

period, the customer population is likely to go up from one crore to two crores approximately.

Export of Crude oil and Import of Refined oil

*331. SHRI R. P. DAS : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

- (a) whether it is a fact that the export of crude oil has since declined ;
- (b) if so, by what quantity ;
- (c) whether import of refined oil has also declined to the same extent ; and
- (d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI CHANDRA SHEKHAR SINGH) : (a) to (d). A statement is given below.

STATEMENT

(a) to (d). There is no export of crude oil at present. A quantity of 6.5 million tonnes was exported in 1984—85 and only 0.525 million tonnes upto May in 1985—86. However, the net import of refined petroleum products came down from 5.2 million tonnes in 1984—85 to an estimated 2.6 million tonnes in 1985—86. These two do not exactly match due to reasons like increase in demand for products reduction in quantity after refining, inventory adjustments and export of products surplus to our requirement.

SHRI R. P. DAS : The statement says that the export of crude has come down from 6.5 million tonnes to 0.525 million tonnes, which is a very negligible quantity. It is because of a fall in the production of crude in the country.

MR. SPEAKER : It is only due to an increase in our refining capacity.

SHRI R. P. DAS : Yes Sir, Secondly, it is because of an increase in the refining capacity. The statement also says that import of refined oil has also come down from 5.2 million tonnes to 2.6 million tonnes, just half of the total refined oil. The most important point is this. The declared

policy of the Government is to attain self-sufficiency in oil. And actually, the level of self-sufficiency attained at the end of the Sixth Five Year Plan was about 70 per cent. But in the meantime, there are some signs of erosion in the level of self-sufficiency in oil and it may come down to 61 per cent during the Seventh Five Year Plan. I would like to know from the Minister as to what effective measures have been taken to check the erosion in self-sufficiency in oil.

SHRI CHANDRA SHEKHAR SINGH : Sir, firstly there has been absolutely no question of a fall in the production of crude in the country. On the other hand, it is going up. This has been brought down as a result of the expansion of our refining capacity as has been explained. But the hon. member is correct when he says that the degree of self-sufficiency in oil and petroleum products shall go down during the Seventh Plan period from a level of 70 per cent in the year 1984—85 to 61 per cent in the terminal year of the Seventh Plan. It is primarily because our demand is growing at an average rate of 3 million tonnes per annum. Our production has not been able to keep pace with it. The present projections are that during the Seventh Plan period, unless we are lucky enough to strike a very good reserve, the gap is going to widen and the degree of self-sufficiency shall come down. But a package of measures have been taken to tackle the situation as best as possible. Firstly, we are trying to intensify our exploration work and to step up our production programme by evolving correct and modern strategies. Also, we are trying to contain the growth in the rate of consumption of oil and petroleum products. Both supply management and demand management are being exercised to meet the situation.

SHRI R. P. DAS : The hon. Minister has just said that, he has taken some steps to curb the consumption of petroleum products in the country. But during the current year, the rate of consumption has increased to the tune of 7.9 per cent. How can it be possible to check the consumption of petroleum products in the coming years? Therefore, Sir, I would like to know categorically from the Minister and he has to spell out the measures that would check the rise in consumption of petroleum products in the country?

SHRI CHANDRA SHEKHAR SINGH : I explained on the floor of the House that we have taken recourse to two broad approaches. First is the price mechanism to which this House has applied its mind. It is certainly going to reduce our consumption to a certain extent and we are also, as I have explained earlier, trying to evolve a comprehensive package of measures for conservation of oil and petroleum products. We have discussed this matter and we hope that by next month, we shall be able to come to certain decisions which would be implemented rigourously.

[Translation]

SHRI G. C. MISHRA : Will the hon. Minister be pleased to state whether kerosene oil is also imported and most of it is made use of for adulteration of diesel oil? If so, what steps are being taken to check it?

SHRI CHANDRA SHEKHAR SINGH : Kerosene oil is also imported and the reason for adulteration of diesel with kerosene is that there is a big price differential between the two. In this connection, a suggestion which is given repeatedly is that the price of both should be brought at the same level so that there is no adulteration, but keeping in view the interests of kerosene oil consumers, it was not considered proper to strike parity in the prices. Similarly, another suggestion given in this regard was coloration of kerosene; this was given a test too, but it was not found effective. Some other measures are also being suggested. Since other countries do not have any such problem, we have to depend entirely on the research being carried out indigenously and our efforts in this direction are continuing.....(Interruptions) If a way out is found to differentiate the two, it will certainly be tried (Interruptions).

[English]

SHRI SOMNATH CHATTERJEE : He is giving his personal explanation. He has lost his job. Let him hear him, Sir.

SHRI C. P. THAKUR : Sir, in planning for the oil consumption any country, earmark oil for some emergency like war, etc. but in our country, there are reports that our reserve is limited. How much percentage of reserves you are earmarking for emergency

and how much you are using for the day-to-day consumption?

SHRI CHANDRA SHEKHAR SINGH : Sir, no such emergency situation exists in the country at the moment. But our requirement of oil is related to the requirement of economic growth, and consumption of oil is an indicator of the economic development of a country.

MR. SPEAKER : Do you think in the case of contingency some.....

(Interruptions)

SHRI CHANDRA SHEKHAR SINGH : Certainly that we can always step up, if any contingency arises. So we are trying to keep right balance between the immediate necessity and the demands which are going to develop in future and also in emergency.

SHRI C. P. THAKUR : Was there any thinking in that direction or not.....

SHRI CHANDRA SHEKHAR SINGH : Yes, certainly.

SHRI C. P. THAKUR : for keeping oil supply for the emergency?

SHRI SOMNATH CHATTERJEE : May I know from the hon. Minister what action is being taken for the purpose of implementation of the feasibility report that has been given for production of oil from coal which will significantly augment our production—availability of oil? The Minister knows it unless, he has been made to forget it. Therefore, I would like to know what steps are being taken for the purpose of production of oil from coal?

SHRI CHANDRA SHEKHAR SINGH : I cannot give, I am not in a position to give detailed information on this point. I shall try to apprise the hon. Member of this.

SHRI SOMNATH CHATTERJEE : Does the hon. Minister not know of this project? (Interruptions).

MR. SPEAKER : He knows, but he says he has to give a clear picture. And not a half-baked reply.

SHRI SOMNATH CHATTERJEE : The Minister does not know it.

MR. SPEAKER : If he does not know, you let him know.