of the ruling party. Your class character is now revealed to everybody. This paper says: "How the International cartel tried to subvert the self-reliant efforts of FCI is the fascinating untold story which is not unrelated to the ouster episode of this exponent of self-reliance."

"Foreign" interests specially the Americans had their eyes on the P & D Division of the FCI. So they continued their efforts to sabotage the working of the FCI through different dubious methods.

In 1964-65, the Ford Foundation offered experts who had no experience whatsoever in the fertiliser industry, to probe into the working of the FCI and make recommendation on the reorganisation of the P & D Division.

Next year through the Fertilizer Association of India proposals were mooted to form a parallel "Fertilizer Institute" having identical functions and objectives as the P & D Division of the FCI. Simultaneously the USAID, as a condition for financing the Trombay Expansion Project expressed the view that a review of the FCI organisation by a team from USA...."

It is a long story. You are completely in the hands of foreign and Indian monopolists in the matter of production of fertilisers in this country.

The glory of 27 years of Congress rule is we have the lowest per capita

income in the world, the highest price rise and we pay the highest price for fertilisers in the world. I would read out from the Estimates Committee report which says: Prices paid by farmers per 100 Kgs. of Plant nutrient in U.S. Dollars. In 1969-70, India paid 34.3 for ammonium sulphate as against France paying 26. For ammonium nitrate France is paying 23.3 while we are paying 29.4 Even Ceylon, which is not a terribly advanced country pays only 21.1, while we are paying 34.3 So, the position today is, with the party of Shri Fakhruddin Ali Ahmed and M. Shahnawaz Khan ruling the country, the poorest man in the world must pay the highest price for fertilisers because the money in between has to go to bring about *garibi hatao*, for UP elections, Orissa elections and miscellaneous sundry expenses which cannot be seen in the budget. The Estimates Committee report further says:

"The prices of three of the nitrogenous fertilisers are directly controlled by Government. The issue prices fixed for fertilisers imported by the Central Fertiliser Pool, which constitute about 50 per cent of the total consumption of fertilisers in the country, influence prices of other types of domestically produced fertilisers. Thus Government is directly or indirectly controlling the prices of fertilisers in this country. Yet, the cultivators prices of fertilisers in this country are about the highest in the world. Even these prices are not considered by the fertiliser industry to be reasonable and attractive enough for new investment."

The consumption of fertilisers in this country is the lowest. The consumption of plant nutrients in Kgs per hectare of agriculture land in 1970-71 was 347 in Japan, 324 in Belgium, 308 in Taiwan, 278 in Netherlands, 14 in Pakistan and 9 in the glorious country of India. Everywhere we have a glorious record! This beautiful clipping says "Fertiliser was lowest in India!"

[Shri Jyotirmoy Bosu]

Coming to adulteration of fertilisers and mixing up of different other things which are known to Congressmen—they are experts in it—this clipping says:

“Out of 2,790 bags of fertilisers received by rail at Kolar, 119 bags contained 90 per cent sand and 10 per cent fertiliser and Mr. Hanumaiah, Deputy Registrar of Co-operative Societies, Kolar referring to a complaint...”

The other day, I had brought a polythene bag of Punjab fertilisers which I dumped on the Table.

It contained graunles made of earth. That is what is generally being done.

They talk about self-reliance. That has been their song when they go to address public meetings. That is nothing but an unmixed untruth. The total quantity of fertilizers imported during the calendar years 1970, 1971 and 1972 are as follows:

years	(in lakh tonnes)		
	N	P	K
1970	3.99	0.54	0.96
1971	5.03	1.49	2.53
1972	6.18	2.14	2.90

For all other items also the position is the same. Our reliance on other countries is in fact increasing. The National Commission on Agriculture says:

“This study notes that fertiliser consumption in the country after showing phenomenal growth in 1966-67 and 1967-68 has been deteriorating and maintaining a level far below the Plan expectations.”

The reason given by them are lack of extension and sale promotion activities, inadequate soil testing facilities, unsatisfactory retail distribution ar-

rangements, insufficient quality control of fertilisers and difficulty in provision of credit to the farmers. It says further:

“The Planning Commission study has further pointed out that the fertiliser application in areas under high yielding varieties programme has been lagging behind the recommended dosages envisaged on the eve of the Fourth Plan....

Another disturbing feature noticed in the trend of consumption of fertilisers is that the growth rate during the last few years has shown a declining trend after recording substantial increase in 1967-68. This will be evident from the Table below:

Year	Target	Actual
(in lakh tonnes)		
1967-68	21.50	15.40
1968-69	28.00	17.60
1969-70	26.00	20.09
1970-71	25.40	21.76

The entire strategy of agricultural production is based on the application of fertilisers. If there is a shortage of fertilisers or a failure to ensure through sufficient promotion the required levels of consumption of fertilisers, the result will be loss in production.”

After 1970-71 also there has been serious decline in consumption.

Coming to fertiliser shortage, the *Economic Times* says:

“Though there have been shortfalls in many sectors, it is in fertiliser that the performance has been singularly poor. It is now estimated that production of nitrogen and phosphate by the end of the current year will be 1.2 million tonnes and 0.4 million tonnes respectively

against the target of 2.5 million tonnes and 0.9 million tonnes. This means a shortfall in production of nearly 50 per cent."

It further says:

"It is indeed deplorable that when the country requires more and more fertilisers to step up agricultural production, there should be so much under-utilisation of capacity in the projects of the public sector. Apart from fuller utilisation of existing capacity, there is also need to reduce the gestation period in implementing the new projects."

India fails to get fertiliser. The Government have a list of failures to their credit. I do not see any reason why this Government should remain in power and cling to power although they are proving utterly useless.

Then, there is the question of regional imbalance. I can cite two examples, not because you are in the Chair, Sir, that Tamil Nadu has been discriminated against and West Bengal, particularly, the eastern region, has been seriously discriminated against. I can quote from the statement of demand and supply of fertiliser during 1971-72 that, in respect of Assam, the demand was 18.20 tonnes and they have given 14.63 tonnes.

The statement that was made on the floor of the House in reply to Q. No. 1960 on 5th March, 1973 clearly reveals that the Central Government to suit their own advantages are discriminating and making imbalance in the matter of distribution.

Now, we have heard that fertilisers are being rushed to U.P. So long the U.P. was neglected. We have nothing against U.P. It is a backward State. They are advanced in one matter, sending a Prime Minister since 1947. That is all. I am only asking as to why Mr. Bahuguna is parading this. It is because he wants to use Fakhruddin Ali Ahmed fertiliser or Shah-nawaz Khan fertiliser to catch votes.

We want specific figures here and now, today as to how much fertiliser you have despatched to U.P. or there is in the pipeline or the paper orders are here for rushing fertiliser to U.P. We want comparative figures for the same months, two or three months, during last year and for two or three months this year before Mr. Bahuguna took over as the Chief Minister of U.P. We want a concrete picture as to convince us that you are not making use of fertiliser for the purpose of winning U.P. elections where you really stand rejected.

Then, I want to come to the price factor again.

This is what is stated here:

"The prices of three fertilisers, viz., Ammonium Sulphate, Urea and Calcium Ammonium Nitrate are statutorily controlled at present. The maximum retail prices of these fertilisers to farmers during November, December, 1972 and January, 1973 are as follows:—

Fertiliser	Price (Rs. per tonne)
1. Ammonium Sulphate	549.00
2. Urea	959.00
3. Calcium Ammonium Nitrate	594.00

Any sale at prices exceeding the above is an offence against the Fertiliser (Control) Order and the Essential Commodities Act. The State Governments have been given adequate powers to stop black marketing...."

Now, Mr. Chairman, Sir, you are fully in the know of things that a farmer can get these items of fertiliser only if he is willing to pay a premium of at least hundred per cent and on top of that, they are mixing all sorts of things, specially, the common salt. Common salt is being mixed with fertiliser to increase the quantity.

[Shri Jyotirmoy Bosu]

The control price of ammonium sulphate is Rs. 549 per thousand kgs. The man has to pay twice as much, if not more. That is being done with the connivance of this Government and their party henchmen all over the country.

Look how the foreign monopolists work. They make the production of high-yielding varieties of cereals, cotton and oilseeds fertiliser-oriented. They have been extremely generous. They gave you the benefit of the Manila Institute. But the real objective behind is to black-mail India on fertiliser and to hold agricultural production in India through controlled supply of fertiliser. We want to know what steps the Government is taking to get out of this racket.

Then, this unbalanced production is another great thing. This is what the National Commission on Agriculture says:

"There is an imperative need to promote balanced fertiliser application. The existing situation reflects the preponderance of straight fertiliser application. The analysis of the supplies made by the Central Fertiliser Pool in 1970-71 shows that out of about 1.6 million tonnes of fertiliser supplied, only 17 per cent was in complex form."

I ask Mr. Fakhruddin Ali Ahmed and Mr. Shahnawaz Khan what they have been doing.

It also says about the difficulties of small and marginal farmers to get credit:

"The present norms of lending in terms of requirement per acre of credit and rate of interest should be changed in order that the small farmers may be helped to afford increased outlay needed for intensive agriculture."

This report was published in 1971. We want to know specifically from both the Ministers here as to what

specific steps they have taken after that.

There is a racket in fertiliser. This is a report:

"The proprietor of a local tenancy dealing in fertilisers and the manager of another fertiliser agency were arrested...."

Of course, released afterwards because we have seen the Modi case. Modi, 90,000 quintals, because Mr. Uma Shankar Dikshit is receiving a purse.

"...under MISA following detection on Aug. 28 of an inter-State racket in fertiliser..." etc., etc.

Now I have got the information—which I would not like to divulge at the moment because I am awaiting confirmation—that so many henchmen, so many members of the ruling party all varieties—I do not want to say who they are; I will give you the details later—have taken agencies or wholesale dealership in others' names, in benami names, for dealing in fertiliser because the only permit that they get, chit, is good enough to be sold at a premium. I am told, of 35 to 40 per cent above the recorded price. The whole thing is dominated by the henchmen of the ruling party. I do not know how many Ministers have got their own people involved in it. There are serious malpractices. Something should be done about it.

Lastly, I want to know what steps Government took over the reports which were published long ago, I think, in 1967—A study of use of fertilisers and manures in agricultural production where there are very interesting recommendations on use of manures; there is another one published by the Indian Council of Agricultural Research which speaks of soil manures and fertilisers. In West Germany, recently, it has been discovered that inorganic, chemical fertiliser disturbs the texture of the soil,

damages the soil and ultimately makes it unfit for production. I am asking these gentlemen here if they have the knowledge to tell us what they are doing to save this country from a total ruination. I also want them to tell us what they are doing on those reports they have taken in order to augment the supply of fertiliser. I also want to know whether they are going to stop export of oil-cakes, blood meal, bone meal, etc., etc.

I want the Ministers to cover all the points in their replies and not run away from the issues.

MR. CHAIRMAN: Mr. Ramavatar Shastri.

SHRI SHYAMNANDAN MISHRA (Begusarai): What about the reply? Will he give the reply to all the points together? (Interruptions).

MR. CHAIRMAN: Whatever information they have got, they will give now, and if there are any details to be collected, they will collect and place them on the Table of the House.

श्री रामावतार शास्त्री (पटना) :

मैं मवाल करने के पहले आपके माध्यम में मंत्री महोदय से यह निवेदन करना चाहता हूँ कि वह केवल राजनीतिक जवाब दे कर अपने कर्तव्य की समाप्ति न समझें बल्कि हम जो कह रहे हैं उन प्वाइंट्स को जरूर नोट करें और उनका जवाब दें ।

क्या यह सच है कि देश में 22 लाख टन खाद की आवश्यकता है जब कि सरकार के पास केवल 17 लाख टन खाद उपलब्ध है ? यदि हां, तो केवल पांच लाख टन खाद की कमी होने पर देश में किसानों के बीच एक बनावटी कमी को लेकर भारी बाबेला मचा हुआ है ? यदि हां, तो इस बनावटी कमी का कारण क्या है और उस कारण या कारणों को दूर करने के लिए सरकार ने कौन सी कार्रवाई की है ?

क्या यह भी सच है कि पहले खाद का वितरण सहयोग समितियों के माध्यम से किया जाता था जिस में परिवर्तन कर के अभी हाल ही से साठ प्रतिशत खाद सहयोग समितियों के द्वारा और चार्लस प्रतिशत खाद निर्जी विक्रेताओं के द्वारा बेचे जाने की नीति अपनाने के कारण खाद की चोरबाजारी बढ़ गई है और इस चोरबाजारी के कारण किसानों को दुगुने मूल्य पर खाद खरीदना पड़ रहा है ? यदि हां, तो क्या इस चोरबाजारी और मुनाफाखोरी को समाप्त करके किसानों को उचित मूल्य पर खाद की सप्लाई करने के लिए उत्तर प्रदेश की सरकार की तरह केवल सहयोग समितियों के द्वारा खाद बेचने की प्रक्रिया आप प्रारम्भ करना चाहते हैं ? यदि नहीं, तो क्यों नहीं ?

18 hrs.

क्या यह भी सच है कि भारतीय खाद निगम और राज्य सरकारों के बीच उचित सहयोग न होने के कारण भी खाद की बनावटी कमी है तथा उसकी चोरबाजारी में वृद्धि हुई है ? यदि हां, तो सरकार ने इस स्थिति में सुधार लाने के लिए कौन सी कार्रवाई की है ?

क्या यह सच है कि भारतीय उर्वरक निगम के बिक्री डिविजन के कारण भी खाद की कीमत बढ़ी है क्योंकि उस के संचालन में भारी रकम खर्च की जाती है ? यदि हां, तो बिक्री डिविजन पर सालाना कितनी राशि खर्च होती है और उसका खाद की कीमत पर क्या प्रभाव पड़ता है ? सरकार इस डिविजन को समाप्त कर राज्य सरकारों से उर्वरक निगम के द्वारा सीधे तौर पर आप खाद की सप्लाई करवाना चाहते हैं ? यदि नहीं, तो क्यों नहीं ?

क्या यह सच है कि बिहार की सरकार ने भारतीय उर्वरक निगम के पांच अधिकारियों के विरुद्ध एसेंशियल कमोडिटीज एक्ट के तहत बिहार को खाद का निश्चित कोटा सप्लाई न करने के कारण, कारण बताओ नोटिस

[श्री रामावतार शास्त्री]

जारां किं है, यदि हां, तो सरकार ने इस सम्बन्ध में कौन से कार्रवाई की है ?

SHRI SHYAMNANDAN MISHRA (Begusarai): My question will be of a very innocent character and I hope that the hon. Minister would not find much difficulty in answering it.

It is obvious that our country produces only 50 per cent of our effective demand of fertilisers. The position is going to be worse because of the paucity of feed stock. So, much depends upon how you are arranging for the import of fertilisers. There, we find that we do not have much cause for satisfaction with the arrangements made for the import of fertiliser in the past. No one could be. What are the reasons? One of the reasons to my mind, is that the **STC** which is entrusted with the task is not equipped with the requisite expertise in this matter. They are not equipped with the expertise because they do not know how to make the demand in the highly sophisticated western market of fertilisers. For example, in USA you have got a skeleton staff of one or two persons who have to deal with the problem of shoes as also getting fertilisers. One or two persons are expected to deal with the entire gamut of our trade requirements one way or the other. So, we do not have the requisite expertise in the **STC** level. How does the Government propose to make up for the deficiency in this regard? It appears to me,—and I am making this statement, subject to correction,—that no tenders had been called for from the world market recently. And, if tenders had been called from the world market, then, we would like to know as to when these tenders were called for, and what was the response to these tenders, how much was contracted from the western market and from the eastern market respectively, and also, to what extent, supplies were made from these two markets.

Then, Sir, it is said, fertilisers are not available in the world market. On the contrary we were told sometime back by Prof. Collin Clarke, a great authority on the subject and who is stationed in Australia as Professor of Economics or as Director of an important Institute that the fertiliser capacity in Australia and probably in Japan too is being unutilised because of the lack of demand from some of the markets. Now, let us have the answer to what extent this is the position.

Having said this, I want to know whether,—in view of the cost of chemical fertilisers,—the Government insists on the condition that each State must use a certain particular proportion of green manure or compost? If they do then in what way do they relate the supply of chemical fertilisers to the use of compost and other organic fertilisers?

And then my last point is this. The uneven distribution of fertilisers in the country seems to be also related to the fact that there is an uneven distribution of fertilizer factories in the country. You find the peculiar position that the fertiliser factory in Kerala has to cater to a State like Maharashtra or may be, even Gujarat. Now, a State like Gujarat or Punjab,—which consumes fertilisers probably in the largest measure,—has got only one factory each. Therefore, Sir, I think, it should be concern of the Government to see that the Fertilizer factories are evenly distributed having some relation to the demands of the fertiliser in these areas. These are the few questions which I would like to be answered by the Hon. Minister. Thank you.

SHRI C. K. CHANDRAPPA (Telli-cherry): It is a well-known fact that this country is deficit in the matter of fertilizers, and, it has been pointed out that we have been so mercilessly exploited by international cartels....

SHRI JYOTIRMOY BOSU: Multi-national....

SHRI C. K. CHANDRAPPAN: and multi-national cartels. There is a strange situation which has been caused in the country in relation to our own production of fertilizers. It has been stated that we have not fully utilised the installed capacity of the fertilizer complexes which we have in our country. Sir, if I am wrong in what I say, I would like to be corrected by the Hon. Minister. I want to know whether it is a fact that Rourkela is producing only 40 per cent of its capacity, Neyveli 30 per cent, Fertilisers and Chemicals, Travancore—like a sick man—30 per cent, and Nangal Factory 40 per cent. If this is the case I would like to know what exactly is the reason and what are the particular factors which compel these units to produce so little and not use their full installed capacity.

Secondly there have been lot of criticisms about the distribution mechanism of fertilisers and I want to know whether this criticism has been brought to the notice of the Government, and if so, what are the steps which they have taken to distribute the fertiliser in such a way that it reaches the consumer directly and not through the black market.

Lastly, the other day—two days back—there was an alarming report appeared in the Financial Express saying that the Government of India had allotted to Kerala a certain quantity of fertilisers from FACT, Cochin Unit and it is said that not a single grain of fertiliser has been given from that unit. That is the situation in Kerala.

As a result of that, the 'Financial Express' reports a good crop which could have been better because of the favourable monsoon and because of the favourable climatic conditions. Because of the lack of fertilisers, the crop situation in that State had been very bad. What kind of policy is the Government adopting in relation to the distribution of fertilisers and, in

regard to Kerala State, I would like to get a specific answer from Government.

SHRI JYOTIRMOY BOSU: Sir, I would like to ask a question.

MR. CHAIRMAN: Before you put the question, please hear the hon. Minister.

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI SHAHNAWAZ KHAN): I am grateful to the hon. Members who have taken part in this discussion, particularly, to my friend, Shri Bosu for pinpointing and drawing the attention of Government on this very important aspect of our national problem which is going to affect the economy of our country in a big way. I therefore very much welcome his observations while initiating the debate.

I completely deny that we are going to succumb to the foreign pressures and monopoly houses. Sir, our endeavour is to become self-sufficient in the matter of fertilisers as far as we can. We are trying to indigenise our own plants and use as much indigenous components as possible.

SHRI JYOTIRMOY BOSU: May I know when we are going to stop importing fertilisers?

MR. CHAIRMAN: Please do not interrupt him.

SHRI JYOTIRMOY BOSU: My friend wants to know when the country is going to be self-sufficient in the matter of fertilisers.

MR. CHAIRMAN: Whatever be the lapses, it is not the right of a Member to put a question. This is not a question time.

SHRI JYOTIRMOY BOSU: You are very right.

SHRI SHAHNAWAZ KHAN: The question put to me was as to when we are going to become self-sufficient. Our attempt is to become self-sufficient in the matter of production

[Shri Shah Nawaz Khan]

of nitrogenous fertilisers by the end of Fifth Five Year Plan. We have made plans to instal rated capacity of 7.0 million tonnes by the end of the Fifth Five Year Plan. This would give us a production of 4.8 million tonnes of nitrogenous fertilisers by the end of the Fifth Five Year Plan which will, more or less, satisfy our demands.

SHRI JYOTIRMOY BOSU: Sir, I rise on a point of order.

MR. CHAIRMAN: There is no point of order.

SHRI JYOTIRMOY BOSU: You have not got the authority on this.

MR. CHAIRMAN: If that is not a point order, I shall allow him to speak.

SHRI JYOTIRMOY BOSU: My point of order is this. I have made certain specific statements and accusations against the Government. The hon. Minister has brought forward a ready-made reply. In this debate, I want him to reply to what I have stated. We are not interested in making it a propoganda forum. He has brought a ready-made reply before the House.

MR. CHAIRMAN: It is not a ready-made reply. He has got all the facts.

SHRI JYOTIRMOY BOSU: No, Sir.

MR. CHAIRMAN: Mr. Bosu, there is no point of order. Let the Minister proceed.

SHRI SHYAMNANDAN MISHRA: The question that the hon. Member raised is similar to the one I have raised. If he has to deliver a speech then, or course, he can do so in the All India Radio.

SHRI JYOTIRMOY BOSU: We are not discussing Plans.

MR. CHAIRMAN: There is no point of order.

DR. KAILAS (Bombay South): He had raised the question of self-sufficiency. Therefore, the hon. Minister has to refer to all this.

SHRI JYOTIRMOY BOSU: If the hon. Minister is not prepared to meet my accusations and the other things that I have stated, we are not interested in listening to him....

DR. KAILAS: He had raised the question of self-sufficiency....

SHRI JYOTIRMOY BOSU: Dr. Kailas is a very good person outside, but here he becomes different.

MR. CHAIRMAN: Let the hon. Member address the Chair.

SHRI JYOTIRMOY BOSU: I always say things through you, Sir. Let it be on record. I never say anything without going through you. Half of my life, I have been accustomed to going through proper channel. I do not want to make a change at this stage...

MR. CHAIRMAN: What about the other half?

SHRI JYOTIRMOY BOSU: The point is that the General Sahib has come with a ready-made reply. I want him to meet the accusations and other things that I have stated covering the failure and mismanagement and conspiracy with the monopoly capital to defraud the common poor farmer in the country. Let him reply to this. Otherwise, we shall take it with a pinch of salt, and he may continue to draw his salary as a Minister and enjoy all the facilities, bungalow etc., but we shall not listen to him any more.

SHRI SHAHNAWAZ KHAN: I admit that there have been shortfalls in production. The reasons are very well known to the hon. Members. The main reasons are that, as my hon. friend opposite knows, the country passed through a terrible power crisis...

SHRI JYOTIRMOY BOSU: Since when?

SHRI SHAHNAWAZ KHAN: That affected fertiliser production in this country very badly.

SHRI JYOTIRMOY BOSU: Because of his wrong planning. Since when

was the power crisis? What about the coal-based fertilisers?

SHRI SHAHNAWAZ KHAN: I am coming to that. In addition to that, there have been labour trouble, trouble in industrial relations....

SHRI JYOTIRMOY BOSU: Ministerial crisis.

SHRI SHAHNAWAZ KHAN: That also has led....

SHRI JYOTIRMOY BOSU: He has really made us laugh now.

SHRI SHAHNAWAZ KHAN: Then, the availability of raw material was also causing some difficulties often.

The hon. Member talked about coal-based plants.

SHRI JYOTIRMOY BOSU: What are the reasons for shortfall? Labour trouble....

MR. CHAIRMAN: The hon. Minister has mentioned them already. Let him not recount them again, because there is not much time now.

SHRI SHAHNAWAZ KHAN: Shortage of power, shortage of raw material....

SHRI JYOTIRMOY BOSU: Sir, you will just now go home and eat some cereal produced with fertilisers. And yet you are giving only this much time for this?

MR. CHAIRMAN: Let him not bring extraneous matters here.

SHRI SHAHNAWAZ KHAN: More than one hon. Member talked about the uneven distribution of fertiliser plants. I would like to inform the House that in addition to the existing fertiliser plants at Sindri, Namrup, Gorakhpur, Trombay, Rourkela, Udyog Mandal, Neyveli, Madras Fertilisers and the fertilisers produced in the steel plants, we have a number of fertiliser plants under implementation and these are....

SHRI JYOTIRMOY BOSU: Again recitation of written speech.

SHRI SHAHNAWAZ KHAN: ... Durgapur, Cochin I and II, Barauni, Namrup which is being expanded, Talcher, Ramagundam, Korba, Kandla, Haldia, Khetri, Gorakhpur expansion, Nangal which is being expanded, and Sindri modernisation and rationalisation. At the same time, a number of fertiliser plants are coming up in the private sector. These are at Goa, Mangalore, Tuticorin...

SHRI JYOTIRMOY BOSU: Government had promised that in the Fourth Plan, fertiliser production will be in the public sector to the extent of three-fourths. What has happened to that? On a point of order, Sir....

MR. CHAIRMAN: No point of order now.

SHRI JYOTIRMOY BOSU: In that case, I am seeking a clarification. Government had made a policy statement that during the Fourth Plan period, three-fourths of the fertiliser production would be in the public sector. How is it that these are now in the private sector?

DR. KAILAS: He does not seem to be interested in the reply. That is the difficulty.

SHRI JYOTIRMOY BOSU: Dr. Kailas is a doctor, and he should treat me and not create trouble for me.

DR. KAILAS: I treat him here as per his disease inside the House as I treat him outside. We are interested in hearing the reply of the hon. Minister. So, let not the hon. Member disturb us.

SHRI SHAHNAWAZ KHAN: On the one hand, the hon. Member insisted that we should attain self-sufficiency in as short a time as possible.

SHRI JYOTIRMOY BOSU: In the public sector.

SHRI SHAHNAWAZ KHAN: On the other hand, they say that we should not allow the private sector to put up any plant.

SHRI JYOTIRMOY BOSU: It was your policy statement.

MR. CHAIRMAN: It is the policy statement he is making now.

SHRI SHAHNAWAZ KHAN: The choice before us is to make the public sector produce to the maximum extent and then for the balance, either we import or allow the private sector to produce something. We have to make the choice.

I would like to inform the House that a number of new plants, Mathura, Panipat, Bhatinda, Trombay, Paradeep are all coming up.

He talked about

SHRI JYOTIRMOY BOSU: ICI.

SHRI SHAHNAWAZ KHAN: coal-based plants. The hon. member knows that we have three plants under construction which are coal-based.

SHRI JYOTIRMOY BOSU: Since when?

SHRI SHAHNAWAZ KHAN: Since the last three years. They are Talcher, Korba..

SHRI JYOTIRMOY BOSU: Why are they not producing?

SHRI SHAHNAWAZ KHAN: They are under construction. They will start producing soon.

We have initiated an intensive survey throughout the country of the likely places where we can put up coal-based plants. The survey is actually completed. I think we will be able to suggest a number of places where coal-based fertiliser plants can be put up.

As regards the ICI

SHRI JYOTIRMOY BOSU: Photo-stat—blackmarketing, manipulating despatch registers.

MR. CHAIRMAN: Why is he interrupting like this?

SHRI SHAHNAWAZ KHAN: IEL have shown an interest in coal-based fertiliser plants. The matter is being considered. No decision has been taken.

As regards difficulties caused to the farmer, I agree with the hon. member. I am a farmer myself. I live in a rural area. I know the farmers were put to great difficulty in obtaining their supplies of fertiliser. There were malpractices. These are within the purview of the State Governments. They are already taking action to curb blackmarketing. There have been raids. Action has been taken against some black marketeers. It appeared even in the press a few days ago.

MR. CHAIRMAN: He will deal with the production aspect; Shri Shinde will answer in regard to the distribution aspect.

SHRI SHAHNAWAZ KHAN: My hon. friend said that fertilisers are being distributed to UP for political reasons, that large quantities are being sent to UP on political considerations. I entirely refuse that allegation.

SHRI JYOTIRMOY BOSU: We want figures.

SHRI SHAHNAWAZ KHAN: Fertilisers are being distributed in accordance with the requirements, irrigation potential....

SHRI SHYAMNANDAN MISHRA: The question was: what was the supply made in the corresponding period last year and the year before? Please answer that.

MR. CHAIRMAN: If he does not have the figures ready, he may collect them and place them on the Table.

SHRI SHAHNAWAZ KHAN: I do not have the figures with me just now; I can place them on the Table.

About the prices of fertilisers, it is true that recently the prices were enhanced. But the prices of indigenously produced fertilisers are tied up, pooled, with those of imported fertilisers.

SHRI JYOTIRMOY BOSU: Is it the highest in the world?

SHRI SHAHNAWAZ KHAN: All I can say at this time is that the indigenously-produced fertiliser is costing us a good bit more than what we are selling at. If this matter is referred to the Bureau of Costs and Prices, we will know the actual thing. But so far we have been trying to pool the prices of indigenously-produced fertilisers with those of the imported fertilisers. We have been trying to sell it at as low a price as possible to the farmer, but the fact remains that there has been less production in the country and there is less availability of fertilisers from foreign countries.

SHRI RAMAVATAR SHASTRI: What is the total production and what is the total requirement, so that we know what is the difference?

MR. CHAIRMAN: If you have got the answer, you can give it.

SHRI SHAHNAWAZ KHAN: The production target for 1972-73 was 1,385,000 tonnes of nitrogen and 395,000 tonnes of phosphates. Against this, the achievement was 10.6 lakh tonnes.

MR. CHAIRMAN: They wanted to know the amount of production and the demand. You can collect them if they are not available now.

SHRI SHAHNAWAZ KHAN: I can give the production figures. The other Ministry deals with the total demand. We have taken a decision that we will go in progressively for more and more distribution of our products through co-operatives and the Government agencies and not through private agencies. That is the decision we have taken and we are progressively going in for that. (*Interruptions*).

SHRI JYOTIRMOY BOSU: What about the photostat copies which I have produced, in respect of the ICI which has been indulging in black-marketing in fertilisers and the Kanpur plant? I have given the photostat to the Minister and I wanted to

know what you could find out of it. If they do not say anything, I shall take it that they approve of the black-marketing done by the ICI, of course, on a give and take basis.

MR. CHAIRMAN: Shri Shinde.

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI ANNASAHEB P. SHINDE): Sir, I am thankful to you for giving me the opportunity to participate in the discussion. I wish to say, at the outset, that I hope you will convey to the Lok Sabha Secretariat and to the Speaker, the question really has been mixed up. The problems dealt with by both the Petroleum and Chemicals Minister and the Ministry of Agriculture have been covered in this discussion. Therefore, there is some difficulty. But I know and I am aware that I have to reply to an irresistible colleague like Mr. Jyotirmoy Bosu.

SHRI SHYAMNANDAN MISHRA: Sir, on a point of order. When such questions are put, which are bound to arise during the course of the discussion, then whose responsibility is it to see that all the Ministers who are concerned with the matter are here? Is it the Chair's responsibility or is it the responsibility of the Ministry to which the question is directly addressed? We must have some rules laid down for the future in this regard.

MR. CHAIRMAN: We will place this before the Speaker.

SHRI F. A. AHMED: Both the Ministries are represented here.

SHRI SHYAMNANDAN MISHRA: I am asking for the Minister of Petroleum and Chemicals. Though the Minister of State is here, he is not in a position to answer many questions.

MR. CHAIRMAN: He has answered to the best of his ability.

SHRI ANNASAHEB P. SHINDE: I would appeal to Mr. Jyotirmoy Bosu, since this half-an-hour discussion has already taken much more time than was allotted to it, not to interrupt me. That is my only request.

MR. CHAIRMAN: Please address the Chair.

SHRI ANNASAHEB P. SHINDE: I am doing that. Sir, Shri Jyotirmoy Bosu has made a number of points. Some of them have been replied to by my colleague on behalf of the Ministry of Petroleum and Chemicals. Now, it becomes very difficult when sweeping generalisations are made. For instance, one of the statements which Mr. Jyotirmoy Bosu made was that the consumption of fertilisers in this country is going down; not only that; he said that it is not increasing at all. We in the Agricultural Ministry are aware of the low level of consumption of fertiliser in this country. But it has some historical reasons. In the pre-independence period only a few thousands of tons of fertilisers were being consumed in this country. We know the need to increase fertiliser consumption in India and we want to make it available in larger quantities. But to say that consumption has not increased is not putting it in the proper perspective.

SHRI JYOTIRMOY BOSU: You are telling an untruth. This is the report of the Government of India National Commission on Agriculture and on page 25 it says clearly. "It is said to note that fertiliser consumption in the country after showing a phenomenal growth in 1966-67 and 1967-68 has been deteriorating and maintaining a level far below the planned expectations." Shall I pass this on to you? Do not show your ignorance.

SHRI ANNASAHEB P. SHINDE: In the year 1961-62 consumption in the country was 3,38,000 tonnes. That was not far off; it was only a decade earlier. Now the consumption has risen to somewhere between 28 and 30 lakh tonnes.

SHRI JYOTIRMOY BOSU: You tell us what has been your target of consumption for 1970-71 and what was actually achieved.

SHRI ANNASAHEB P. SHINDE: Have I made a statement that we have reached the target of consumption? I

have not made the statement that we have achieved the target.

SRI JYOTIRMOY BOSU: I know you are very clever, but do not try to carry coal to New Castle.

SHRI ANNASAHEB P. SHINDE: From 3-4 lakh of tonnes we had reached about 30 lakh of tonnes. For the last 5 or 6 years the per annum consumption of fertiliser has been increasing at the compound rate of 19 per cent. During the current year and during the last year, the level of consumption has not increased at the same rate at which it has been increasing. This year there will be only a marginal increase. Percentages can be worked out only after the year is over. It is difficult for me to say now. Some imports are uncertain. I cannot assume what will be the level of domestic production.

SHRI JYOTIRMOY BOSU: You read page 266 of Fertilisers Statistics.

SHRI ANNASAHEB P. SHINDE: You should not give a wrong impression to the country. This year though the total consumption is not expected to be lower than the last year, it would not be substantially higher. It would be higher by a few thousand tonnes, about a lakh of tonnes at best, as compared to last year. That is the picture that is likely to emerge.

SHRI SHYAMNANDAN MISHRA: There is declaration in the consumption of fertilisers. That has been his point.

SHRI JYOTIRMOY BOSU: The Minister is deliberately misleading the House which amounts to gross breach of privilege. I want to quote from the Fertilisers Statistics published. It is here.

MR. CHAIRMAN: You have made your submission. If you are not satisfied with the answer, please take recourse to other methods. You should not interrupt now and prolong the time of the debate.

SHRI ANNASAHEB P. SHINDE: Shri Ram Avatar Shastri raised the question: What is the demand and what is the gap? It is true there is a wide gap between demand and supply. The total demand which would be almost 4 million tonnes of N.P.K. and the availability is likely to be between 27 and 30 lakh of tonnes. Here again if we take into consideration the assessment of the State Governments, the gap is still wider. Healthy debates in this House would help the Government. I would not like to give any information which is not correct. A very encouraging trend of consumption is emerging. A few years earlier, consumption was not increasing as per our expectations. We were worried and we consulted the State Government. A number of steps were taken by the Government of India to popularise the use of NPK. Now I am glad that there is so much of awareness for the use of fertilisers. This wide gap itself reflects the increasing awareness of consumption. It is a very healthy sign for the country's economy. It is a challenge to the Government. We should not look at it from a negative angle.

Mr. Mishra asked how much will be imported from which countries. We are importing from practically all over the world. USA, Western Europe, East European countries, Japan—these are the main supplies. We do not import through the STC. The agencies through whom fertiliser is imported are two. One is the Department of Supply for imports from the western region. For imports from Japan and eastern region, it is through the MMTC. Now it is proposed to change the procedure and entrust the imports entirely to MMTC because it has specialised in this and Government feel MMTC would be in a better position to deal with imports and protect our national interests.

SHRI SHYAMNANDAN MISHRA: Are they properly equipped for this?

SHRI ANNASAHEB P. SHINDE: Yes. We can improve it also.

The normal system is to invite tenders. But recently as a result of world-wide shortage we changed our approach. In the past we were having ad hoc purchases in international markets. Now the Government of India has come to the conclusion that to protect our interests and ensure availability, we must enter into long-term arrangements with foreign suppliers. In certain cases, we also fix the price by negotiation. The world context has changed so much. We have some information that practically the overwhelming portion of Japan's production is being cornered by China. In order that our national interests should not suffer we have entered into long-term arrangements. But I do not know what will happen to these arrangements. Because of the shortage of petroleum products, many of the foreign suppliers are saying there may be difficulties in fulfilling the arrangements.

SHRI SHYAMNANDAN MISHRA: Why should that preclude tenders for meeting the short-term requirement?

SHRI ANNASAHEB P. SHINDE: Mr. Mishra said that the Japanese and Australians are not in a position to find a market. This is old information.

SHRI SHYAMNANDAN MISHRA: Only a few months back Prof. Colin Clarke was here.

SHRI ANNASAHEB P. SHINDE: Even he might not be fully aware of the position. That was the position a few years back. Now the position has completely changed. It is a sellers' market now.

A political point has been raised that more fertilisers are being supplied to U.P. as compared to other States due to political reasons like U.P. elections. I would like to have sympathetic understanding of the House because I would not have time to deal with all the points raised.

SHRI SHYAMNANDAN MISHRA: I asked for definite information as to how much you have contracted for from the Western and Eastern markets and what supplies have been made to you.

SHRI ANNASAHEB P. SHINDE: I have all the figures with me here. I can tell you roughly that Government of India gave sanction for the purchase of 10 lakhs tonnes of fertilizers from foreign countries. Effective contracts have been executed so far to the tune of 8 lakhs tonnes and effective supply is likely to be of the order of 7 lakhs tonnes. I am prepared to give a full statement country-wise, because there is nothing to conceal from the House.

SHRI RAMAVATAR SHASTRI: Why are you distributing it through private agencies?

MR. CHAIRMAN: It has been answered.

SHRI ANNASAHEB P. SHINDE: I would appeal to hon. Members not to be led by prejudices. This is the rabi season. In the rabi season wheat is the important crop as rice is the important crop in the kharif season. The most important wheat producing States are Haryana, Punjab and UP. The Government of India have been giving the highest priority to Punjab, Haryana and West UP because they are the important areas which have been contributing very substantially to the central pool, which helps us to maintain the food economy. This has been our position not only this year but over a period of years. We are trying to rationalise and see that the maximum requirements of UP, Haryana, Punjab and Tamil Nadu in the south are given priority... (Interruptions). It would not be possible to meet the full requirements of any State, including UP, because the availability is less and demand is more. We are now having some priority in the movement of fertilizer to Punjab, Haryana and UP. Sir, since you made some representation on behalf of Tamil Nadu...

MR. CHAIRMAN: The Chair did not make any representation.

SHRI ANNASAHEB P. SHINDE: Not as Chairman but as a Member of Parliament. And you are within your rights to tell me that Tamil Nadu is experiencing some difficulty and so it should be given some special treatment. Naturally, I told you that when the next ship touches Madras port we will see that the maximum quantity is diverted to Tamil Nadu.

Despite all our attempts, we are not likely to meet the full requirements of any State. As far as the percentage of supplies as against demand is concerned, when UP is compared with some other States, we find that UP has got a lower percentage as compared to Punjab. Further, these decisions about supply were taken not in September or October but months earlier when there was no question of impending elections. The percentage of supply to UP has been 45 per cent for nitrogen and 56 per cent for phosphates whereas I see from the list before me that a number of States have got a much higher percentage of supply than this.

SHRI SHYAMNANDAN MISHRA: Please give us figures for the past few years.

SHRI ANNASAHEB P. SHINDE: Those figures are not with me just now. I am prepared to give all the figures. There can be no wrong impression created about the supply of fertiliser. (Interruptions) Why are the Members exercised so much over it? If U.P. elections are coming, you have got so many other platforms where you could agitate. Why should you get agitated here?

As far as distribution policy is concerned, by and large, 50 per cent is imported fertiliser. That is imported by the Government of India. We do not hand it over to any private party. We call them pool supplies.

These are handed over to the State administrations. We do not deal with any private party as such. We have advised the State Governments and we have insisted on them that they should distribute fertiliser through public distribution agencies or co-operatives. My information is that, by and large, the advice of the Government of India is being followed by various State Governments.

As far as domestic manufactured fertilisers are concerned, recently, the Ministry of Petroleum and Chemicals have issued a directive to the Fertilizer Corporation of India that 50 per cent of their fertiliser must be distributed through cooperatives. Of course, this is a much wide issue. At that time, it was decided to issue licences from

1960-61 onwards because no investment was forthcoming in the fertiliser industry. The Committee went into the problem at that time and it was decided that manufacturers who are going into production should be given certain amount of freedom of marketing. This condition is incorporated in the licence itself. There have been some technical difficulties experienced by the Government of India. Our approach is that, progressively, the fertiliser should be distributed through public sector agencies.

18.48 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, November 29, 1973/Agrahayana 8, 1895 (Saka).