

(b) The salient features of these contracts are:

1. Foreign oil co. will explore for Petroleum at its own risk and cost.

2. If there is a commercial discovery, ONGC/OIL will have the option to participate forty percent in development and production of the discovery.

3. If ONGC/OIL decides to participate it will contribute forty percent of development and production costs and remaining sixty percent will be borne by the foreign oil co.

4. ONGC/OIL will be entitled to the share of petroleum produced corresponding to its participation.

5. The foreign oil co.'s share of oil will be available to the Government at international market price till India reaches self-sufficiency.

6. After recovery of costs the contractor will share petroleum with the Government on sliding scale basis. Government's share of petroleum will increase as the project economics improves.

7. The contractor will pay tax at the rate of fifty percent on its profits.

8. ONGC/OIL will not contribute to exploration costs but it will be associated with the foreign co.'s work right from the beginning.

9. The entire data acquired by the foreign co. will be available to ONGC/OIL.

10. The assets acquired for permanent use in petroleum operations would become ONGC/OIL's property once the cost recovery for such assets is claimed by the foreign oil co. without any further payment by ONGC/OIL.

(c) some of the benefits envisaged for the country under these contracts are:

- (i) Supplement the exploration efforts of the national oil co. viz ONGC OIL

(ii) Attract foreign risk capital

(iii) Seek application of the latest technology available with these cos. for exploration in India.

(iv) The entire data acquired by the foreign oil cos. would be available to ONGC/OIL and can be used for their exploration activity in the adjoining areas.

(v) ONGC/OIL will not contribute to the exploration costs but will be associated with the foreign cos. work right from the beginning. Thus ONGC/OIL will get a varied exposure to the latest technologies being adopted by foreign oil cos. for oil exploration.

(vi) If there is commercial discovery ONGC/OIL will have option to participate 40% in development and production of the discovery and would thus be entitled to the share of petroleum produced corresponding to their participation.

Losses in DESU

2087. SHRI BHADRESWAR TANTI: Will the Minister of ENERGY be pleased to state:

(a) whether the Delhi Electric Supply Undertaking has been suffering losses year after year.

(b) if so, the losses incurred in 1986-87 and 1987-88 upto date; and

(c) the reasons for the same?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRI KALPNATH RAI): (a) Yes, Sir.

(b) According to DESU, accounting losses during 1986-87 and 1987-88 are provisionally estimated to be Rs. 119.27 crores and Rs. 155.34 crores respectively.

(c) The main reasons for the losses are all round increase in the cost of in-puts like coal and furnace oil leading to increase in the cost of DESU's own generation, increase in the rates of power purchased from other sources, continued increase in operational costs, increase in T&D losses, increase in revenue arrears and the organisational deficiencies. While there has been continued rise in input costs no corresponding increase in electricity tariff of DESU has taken place except a marginal increase effected in April, 85.

Proposal to decontrol drugs

2088. SHRI SHANTARAM NAIK:
SHRI RADHAKANTA DIGAL:

Will the Minister of INDUSTRY be pleased to state:

(a) whether Government propose to decontrol some drugs;

(b) if so, the names of these drugs;

(c) by what date these drugs are proposed to be decontrolled; and

(d) the reasons for decontrolling them?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) No, Sir.

(b) to (d). Do not arise.

Protection of interest of Small Scale Industries

2089. SHRI SHANTARAM NAIK: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government propose to introduce a Bill in the Parliament in order to protect the interest of small scale industries;

(b) if so, when such Bill would be introduced;

(c) the nature and scope of the proposed legislation; and

(d) the items proposed to be covered therein?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (d). The issue is still under consideration of the Government.

[Translation]

Commissioning of Mukerian Hydel Project

2090. SHRI TEJA SINGH DARDI:
SHRI BALWANT SINGH
RAMOOWALIA:

Will the Minister of ENERGY be pleased to state:

(a) whether two units of Mukerian Hydel Project have stopped functioning since, June 1988;

(b) if so, the reasons therefor;

(c) whether Government have ascertained the amount of loss being suffered due to the non-functioning of these two units; and

(d) the efforts made by Government so far to recommission both these units and the time by which these units are likely to start generation?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRI KALPNATH RAI): (a) and (b). Yes, Sir. The two Units of 15MW each of Power House No. 2 Mukerian Hydel Project, which were commissioned on 5-5-1988 and 3-6-1988 respectively were stopped on 5.6.1988 due to damage to a sketch of 270 metre of the Hydel Channel which forms the water conductor system.

(c) As per the Government of Punjab, the loss of generation during the period from June, 1988 to October, 1988, is estimated to range between 9 to 15 million units per month.