

PROGRESS OF OIL REFINERIES

***456. Shri S. C. Singhal:** Will the Minister of Production be pleased to state:

(a) the progress of each of the three new oil refineries in India; and

(b) how would the cost of production of each product at these refineries compare with the cost at which they are imported?

The Minister of Production (Shri K. C. Reddy): (a) Out of the three new oil refineries which were proposed to be set up in India, the first (Standard-Vacuum) went into operation on 29-7-1954. The second refinery (Burma-Shell) was about 55 per cent. complete as on 31-8-1954 and is expected to be ready during the first quarter of 1955. As regards the third refinery to be set up by Caltex at Visakhapatnam, the work is still in the planning stage and construction is expected to start in the first half of 1955.

(b) Government have no information about the cost of production but the refinery companies, under our agreement with them, should sell the products refined in India at prices not higher than the prices of similar imported products.

Shri S. C. Singhal: Will there be any by-products in these refineries?

Shri K. C. Reddy: Not now; the question of tackling the by-products will arise only later, I suppose.

Shri Meghnad Saha: May I know which is the region in India where consumption of petrol is the highest and if any step has been taken to set up a refinery in this region?

Shri K. C. Reddy: I would require notice to answer that question.

Shri Sadhan Gupta: May I know whether the agreement makes any provision for revision of the price for sale of petrol in view of the fact that the price at which imported petrol is sold here is much above the cost of production and its price is regulated by the cost of production not over

here, but at ports in the Gulf of Mexico which is infinitely higher?

Shri K. C. Reddy: It is a very general question and it will require a lot of time for me to answer it satisfactorily. I also think that this is a question to be put more to my colleague the Minister of Works, Housing and Supply, than to me. The agreements concerned have already been laid on the Table of the House and if you want me to explain it satisfactorily it will take a lot of time.

Shri T. B. Vittal Rao: May I know if the progress of the second refinery that has been referred to has been rather slow, and if so, what are the reasons?

Shri K. C. Reddy: It is not slow. The progress is not only according to time-schedule, but the Burma-Shell have advanced the time by which the refinery is to go into operation.

DISPLACED PERSONS

***458. Th. Lakshman Singh Charak:** Will the Minister of Rehabilitation be pleased to state:

(a) how much money has been earmarked or given to the Delhi State for rehabilitation of the displaced persons for the year 1954-55; and

(b) whether a report will be submitted by the Delhi State Government regarding the expenditure of this amount?

The Deputy Minister of Rehabilitation (Shri J. K. Bhonsle): (a) Rs. 46.23 lakhs as Grants. Rs. 0.50 lakh as a Loan.

(b) Yes.

Th. Lakshman Singh Charak: May I know whether this amount which was sanctioned in favour of Delhi State was for a specific purpose or it was a general grant?

Shri J. K. Bhonsle: For various purposes, Sir.

Th. Lakshman Singh Charak: May I know how far those works for which