

LOK SABHA

Monday, March 18, 1968/Phalgun 28,
1889 (Saka)

The Lok Sabha met at Eleven of the
clock

[MR. SPEAKER in the Chair]

MEMBER SWORN

SHRI JHARKHANDEY (Ghosi)

ORAL ANSWERS TO QUESTIONS

PURCHASE OF FERTILIZERS

*658. SHRI K. P. SINGH DEO : Will the Minister of WORKS, HOUSING AND SUPPLY be pleased to refer to the reply given to Unstarred Question No. 2539 on the 4th March, 1968 and state :

(a) the reasons for the change in the pattern of buying fertilizers through negotiations instead of inviting tenders; and

(b) the benefits likely to be derived therefrom ?

THE DEPUTY MINISTER IN THE MINISTRY OF WORKS, HOUSING AND SUPPLY (SHRI IQBAL SINGH) : (a) It was felt that some of the major suppliers of fertilizers in the world had formed cartels and were quoting more or less the same C. & F. prices against open tenders. Negotiations were held with the suppliers individually and purchases made at rates which were considerably lower than those received against tender enquiries.

(b) As a result of negotiations it has been possible to effect large savings in Foreign Exchange Expenditure. It has also been possible to get the maximum quantities of the type of fertilizers needed by the Department of Agriculture within the stipulated period.

SHRI K. P. SINGH DEO : In view of the fact that after a good harvest last year, the demand for fertilizers was increasing, may I know whether the Gov-

ernment is assured of imported fertilizers through this new change in policy till the end of the five Year Plan ?

SHRI IQBAL SINGH : We will be going on purchasing fertilizers as far as there is need for the import of fertilizers. As may be remembered, last time, I had laid a statement on the Table of the House showing what will be the total requirement and what will be the need at least for the next few years.

SHRI K. P. SINGH DEO : May I know the quantity of the various imported chemicals which are necessary for our domestic production and whether the Government is assured of the quantities, because in 1966, due to the shortage in the supply of sulphur the production of fertilizers dropped. So may I know whether the Government has assured itself of the imported chemicals till the end of the five Year Plan ?

SHRI IQBAL SINGH : Regarding the import of those commodities, I may point out that the Ministry of Petroleum and Chemicals is dealing with the new materials. We purchase fertilizers on import.

SHRIMATI TARKESHWARI SINHA : May I know what is the quantum of fertilizers this country will get out of the negotiations ? You say that there has been some advantage by these negotiations. I would like to know what was the original targeted quantity that was to be imported at the previous price and what is the benefit that is now likely to accrue to us, to this country, because of these negotiations ?

SHRI IQBAL SINGH : It is a vague question, because every year we see how much of fertilizers we require and how much would have to be imported,—import from different countries and through different loan agreements. But I can only say that in the last negotiations which we held in October and November last year, there was a saving