and so; that is the understanding. At the present moment DVC is generating 600 Megawatts. According to that generation figure, Calcutta is entitled to get only 36 Megawatts, but we are giving them 40 Megawatts. So, there cannot be any complaint from the Calcutta side. (Interruptions).

DR. SUBRAMANIAM SWAMY: You cannot generate in 'Megawatts'. 'Megawatt' refers to capacity. It has to be in kilowatt hours.

श्रीमती कृष्णा साही : दामोदर घाटी निगम से जो बिजली सप्लाई होती है, उसमें निगम को जितनी मिलनी चाहिए, क्या उतनी दी जा रही है या नहीं ?

श्री विक्रम महाजन : जहां तक बिहार का तात्लुक है, बिहार की जितनी मांग है, हम उसको उतनी देने की कोशिश कर रहे है, लेकिन चूंकि हर स्टेट को हम उतनी देते हैं, जितनी कि हम जेनीरेट करते है, उसके मुताबिक कट लगता है। हमने एक फ़िक्स किया हुम्रा है, उसके मुताबिक बिजली दी जाती है। (व्यवधान) लेकिन उस कट्रेक्ट के मुताबिक कहीं कम भी दी जाती है, कहीं ज्यादा भी दी जाती है। (व्यवधान)

श्री मनीराम बागड़ी : ग्रध्यक्ष महोदय, यह जवाब ठीक नहीं है । उन्होंने पूछा है कि बिहार को जितनी बिजली मिलनी चाहिए उतनी मिल रही है या नहीं । (ब्यवधान)

ग्रध्यक्ष महोदय: मंत्री जी ने ठीक कहा है कि जितना उत्पादन होता है, उसके ग्रमुपात से दिया जाता है।

श्री मनीराम बागड़ी : मेरा व्यवस्था का सवाल है । (इ.वधान) क्या यह सवाल का जवाब है ? (व्यवधान)

ग्रष्ट**्स महोदय**ः आप हाफ-एन-आवर डिसकशन का नोटिस देदे।

## World Bank loan for THAL Vaishet

## \*6. SHRI †CHINTAMANI PANIGRAHI:

PROF. MADHU DANDAVATE:

Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether World Bank has reversed its decision to grant loan to cover the bulk of foreign exchange requirement for setting up of Ammonia-cum-Urea fertilizer complex at Thal Vaishet;
  - (b) if so, the reasons therefor; and
- (c) how do Government propose to meet the foreign exchange requirements in this regard?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI P. C SETHI): (a) and (b). One of the conditions for effectiveness of the loan agreement with the World Bank for the Thal Vaishet Project was the appointment of consultants for the ammonia plants. The World Bank did not accept Government's selection of consultants because the proposed arrangements, according to them, did not ensure timely and satisfactory completion of the Project. The agreement, therefore, stood terminated on 31-12-80.

(c) Government proposes to meet the foreign exchange requirements of the Project through bilateral credits and suppliers' credits.

SHRI CHINTAMANI PANIGRAHI: The World Bank loan agreement was only to the extent of 250 million dollars. Now, because of the nature of the Agreement, the World Bank has gone back on its own Agreement. We are very happy that the Government of India is going in for negotiations with other countries. I would like to know whether this Project will be held up because of this thing and if not, which are the other countries with which we are having bilateral consultations for processing or quickening the progress of this Project.

SHRI P. C. SETHI: Apart from the delay which has taken place, the project is not going to be delayed any further and is likely to be completed by 1984.

As far as the credits are concerned, we are hoping to get about Rs. 30 crores from Denmark, about Rs. 67.5 crores from U.K. about Rs. 69.8 crores from Japan, then about Rs. 20 crores from Italy and then the French credit and other credits are also available.

SHRI CHINTAMANI PANIGRAHI: May I know from the hon. Minister whether because for three times this revision went on for this project—it ultimately stood at Rs. 740 crores—and whether because of this time lag, the estimates will go up or will it remain at Rs. 740 crores?

SHRI R. L. BHATIA: Let them be revised.

SHRI P. C. SETHI: On the basis of the government calculation which is without taking into consideration, the escalation, it will be Rs. 732 crores now.

PROF. MADHU DANDAVATE: I would like to know from the hon. Minister. Is it not a fact that in the past we had a great credibility with the World Bank, but, in spite of that, because we took wrong decisions-I mean, the government took wrong decisions, the World Bank is not coming forward. In spite of the fact that as far as the consultancy contracts are concerned, they were properly processed by a Cabinet Committee and by experts and after that a decision was taken, I would like to know why after this processing, the original decision was changed and whether it is a fact that as a result of the new consultancy contract which will involve ap interior technology, there will be losses in inis project to the tune of more than Rs. 55 crores per year and as a result of that, will there be a delay in the commissioning of the present project?

SHRI P. C. SETHI: As far as the changing of the consultancy is concern-

ed, the House has debated this question for more than 2 hours. It will be difficult for me to enlist all those points during a short reply which Prof. Dandavate expects from me. However, I may say that there will be no delay.

As far as the technology is concerned, we have selected the best possible technology. There is not going to be any loss of Rs. 55 trores as envisaged by him. The energy consumption and every other thing is ....

PROF. MADHU DANDAVATE: Sir, as you will not permit me.... I had asked a specific question that when the Cabinet Committee and the team of experts had processed the entire proposal of the consultancy contract, what were the reasons to change the consultancy contract which is bound to result into losses?

MR. SPEAKER: I think he has replied to it.

SHRI P. C. SETHI: Broadly the reasons....

PROF. MADHU DANDAVATE: Sir, if you permit me. (Interruptions)
He has permitted... (Interruptions)

MR. SPEAKER: We have already done it. It will only take more time.

PROF. MADHU DANDAVATE: Sir, it is a pointed question to which he has not replied.

PROF. N. G. RANGA: There was already a two-hour discussion on this.

PROF. MADHU DANDAVATE: I have gone through the proceedings of the debate but this point was not replied to.

DR. SUBRAMANIAM SWAMY: Why not have 2 hours 15 minutes?

SHRI P. C. SETHI: As far as the question of consultancy is concerned, it was found that Braun were not in a position to transfer the technology completely. Then they had no experience of the Indian soil and no construction here. Then in the last so

21

many contracts which were awarded the world over, Braun got only 2 while Topsoe got about 15 and the other Pullman Kellogg got about 17. So, from that point of view, the technology which Pullman Kellogg and Topsoe are offering is one of the best and then it is a complete transfer of technology. As far as the energy consumption is concerned, the energy consumption is also going to be equivalent and, therefore, the change was necessary.

Secondly, the Braun technology had almost reached a plateau and there is no chance of further improvement....

SHRI R. L. BHATIA: It has become obsolete.

SHRI P. C. SETHI: .... As far as the technology which Topsoe is offering, it is one of the best and is completely transferable and the catalysts which they are offering are not available in the Braun technology.

When the six parties were short-listed, then the World Bank knew that Topose and Pullman Kellogg have been shortlisted they completely know it and, therefore, it should not give any surprise to them.

SHRI R. L. BHATIA: They do not want the best.

DR. SUBRAMANIAM SWAMY: Sir, India is a share-holder in the World Bank and Indian representatives are there on the Board of Directors of the World Bank. So, when this decision was taken, it was widely publicised as an insult to India. And the Prime Minister also made a speech and she said that it was an open interference in the internal affairs of the country. What I am surprised to learn is that despite all this, the Government India which is a share-holder in the Board of Directors of the World Bank, has not lodged any formal protest to the decision of the World Bank. It has not even asked for the basis in which the World Bank has terminated the contract. So, I feel that from the reply given the Government appears to be feeling guilty about the whole thing. I want to know whether the Government will lodge a protest and call for an emergency meeting of the Board of Directors of the World Bank and ask for the explanation as to why they have cancelled this contract? Are they guilty and afraid to raise the question?

SHRI P. C. SETHI: We have answered this question time and again that there is no guilty in it. We have done the best possible thing in the interest of the country. We have selected the best possible technology with a complete transfer.

As far as the question of protest is concerned, we have given them a complete reply. Recently, during my visit abroad, I had talks with the Italiar Government and also the Danish representatives. Both the Governments are filing letters of protest and we car also do so.

DR. SUBRAMANIAM SWAMY: Have you called the meeting of the Board of Directors? I am asking you whether you will raise this at the Board of Directors' meeting.

SHRI P. C. SETHI: As regards our lodging a protest, I do not know how the World Bank would proceed with regard to this.

## Demand of petroleum products by Gujarat

- \*7. SHRI NAVIN RAVANI: Wil the Minister of PETROLEUM, CHEMI CALS AND FERTILIZERS be please to state:
- (a) whether on account of industrial agricultural and other developin activities, the consumption of petroleur products has increased in Gujarat;
- (b) whether the availability of petro leum products, particularly of dies and kerosene, is not commensurat with the demands of Gujarat;
- (c) whether Gujarat Governmer has made arrangement for proper distribution of SKO, BDO and HSDO t different categories of consumers;