

[English]

SHRI M.L. FOTEDAR: I would like to tell the Hon. Member that such decisions are not taken in a huff. He has asked about the economic viability of the Bharat Gold Mines and what is the production and how to make it economically viable. I have clearly stated that.

So far as other parts are concerned, it will not be good for me to reply on behalf of the Finance Minister. I would request him that he can give a separate notice to the Finance Minister.

DR. KRUPASINDHU BHOI: Hon. Speaker, Sir, I want to know from the Hon. Minister about the quantum of minable reserve which is economically possible in the Kolar Gold Fields and whether it is a fact that nearer to the zone of quartz formation and tertiary formation of that area, other deposits are plentifully available according to the report of the GSI. What is the present condition and what is the gram percentage of per tonne of ore in that particular area?

SHRI M.L. FOTEDAR: The GSI is going deep into the question about finding reserves in that area. So far as grade in the Bharat Gold Mines, the Kolar Mines, is concerned, it is about 2 to 5 gram per metric tonnes of ore.

SHRI V.S. KRISHNA IYER: There is a contradiction in the reply given by the Hon. Minister. In one place, he says that mines will be phased out in a period of seven years and in a package deal, again he says that it is to make it more viable they are permitting the sale of gold in the open market. Since there are 15,000 labourers in the Kolar Mines, will the Minister give an assurance that under no circumstances, those people will be retrenched and that he will take all steps so that the mines continue to work in a viable manner by giving all encouragement and by allowing them to sell gold in the open market? By allowing them to sell in the open market, may I know at the same time, how long does the Minister think that it will last

and the mine will continue?

SHRI M.L. FOTEDAR: I may inform the Hon. Member that we have taken a decision on a package programme to phase out these mines in seven years.

So far as the retrenchment of labour is concerned, I would like to inform the Hon. Member that there is no question of retrenchment as such at this stage. But we would certainly like to have the voluntary scheme. I think the Hon. Member will not be against any retirement or anything else which is done voluntarily.

The other mine which the Hon. Member knows is under the State Government. There also problems are perhaps similar there. The Hon. Member would be well advised to approach the State Government for this.

New Nitrogen Fertilizer Plants in Eighth Plan

*313. **SHRI I. RAMA RAI:** Will the Minister of AGRICULTURE be pleased to state:

(a) the number of new projects for Nitrogen Fertilizer Plants to be proposed for the Eighth Plan period; and

(b) how many of them are likely to be set up in the Southern States?

THE MINISTER OF STATE IN THE DEPARTMENT OF FERTILISERS IN THE MINISTRY OF AGRICULTURE (SHRI R. PRABHU): (a) and (b). According to report of the Study Group headed by the Chief Consultant, Planning Commission, 4-5 new gas-based plants of 1350 tod ammonia with matching urea capacity are required to be set up in the Northern region during the VIII Plan. Although no decision has been taken on the recommendations of the Study Group, the possibility of setting up gas-based fertilizer plants in the Southern States will be considered, depending on the availability of gas in sufficient quantity in the Go-

davari and Kaveri basins.

SHRI I. RAMA RAI: According to the Ministry of Agriculture, the total requirement by the end of the 8th Five Year Plan of nitrogen will be 12.5 million tonnes. Whereas our installed capacity now is 7.8 million tonnes. There will be a gap of about 5.1 million tonnes of nitrogen. To make up this, at least 15 nitrogen plants are required to be set up in the 8th Five Year Plan in this country.

Out of the deficit of 5.1 million tonnes of nitrogen in the country, 1.8 million tonnes is expected to be in the southern region only, next only to 3.1 million tonnes of nitrogen in the northern zone — Punjab, Haryana and UP. Thus there is a clear case of setting up four large factories in the southern States alone. I don't call it as discrimination or step-motherly treatment towards the south.

Apart from the demand of Krishna-Godavari region, will the Minister consider the long delayed demand of the FACT to put up a new large plant in replacement of its old small plant Udyog Mandal, if not by providing naphtha at least by extending the gas pipeline from Bombay to Cochin.

SHRI R. PRABHU: The figures quoted by the Hon. Member of demand and production are as projected by the Agricultural Department. I would like to say here that the projected demand is a little on the high side and we are looking into the fact whether the demand will really reach 129 lakh tonnes in the 8th Plan.

The Varadarajan Committee report has given us a proposal that we should set up four or five gas based plants in the 8th Plan. They have said that if we do not have enough capacity in the country we should also import. That is make and buy option.

As far as the demand that four or five plants should be set up in the south is concerned, I have specifically said in my reply that the southern States also will be considered for fertilizer plants. When this report

was made there were no gas finds in Kaveri and Godavari basins. After this report was formulated, these finds have come in Godavari and Kaveri basins. The Government is still considering the report, we have not taken a final view.

As far as the demand of FACT expansion at Udyog Mandal is concerned, FACT has been asked to formulate a detailed project report and as soon as it comes, the Government will certainly consider giving them the expansion to 900 tonnes of ammonia.

SHRI I RAMA RAO: After hearing from the Minister about the Varadarajan Committee report the deficit of nitrogen should be made good through a mix of 'make' and 'buy' arrangement with the emphasis on the latter, namely, 'buy' in view of the cheaper cost of import which is risky. As far as self-sufficiency is concerned since we have the technical know-how and man-power has the Government any plan to set-up joint venture plants in the Middle East countries and Tanzania where plentiful and cheap gas supplies are available with buy-back arrangement of this product?

SHRI R. PRABHU: Obviously the Member is saying that fertiliser specifically urea is much cheaper outside the country than in this country. As of today the hon. Member is right. The price abroad is equal to the price at which it is sold in this country but the prices are going up. We cannot always think that the prices would remain lower than the Indian prices. Also, Sir, today India is not importing much fertiliser and, as such, the prices in the international market are reasonably low but if India, which is a major consumer goes into the international market in a big way the prices will go up. So we definitely have to look for self-sufficiency in the country. Its complete self-sufficiency is not possible, there should not be more than 20% gap. As far as setting up of projects in the Middle East in the Joint Sector is concerned there are some proposals before the Government to set-up fertiliser plants in the Middle East with buy-back arrangement and

we are looking into it.

[*Translation*]

SHRI MADAN PANDEY: Mr. Deputy Speaker, Sir, the hon. Minister has stated just now and had stated the same earlier also while replying to questions that in view of the excess gas in the Bombay-Bijapur-Hajira pipeline, it is necessary to set up gas-based fertiliser plants so that the shortages in our urea and nitrogen requirements may be fulfilled. Will the hon. Minister be pleased to state whether there is any proposal to set up a gas-based plant in place of the out-moded Gorakhpur fertiliser plant which is using obsolete technology, simply by extending the existing pipeline by 150 k.m. and by utilising the existing infrastructure?

[*English*]

SHRI R. PRABHU: As far as Gorakhpur is concerned there is a proposal for rehabilitation of the old plant and a modernisation scheme. We still do not have any scheme to set-up gas-based fertiliser plant at Gorakhpur.

SHRI K.S. RAO: Sir, ONGC has revealed lot of gas is available in Krishna basin. I am happy that the hon. Minister has come forward and said that they are proposing some plants there. It is found more economical to have mini-fertiliser plants in that area. I wish to know from the hon. Minister whether there are any applications from the private and public sector to start mini-fertiliser plants in the Krishna district. If so, what are the details thereof?

SHRI R. PRABHU: I am not sure whether having mini-fertiliser plants is answer to the problem. In fact, Vardarajan Committee report has said that they are not sure that small plants are as good as big plants and they would like to stick to 1350 tonnes ammonia and a matching capacity of urea. It is a fact that some people in the private sector have asked for permission to set-up fertiliser plants of a smaller capacity in the Krishna-Godavari basin and these are

under the consideration of the Government. No final decision has been taken in this respect.

SHRI M. RAGHUMA REDDY: Now we are opening many more gas-based and coal-based fertiliser plants. There is one coal-based plant in Ramagundam. Will the Minister consider to open such of those coal-based plants in Singrauli collieries? Has the hon. Minister thought of anything about that area? Further instead of inorganic fertilisers whether there is any plan to improve the nitrogen fixing bacteria culture. Will the Minister take up this issue with the Agriculture Minister? I want a categorical reply from him.

SHRI R. PRABHU: Sir, Ramagundam coal-based fertiliser plant has been closed for a whole year because of non-availability of power. It is very unfortunate that we have a super thermal power station just beside Ramagundam and still we don't have power for that fertiliser plant.

I request the hon. Member to take it up with the State Government to give us power so that there would be enough fertilisers in this country.

SHRI M. RAGHUMA REDDY: Now there is no power shortage.

SHRI R. PRABHU: As far as organic fertiliser is concerned, organic fertiliser can never replace chemical fertiliser. Organic fertilisers have micro-nutrients which are to be properly added to chemical fertilisers. In our extension programmes, we are teaching farmers and agriculturists how to have a good combination of chemical and organic fertilisers.

Demands of BALCO Employees

314. SHRI PURNA CHANDRA MALIK†:
SHRI BASUDEB ACHARIA:

Will the Minister of STEEL AND MINES be pleased to state: