

is not connected by rail, Ekalakhi-Balurghat railway line has assumed added importance and it was in this background that this project was sanctioned and work started on it. In 1983-84, an amount of about Rs. 1.01 crore was spent on it, but no progress has been made since then. The project cost that was originally estimated at the time of survey has become outdated due to cost escalation. Therefore, I would like to know from the hon. Minister whether Government intends to complete this project and if so, whether new survey has been undertaken to revise the cost estimation? In case, the Government intends to complete it, I would like to know whether a schedule has been drawn up for its completion, and if so, the time by which it would be completed. I would like to have complete information from the hon. Minister on all these aspects because our experience in the case of Metro Railway has been that the cost estimate undergoes steep upward revision. Hence I would like to know the revised cost likely to be incurred on the project.

SHRI JANESHWAR MISHRA: Mr. Speaker, Sir, cost estimate of this project has been reviewed and as I said in the beginning, the project would be completed subject to the availability of resources.

MR. SPEAKER: Since the hon. Minister has said that there is constraint of resources and as and when resources are available, the project would be completed. I find that no new information is forthcoming and hence I am taking up the next question. Next question—Shri Shankersinh Vaghela.

*(Interruptions)*

*[English]*

SHRI K.S. RAO: Sir, if you are to go to the next question on the reason that the Minister has constraint of resources we do not have any opportunity to put a question, because every Minister says constraint of resources, constraint of resources'.

MR. SPEAKER: No, no Mr. Rao, no

new information is coming.

*(Interruptions)*

MR. SPEAKER: Mr. Rao, please take your seat. No new information is coming. Hence I am passing on to the next question. Please take your seat.

Now, next question—Shri Vaghelaji.

### Demand and Supply of Petroleum Products

+

\*63. SHRI SHANKERSINH  
VAGHELA:  
SHRI HARISH PAL:

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

(a) the month-wise demand and supply of diesel and other petroleum products, during 1990;

(b) whether there has been a shortage of petroleum products; especially, of petrol and diesel since the Gulf-crisis began;

(c) the steps taken to meet the shortage and the results achieved so far;

(d) what further measures are being envisaged and adopted in this regard; and

(e) whether the diesel shortage had some adverse impact on the agricultural activities and on supply and prices of essential commodities; if so, to what extent?

*[Translation]*

THE MINISTER OF PETROLEUM AND CHEMICALS AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI SATYA PRAKASH MALVIYA): (a) The month-wise supply and demand position of petrol and diesel in the country during January-November, 1990 is indicated in the attached statement.

(b) The Gulf-crisis which began in August, 1990 has aggravated the already difficult situation which the country was facing in the current year. International prices of crude oil and petroleum products increased steeply after the Gulf-crisis, making it difficult to import larger quantities to meet the domestic demand.

(c) Imports of crude oil and petroleum products from Iraq-Kuwait were disrupted since August, 1990 due to the Gulf-crisis. The Government made arrangements to supplement crude/product supplies from other sources. Government also decided to impose restrictions on supply of petrol and diesel to retail outlets throughout the country from October 8, 1990. The various steps taken by the Government to restrict consumption of petroleum products have had some impact in curbing the growth in con-

sumption of petroleum products has been 2.6% during April-November, 1990 compared to 6.3% during April-November, 1989.

(d) The 10% cut on supplies of HSD through retail outlets has been withdrawn from November 26, 1990 and supplies are now being made at the same level as in the corresponding period of the previous year. Further measures will be taken either to relax the restrictions or impose tighter restrictions depending on supply-demand position of petroleum products.

(e) Priority has been accorded to meet the diesel requirements of the agriculture sector, agro-based industry and for movement of agricultural produce in consultation with State Governments. The effort has been to minimise the impact of the oil crisis on agriculture and other economic activity.

## STATEMENT

*Details of supply and demand for petrol (MS) and diesel (HSD) During January-November 1990*

*(Figs . in Thousand Metric Tonnes)*

Months	MS		HSD	
	Demand (Actual Sales)	Supply (Production + Imports)	Demand (Actual Sales)	Supply Production + Imports)
1	2	3	4	5
January, 1990	305	259	1897	1884
February	295	289	1697	1619
March	323	332	1867	1999
April	292	269	1833	1651
May	336	332	1918	1829
June	317	334	1824	1890
July	292	332	1648	1700

(Figs. in Thousand Metric Tonnes)

Months	MS		HSD		
	Demand (Actual Sales)	Supply (Production + Imports)	Demand (Actual Sales)	Supply Production + Imports)	
	2	3	4	5	
1					
August	308	296	1698	1645	
September	280	266	1492	1518	
October	278	300	1628	1664	
November	279	317	1752	1657	

Note: 1. Full demand was met till June, 1990 while demand has been restricted from July, 1990 onwards.

2. The difference between demand and supply in any given month is reflected in inventory variations from month to month.

**SHRI SHANKERSINH VAGHELA:** Mr. Speaker, Sir, petroleum products are the backbone of the economy of a country. When there is a crisis whether in the country or in the gulf, government has no alternative but to raise price and resort to rationing. When Shri Gurupadaswamy held the Post of Minister of Petroleum and Chemicals he totally ignored the interests of farmers. They had to keep standing in the queues for hours together to get diesel. The government wants to pass on the burden of price rise on common consumer, whether he is a transporter or a farmer, in the name of Gulf crisis. In part (b) of my question I had asked as to whether there has been a shortage of petroleum products especially, of petrol and diesel since the Gulf-crisis began. Will the government continue to have drilling operations only through O.N.G.C. and other monopoly institutions? Who is responsible for the shortage, if any? We are facing the shortage of local production of petroleum products in our country. Who is responsible for this? Whether the government propose to bring private sector in the drilling operation?

**SHRI SATYA PRAKASH MALVIYA:** There is no scarcity of petrol in the country. We have got enough. However, diesel is definitely running short and the shortage is being felt by our farmers. Previous government had announced a cut of 8 per cent and later of 10 per cent and that was withdrawn by us on 26th November. So far as the second question of the honourable Member is concerned, it will be considered.

[*English*]

**SHRI SHANKERSINH VAGHELA:** Sir, I do not want to put my second supplementary when I do not get proper answer to my first supplementary. What is the local production?

[*Translation*]

It is running short.

**MR. SPEAKER:** He is saying that there is no shortage of petrol.

**SHRI SATYA PRAKASH MALVIYA:** A few items come under petroleum products including petrol and diesel. So far as cooking gas and kerosene oil are concerned these are some difficulties in this regard. (*Interruptions*)

**MR. SPEAKER:** Mr. Agnihotri, please take your seat.

**SHRI SHANKERSINH VAGHELA:** I have definitely been disappointed. My second supplementary is; If there is shortage of fuel, may I know how many cubic metres of gas you are burning? Whether any state transport of any state government has the device of converting gas into automobile fuel because in 1974 we had seen in Kanpur a car operating with such fuel? Whether the Petroleum Minister has considered granting permission to the state transport possessing such a device to convert gas into alternative fuel? Whether the Minister propose to grant the permission and if so by what time?

**SHRI SATYA PRAKASH MALVIYA:** It is a good suggestion. It has come to the Department. The suggestion given by Shri Vaghela will be considered.

[*English*]

**SHRI SHANKERSINH VAGHELA:** Sir, I am sorry, the answer is not coming. This proposal is pending with the Government for so many years.

**MR. SPEAKER:** What can I do? He says that you have given a suggestion and he will look into it.

[*Translation*]

I can understand your agony, but in reply to the first question, he has said that there is shortage of petroleum products.

**SHRI HARISH PAL:** Mr. Speaker, Sir, the ten per cent cut imposed on diesel because of shortage has been lifted. Then, why is there rationing of diesel for the farmers? Only one ration card for diesel has been

issued for our entire area and 100 litres of diesel will be issued for one month for one tractor. Does the Honourable Minister think that 100 litre of diesel is sufficient for a farmer for this season of sugar? Why is there rationing when there is no levy?

**SHRI SATYA PRAKASH MALVIYA:** Mr. Speaker, Sir, so far as the supply of diesel to farmers is concerned, we have given directions to our state level coordinators that there should be no shortage of diesel. But, so far as the actual supply is concerned it is under the jurisdiction of state governments, state governments have to distribute the supply as per their own distribution system.

[*English*]

**SHRI JANARDHANA POOJARY:** Sir, in order to meet the demand of petro chemical products, there was a proposal to set up oil refinery and petro chemical complex at Mangalore. It was to be set up in the joint sector and an amount of Rs. 30 crores has been spent. It came up to PIB for clearance.

Now I am told that a decision has been taken to set up only oil refinery and not petro chemical complex. I am requesting the Minister to consider and tell the House whether he is going to set up not only oil refinery but also the petro chemical complex at Mangalore?

[*Translation*]

**MR. SPEAKER:** This does not arise out of the main question.

[*English*]

**SHRI SATYA PRAKASH MALVIYA:** This supplementary does not arise out of the main question.

**SHRI K.S. RAO:** In the statement supplied by the hon. Minister, the total supply is 17,172 thousand m.t. and the demand is 17,357 m.t. That means, the difference is less than one percent. With less than 1% of the difference in supply and demand, the

entire country and the people were to feel shortage of diesel and blackmarketing is going on. Obviously it is more due to artificial scarcity rather than real scarcity.

I wish to know from the hon. Minister, keeping in view the rich findings of deposit in Krishna Godavari Delta, will he increase the number of equipment-rigs that would be used for exploration and getting more and more oil in the Krishna-Godavari basin, by utilising even indigenous talent? Will he take measures to restrict this artificial scarcity and see that oil availability is made?

**SHRI SATYA PRAKASH MALVIYA:** This is a good suggestion and I will examine it.

**PROF. RUPCHANDPAL:** In view of the Gulf crisis, the Government earlier imposed restrictions last year in the month of October and it was subsequently withdrawn. Now today reports have come about that in view of the latest developments in the Gulf, the Government is seriously considering to impose rationing. Tomorrow is the last day for the House. The Government therefore should come out with a full-fledged policy statement with regard to petroleum and LPG consumption in the country, in view of the latest development in the Gulf.

May I know from the hon. Minister, whether the Government has already chalked out any plan in this regard?

**SHRI SATYA PRAKASH MALVIYA:** We have taken note of the situation. We are very serious and we are very concerned about it. But it will not be possible to disclose all these details here just now.

**PROF. SAIFUDDIN SOZ:** Mr. Speaker, Sir, Kashmir Valley has suffered very extremely due to shortage of petroleum products recently. Due to heavy snowfall, the road between Jammu and Srinagar was cut off. It occurs often during Winter months. I raised this questions and wanted the Minister to create an adequate dump there.

God forbids, if the crisis in Gulf escalates and continues to be there, we feel real extreme shortage in the country. Kashmir Valley will be the worst sufferer. I want to ask the hon. Minister through you whether he will consider this proposal of creating an adequate dump of petroleum products, particularly diesel and kerosine somewhere in the Valley so that we do not feel any shortage there?

SHRI SATYA PRAKASH MALVIYA: We will definitely consider the proposal.

SHRI NIRMAL KANTI CHATTERJEE: There is a press report which says that surge in demand of petroleum products has been restricted to 1.5% growth this year. I want the hon. Petroleum Minister to confirm this.

Is it in the mind of the Petroleum Minister that in order to curb the demand further, the railways should be advised to carry wagons and loads for short distance also because Railways are much less diesel-intensive than the trucks are? Similarly, will he suggest to the Ministry of Surface Transport that the shipping service be more energised to carry more cargo than carried by trucks because shipping is the least diesel-intensive and more transport capacity is available.

On the supply side, what plans does he have to utilise the enormous gas resources which are being flared up in Bombay, Assam and in Tripura? Has he any suggestion to make to transfer the engine of the vehicles so that they are gas-based and not oil-based? Is he thinking of such measures?

SHRI SATYA PRAKASH MALVIYA: So far as the Railways are concerned, we have not received any proposal from the Ministry of Railways. It will be for the Ministry of Railways to advise us and give such suggestion, and we will consider it.

So far as part-two of the supplementary is concerned, I need time to reply.

[*Translation*]

SHRI YADVENDRA DATT: Mr. Speaker, Sir, I have heard Shri Malviya just now. He said that there is no shortage of petrol, but diesel and kerosine are running short. All these three are prepared from the same source i.e. crude oil. This means you are producing more petrol and less diesel. The Gulf crisis began in August, and during this period no alternative source was tapped. Did you approach the governments of Malaysia, Burma and Indonesia for the supply of petrol, diesel and crude oil?

SHRI SATYA PRAKASH MALVIYA: Mr. Speaker, Sir, so far as diesel is concerned its consumption is more as compared to that of petrol. I admit that there was some shortage during the last few days.

[*English*]

SHRI YADVENDRA DATT: He has not answered second part of my supplementary.

MR. SPEAKER: He has done.

Shri Surya Narayan Yadav.

[*Translation*]

SHRI SURYA NARAYAN YADAV: Mr. Speaker, Sir, the Honourable Minister did not give a clear reply regarding the quantity of diesel supplied to rural areas during the last few days. However he has admitted that there is shortage of diesel. So, keeping in view the shortage, whether the government is making arrangements for supplying diesel to the farmers who constitute, 80% of our population?

SHRI SATYA PRAKASH MALVIYA: While replying to other supplementary, I had submitted in the beginning that our department has issued orders to the state governments, who are our state-level coordinators, to restore full supply of diesel to farmer. If there is any slackness on the part of state governments in this respect, the honourable Member should inform me and I

shall take action. But our department and the state level co-ordinators keep constant contact with state governments, after every 15-20 days.

*At this stage some slogans from the Visitors' Gallery were heard*

[English]

SHRI A. CHARLES: The scarcity of diesel was brought to the notice of this august House on the first day of Parliament by me. I have made a submission that the position of Kerala is peculiar. Kerala is the largest foreign exchange earner but there is shortage of foodgrains. All the consumer items are brought to Trivandrum and Kerala from the neighbouring States. So, the cost of consumer items has gone up., One kilo of onions now costs Rs. 11/-. Trivandrum is the city with the highest cost of living. May I request the hon. Minister to remove all restrictions for the supply of diesel in Trivandrum city which is the capital of Kerala so that the cost of living can be brought down temporarily there?

SHRI SATYA PRAKASH MALVIYA: No special provision can be made for Kerala and Trivandrum because every other city or province is part of India like Kerala.

SHRI INDRAJIT GUPTA: If the Government wants to really create an attitude of seriousness among the public as far as saving of petroleum consumption is concerned, I think it is high time that they stop, for this period at least, the holding of such unnecessary events as the vintage car rallies. You will find an advertisement in the newspaper on car rallies. You know there have been vintage car rallies and old-fashioned and old-model cars are exhibited. Rallies take place, driving from one place to another, of a large number of cars. It is not necessary at all. Why are they being allowed petrol for such purposes? You want to create an attitude of seriousness. This is a small matter. Please try to get these vintage car rallies and other car rallies stopped for the time being during this period of scarcity.

SHRI SATYA PRAKASH MALVIYA: This is a very valuable suggestion and I will definitely look into it.

[Translation]

SHRI SATYNARAYAN JATIYA: Sir, there is wide-spread concern over the scarcity of petroleum products and regarding their distribution system. The then Minister of Petroleum and Chemicals had informed me that the proposal of setting up a petroleum products depot was included in 1984 in the second phase of Oil Industry. The said depot has not been set up so far, with the result there is scarcity of petroleum products in that area. First, the entire stock of petroleum products is taken from Ujjain to Indore and then it is again brought to Ujjain. In view of the forthcoming 'Singhastha' and 'Kumbha' festivals in Ujjain, I would request that a petroleum products depot may kindly be set up in Ujjain. It is requested that necessary action may kindly be taken in this regard so that petroleum products may be available adequately in Ujjain.

SHRI SATYA PRAKASH MALVIYA: I need time to reply to the first question but so far as forthcoming 'Kumbh' festival is concerned, requisite steps will be taken in this regard.

SHRI HARI KISHORE SINGH: Sir, keeping in view the oil crisis, particularly due to Gulf War, the previous Government made efforts to meet this shortage through alternative sources. Representatives of the Government visited various countries for this purpose. I want to know the response of other countries in this matter... (Interruptions)

*At this stage, a Visitor from the Public Gallery, jumped on the floor of the House*

[English]

MR. SPEAKER: Please take your seats. Order, please.

...(Interruptions)



[*Translation*]

MR. SPEAKER: Possibly, they are doing it in a planned way.

...(Interruptions)

[*English*]

SHRI SONTOSH MOHAN DEV: Sir, for the second time this has happened. It should be investigated.

(Interruptions)

MR. SPEAKER: I am getting the matter investigated. Please take your seats.

(Interruptions)

MR. SPEAKER: All of you, please take your seats. I am getting the matter investigated.

[*Translation*]

S. ATINDER PAL SINGH: Sir, the man has not fallen. He has jumped from the gallery in support of the demand for use of Hindi.

SHRI NATHU SINGH: Sir, if that man had fallen on some Hon. Members, head, then... (Interruptions)

MR. SPEAKER: Please take your seat.

[*English*]

MR. SPEAKER: The matter is being investigated. Please take your seats.

(Interruptions)

[*Translation*]

SHRI HARI KISHORE SINGH: Sir, the Gulf crisis has led to a shortage of petroleum. The previous Government made some efforts to overcome this problem. May I know from the hon. Minister if other countries have given any assurances regarding supply of

petroleum and whether the hon. Minister will visit these countries for this purpose?

SHRI SATYA PRAKASH MALVIYA: At present, I have no programme to visit any country. The officials, who have gone to those countries are having a final round of discussions. So it is difficult to say any thing at this stage.

SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA: As the hon. Minister knows, there is a shortage of kerosene oil in the country and a new order issued by the Government banning the sale of kerosene oil to persons, whose ration card shows them to be L.P.G. consumers, has worsened the situation. In metropolitan cities, cylinder is booked only after 21 days. Such are the orders of the Government. If a family has 10-15 members and it has just one L.P.G. cylinder and the same is consumed within 15 or 18 days, it will get neither kerosene oil nor cooking gas. I wanted to know the steps proposed to be taken by the Government in the face of Gulf War? The reply was that certain restrictions would be imposed but no mention was made of any alternative arrangement. How can meals be prepared without L.P.G. or kerosene oil? This aspect has not been considered. I would request that in cities like Bombay, gas connections should be provided to the 50-60 lakh people living in slums dwellers as there is a shortage of kerosene oil. Is there any proposal in this direction? Due to increase in prices of petrol there has been an increase in the prices of essential commodities. Potatoes are selling at Rs. 12 per kg and onions at Rs. 20 per kg. in Bombay. Is there any scheme to control the prices of essential commodities?

SHRI SATYA PRAKASH MALVIYA: The concerned hon. Minister will answer the question regarding rise in prices but so far as booking of L.P.G. cylinder is concerned, orders are that a new cylinder will be supplied after 21 days. So, I request the consumers to be economical in their consumption of cooking gas. This habit can be developed if people reduce the number of times they take

tea or coffee each day. This will also bring down household expenditure.

[English]

### Export of Chemicals

\*64. SHRI BALGOPAL MISHRA: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether it is a fact that the export of dual purpose chemicals that can be used for the manufacture of chemical weapons is being controlled;

(b) if so, the details thereof; and

(c) the reasons therefor?

THE MINISTER OF PETROLEUM AND CHEMICALS AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI SATYA PRAKASH MALVIYA): (a) to (c). A Statement is laid on the Table of the Sabha.

### STATEMENT

(a) to (c). Government has decided to put in operation a system of control on the export of specified dual purpose chemicals with a view to ensuring that the exported chemicals are not calendestinely used or diverted for the manufacture of chemical weapons. It has also been decided that three chemicals, namely, Phosphorous Oxychloride, Phosphorus Trichloride and Thionyl Chloride may be brought under OGL No. 3 of the Import Export Policy which permit exports subject to certain prescribed conditions.

[English]

SHRI BALGOPAL MISHRA: I would like to know from the hon. Minister which are the dual purpose chemicals being exported from this country and which are the importing countries. And what is the monitoring system to monitor the use of these chemicals in those countries who are importing from us?

SHRI SATYA PRAKASH MALVIYA: The Department of Chemicals has given clearance for export of Thionyl Chloride on the basis of the recommendations of the Ministry of External Affairs.

SHRIBALGOPAL MISHRA: Sir, I asked: Which are the countries who are importing the chemicals from this country? The Minister has not replied to my question.

[Translation]

MR. SPEAKER: Has the reply to your first question not been given.

SHRI BALGOPAL MISHRA: No, Sir.

[English]

MR. SPEAKER: He is not satisfied.

SHRI SATYA PRAKASH MALVIYA: What is his question?

SHRI BALGOPAL MISHRA: My question is, which are the countries who are importing this dual purpose chemicals from India? And what are the monitoring devises Government of India has to monitor these chemicals being exported?

SHRI SATYA PRAKASH MALVIYA: have no information available with me.

[Translation]

MR. SPEAKER: He does not have the relevant information at present. The hon. Minister will give a reply afterwards.

[English]

SHRI BALGOPAL MISHRA: As a protest, I do not want to ask the second supplementary. (*Interruptions*)

SHRI P.R. KUMARAMANGALAM: Sir, through you I would like to know whether the export of dual purpose chemicals is after the export promotion agency has really verified that this export is meant for the purpose for