

will Government consider taking this up in the Fourth Plan since it would give employment to a large number of engineers who are unemployed and it will also provide fertilisers, and if so, may I know how soon it will be implemented?

SHRI P. C. SETHI : As regards this complex, the opinion of various other Ministries is also required, and, therefore, the complex is being examined and scrutinised by the Planning Commission as well as the advisers to the Finance Ministry, and there are conflicting opinions. Therefore, we are looking into the entire matter.

SHRI RANGA : What he is asking is whether it is the intention of Government to include it in the Fourth Plan, whether the whole of it or at least a part of it in the Fourth Plan.

SHRI P. C. SETHI : Unless it is fully scrutinised, it will be difficult to say that, but as soon as the scrutiny is over and the opinions are available, we would certainly like to take it up.

SHRI SURENDRANATH DWIVEDY : Is it not a fact that entire project report on this Talcher industrial complex was prepared by Indian engineers and at several stages this has been discussed between the Planning Commission and the Finance Minister and the Finance Ministry has okayed it as far as the Plan is concerned, and if so, may I know what further discussions are taking place and why it is not included in the Fourth Plan?

SHRI P. C. SETHI : The commissioning of the project report was done by the Orissa Mining Corporation and the CFRI Designs Bureau, and the Designs Bureau of the HSL were also consulted and they were closely associated with the writing of the project report. Besides, the NML were also consulted. Messrs. Fried Krupps of Germany were also consulted as far as the report is concerned. But there are conflicting opinions and there are two points of view. The Finance Ministry is of the opinion that the first stage need only be taken up if it is to be taken up but the Planning Commission is of the opinion that if the project is to be taken

up it has to be taken up in its entirety. Therefore, all these detailed questions are to be examined.

SHRI SRINIBAS MISRA : A memorandum was submitted to the Prime Minister when she visited the place. So, how is it that this matter has not been taken up by the other Ministries concerned? May I know whether it will be approved and started as earlier decided?

SHRI P. C. SETHI : The other Ministries are already seized of the matter. When the Prime Minister visited the place she was given a memorandum, and that has also been passed on to the Ministries concerned.

AVAILABILITY OF OIL AND GAS IN GUJARAT

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*546. SHRI D. R. PARMAR :
SHRI R. K. AMIN :
SHRI P. N. SOLANKI :
SHRI RAMACHANDRA J. AMIN :

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

(a) whether it is a fact that the estimates of availability of oil and gas in Gujarat State is now much higher than what it was some two or three years ago;

(b) if so, the steps taken for increasing the refining capacity in the State either by expanding the capacity in the existing unit or by establishing one additional unit; and

(c) in the case of an additional unit, its likely location?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND OF SOCIAL WELFARE (SHRI RAGHU RAMAIAH) : (a) The recoverable reserves as now assessed are a little higher than those about three years ago.

(b) Action has already been taken to allow the Gujarat Refinery to expand its capacity to 3 million tonnes per annum which will take care of the additional quantities of oil available.

(c) No additional refinery is considered necessary.

SHRI D. R. PARMAR : what is the quantity of oil from the Gujarat oil field area being transported at present to other refineries outside that State ?

SHRI RAGHU RAMAIAH : I require notice.

SHRI D. R. PARMAR : Is it a fact that Burmah-Shell has expanded its refinery as it is getting some oil from the Gujarat oil field areas.

THE MINISTER OF PETROLEUM AND CHEMICALS AND SOCIAL WELFARE (SHRI ASOKA MEHTA) : Not for that purpose.

SHRI RAMCHANDRA J. AMIN : Are Government aware that the gas from the Gujarat oilfields instead of being tendered for joint public action is simply burnt at Kalol and Ankleswar ?

SHRI RAGHU RAMAIAH : Only that which cannot be immediately utilised is being flared. But every effort is made to utilise as much as possible.

SHRI M. B. RANA : Are Government aware that nearly one lakh acres of khar land is available in Broach district which can be utilised for an additional refinery if and when set up ?

SHRI RAGHU RAMAIAH : The additional refinery question depends on availability of additional resources. We are making the best use of whatever is anticipated by way of resources.

SHRI RANGA : To an earlier question, he answered that gas was being burnt away. What specific efforts are being made to utilise as much as possible of that gas ?

SHRI RAGHU RAMAIAH : If preference is to cooking gas, we are now increasing the availability of cylinders. As and when we have them, distribution is being arranged townwise and State-wise. So the bottleneck now is of course of cylinders in many cases.

SHRI MANUBHAI PATEL : He has replied that gas is available in a very

huge quantity. In spite of the installation of certain equipments as instructed by ONGC, the Broada Industries say that they are not in a position to supply the gas. On the other hand, the ONGC say 'we are prepared to supply, but they are not able to take the gas'. What is the exact position and who is correct ?

SHRI RAGHU RAMAIAH : I think arrangements are being made to give subject to availability as much as the Industries can absorb.

SHRI MANUBHAI PATEL : The Industries have already installed the equipment as per instructions of ONGC. Now the Industries say, 'we have already installed the equipment, but they are not able to supply the gas'. what is the real position ?

SHRI RAGHU RAMAIAH : If the implication is that gas is being withheld, it is not correct. We are willing and ready to supply as much as they can take.

SHRI PASHABHAI PATEL : In view of the increasing quantities of oil being found day by day in Gujarat, what are the difficulties in hvaing a petro-chemical complex there ?

SHRI RAGHU RAMAIAH : That is being expedited, as the hon. Member knows.

SHRI PASHABHAI PATEL : It is a vague reply.

SHRI BALRAJ MADHOK : In view of the fact that the whole of Gujarat area is known to be oil-bearing, has any prospecting for oil been done in the Rann of Kutch area ? If so, with what result ?

The second question is this. Just now the hon. Minister said that they do not have cylinders. Is this the way the Government function ? When gas is so much in short supply and there is so much demand for it, is it excusable to say that they do not have the cylinders or pipes and so on, and thus let the gas go waste ? What efforts are being made to avoid this wastage so that it can be put to proper use ?

SHRI ASOKA MEHTA : In various parts of Gujarat, seismic surveys are being carried on, and until the surveys are adequately and fully carried out as to where there are indications of oil, it is not possible for me to say about any particular area in advance. As far as cylinders are concerned, the main difficulty there is steel. There is a particular type of steel that is needed for it. Unfortunately, that kind of steel was required also for some use which is greater priority, and therefore what was initially allocated to IOC could not be made available. We are getting some steel and we are trying to see that more steel of that kind is made available, so that more cylinders can be produced. As far as natural gas is concerned, I would say that the entire gas that is available just now has been allocated for particular uses. Most of this gas will be used by power stations, but some of the power stations, I am sure hon. members of Gujarat know, are having their own difficulties, and therefore they are not able to take it. What has been allocated to power stations cannot be given to somebody else during this period of six months or one year when these stations are having difficulty, because much of this is associated gas which comes out with the production of oil which has to be flared, there has been no alternative to that, but all the gas that is available has been allocated either for power purposes or for industry or for manufacture of fertilisers. There is no surplus which is available which has not been allocated, but its utilisation does take some time.

श्रीमती जयाबेन शाह : बड़ौदा में कई इंस्ट्रिज ने गैस के लिए मांग की थी और उसके लिए जो कुछ भी उनको तैयारी करनी चाहिए थी वह तैयारी उन्होंने कर ली थी। इतना होने पर भी उनको गैस नहीं दी जाती है। मैं जानना चाहती हूँ कि ऐसा क्यों है? श्री मनुभाई पटेल ने जो जानना चाहा है वही मैं भी जानना चाहती हूँ।

SHRI ASOKA MEHTA : I will have the matter looked into and let both the hon. members know.

SHRI DHIRESWAR KALITA : I do not know whether I will be allowed, because I want to ask something about Assam, because it is the same Ministry.

MR. SPEAKER : Same Ministry, same country, but it is a different question.

SHRI HEM BARUA : When this so-called oil field at Cambay was discovered, I remember the then Minister, Mr. K. D. Malaviya, announced with fanfare that there is an oil rush in Gujarat, but ultimately it was found that it was not an oil field primarily, but a gas field. In that context, may I know whether, while speaking about possible oil reserves in Gujarat, Government have undertaken more fully geological prospecting and catting of the area, whether Government are in a position to tell us if sui gas is going to be available in the Gujarat fields?

SHRI ASOKA MEHTA : There are some fields where oil is being produced, and others where we expect oil to be found. There are areas where gas is being produced, and we expect gas to be found in other areas. As the hon. member himself pointed out, the Minister rushed in and said something which was not justified. In the oil industry it is very difficult to know to what extent future prospects will be there. If he says something you want to be critical, if he does not say anything there also you want to be critical. So, I would rather err on the side of realism and not hold out any hope.

SHRI HEM BARUA : May I submit that Mr. Asoka Mehta's predecessor, was so much enamoured of oil fields that he even wrote an article in the *Link*, saying that there is an oil rush in Gujarat, Cambay, which was not true. I do not want this Minister also to fall into the same trap.

SHRI ASOKA MEHTA : Oil is a very peculiar industry. In some places, if 50,000 barrels come out of a well, there are prospects; there are others where even when 20,000 to 30,000 barrels are produced a day, production does not come up. I would like hon. members to realise that the same yardstick cannot be applied.

SHRI S. KANDAPPAN : The cost of production in our public sector refineries is comparatively higher than in the private ones, and I am told that the very location of our public sector refineries has got something to do with that. The private sector refineries are also clamouring for expansion and for more supply of crude on the basis that they can reduce their cost of production. So, I would like to know from the Minister whether, when expanding the public sector refineries or putting up new refineries, they will take into consideration the cost of production.

SHRI ASOKA MEHTA : If in a particular case the cost of production is higher, it is so because it was put up ten years later and the investments are larger, and therefore the earlier plant always has a slight advantage, but apart from this increased capital cost, I think our refineries are as efficient as any other refineries located outside.

The second question is whether private sector refineries are wanting to expand. There is no suggestion that they should be allowed to expand as far as we are concerned, but some of these refineries have certain capacities which can be utilised, and they are saying that without any investment this capacity may be permitted to be utilised. If and when this question of utilisation of increased refining capacity is taken up, this matter also will be looked into on its own merits.

The third question is about wrong location. I do not think they have been wrongly located, because mainly locations are determined on two considerations, firstly whether the refineries are near the production centres, for instance Koyali or Gauhati, or Barauni where it has been set up not because there is production near about, but because from that point the distribution would be most economical. The second consideration is that they are near the port towns where crude can be easily imported. These are the places where consumption requirements are very large. If the hon. members look into the distribution map of our oil products, they

will find that the locations of the refineries have been very carefully and precisely made.

SHRI SURNEDRANATH DWIVEDI : Is it not a fact that the Public Undertakings Committee recommended as early as 1965 that the wasted gas should be made available for domestic purposes to the local inhabitants? May I know whether Government has made any survey in this matter, and whether any steps have been taken in this direction?

SHRI RAGHU RAMAIAH : In determining the market for distribution, all factors are taken into account.

DR. RANEN SEN : Is it a fact that in the Gujarat coast there was some sort of prospecting made by Soviet oil experts, and they came to the conclusion that from off-shore drilling oil can be recovered in huge quantities, and they were prepared to help in this matter. Is it a fact that in spite of this offer from the Soviet Government, the Petroleum Ministry is going to some American company for this exploration of off-shore oil?

SHRI ASOKA MEHTA : Seismic surveys were carried out with the help of Soviet experts in the Combay area. It is true that certain structures have been identified which are said to be oil-bearing. Broadly speaking, the structure can be divided into three parts. The first part is the structure where, though it is in sea, part of it is land which juts out of the sea. The rest of the area is under water. The second structure is entirely water. The third structure is in deeper waters. As far as the first structure is concerned, the ONGC is in a position to organise its work by itself because it can set up a drillor start drilling on the land area, on the surface that juts out of the sea, and we have consulted the Soviet experts and they are also satisfied that the ONGC will be able to do it. The other area is under 20 feet of water and we have had a special group of Soviet experts to visit India recently and with their co-operation we feel that the second structure can also be undertaken. The third area is under very deep waters, where the

Soviet experts are not in a position to undertake or to give any advice or assistance as to what should be done. Whether we should postpone the work for the time being till such time as we get the expertise or we should seek the co-operation of some western countries are matters under careful consideration of the Government, and I would beg of the hon. Members not to reach any conclusions till the Government make up its mind and put their conclusions before Parliament.

RETAIL OUTLETS COMMITTEE

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*550. SHRI UMANATH :
SHRI P. P. ESTHOSE :
SHRI E. K. NAYANAR :
SHRI P. RAMAMURTHY :

Will the Minister of PETROLEUM AND CHEMICALS be pleased to refer to the reply given to Starred Question No. 530 on the 7th December, 1967 and state :

(a) whether Government have considered the report of the Retail Outlets Committee; and

(b) if so, the decision taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND OF SOCIAL WELFARE (SHRI RAGHU RAMAIAH) : (a) Yes, Sir.

(b) The Government have decided to accept and adopt all the recommendations made by the Retail Outlets Committee.

SHRI UMANATH : May I know what are the main recommendations made by the Committee ?

SHRI RAGHU RAMAIAH : There are a number of recommendations. For the information of the hon. Member, I may state that we have already laid copies of the report in the Parliament Library.

MR. SPEAKER : Very well; it is available.

SHRI UMANATH : One of the allegations against the foreign oil companies is that since they are allowed to make retail sales of part of the oil, they are fixing the prices in such a way as to undercut the prices so as to defeat the public sector undertakings in the industry. So, I would like to know whether the Government have examined this aspect of the question and, if so, what action have they taken.

SHRI RAGHU RAMAIAH : The prices are all determined and there is no question of their having special prices for them.

COAL AND NAPHTHA BASED FERTILIZER PLANTS

*553. SHRI SHIVA CHANDRA JHA : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether Government have made any comparative study of the advantages and disadvantages of the Coal-based and naphtha-based fertilizer plants in India; and

(b) if so, the results of that study ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND OF SOCIAL WELFARE (SHRI RAGHU RAMAIAH) : (a) and (b). A preliminary study has shown that the comparative economics of naphtha based and coal-based fertilizer plants depend upon various factors such as process routes, initial investment, size of the plant, its location vis-a-vis market, cost of raw materials and utilities, the product mix and the sale price. Accordingly, a more detailed study with reference to particular locations has been undertaken. It is in progress.

श्री शिव चन्द्र झा : मैं मंत्री महोदय से यह जानना चाहता हूँ कि मिर्जापुर यू०पी० में जो फर्टिलाइजर प्लांट बनने जा रहा है, वह नेफ्था-बेस्ड होगा या कोल-बेस्ड और क्या वह प्राइवेट सेक्टर में होगा या पब्लिक सेक्टर में, यदि वह प्राइवेट सेक्टर में होगा, तो क्यों ?