

LOK SABHA

Tuesday, June 10, 1980/Jyaistha 20,
1902 (Saka).

The Lok Sabha met at Eleven of the
Clock.

[MR. SPEAKER in the Chair.]

INTRODUCTION OF MINISTER

THE PRIME MINISTER (SHRI-MATI INDIRA GANDHI): Sir, may I introduce to you and through you to the House my colleague, Shri Maganbhai Barot, Deputy Minister in the Ministry of Finance.

ORAL ANSWERS TO QUESTIONS

Effect of Crude Blockade in Assam on Oil Supply

*21. SHRI CHANDRABHAN ATHARE PATIL: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether it is a fact that the present crude blockade adopted by Assamese has adversely affected the oil supply position in the entire country;

(b) if so, to what extent this has caused deterioration in the availability of supply of this commodity; and

(c) what measures have been taken to improve the position, indicating the total quantity likely to be imported and the countries from which this would be imported this year?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI VEERENDRA PATIL): (a) Yes, Sir.

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(b) Between January and May 1980 the loss in the crude throughput is estimated to be about 1.89 million tonnes in the four refineries of Digboi, Gauhati, Bongaigaon and Barauni, with loss of approximately 1.6 million tonnes of finished products.

(c) The loss is being made up, to the extent possible, by importing finished products and by moving the same to the areas affected by the closure of the refineries in the eastern region. The total additional imports of high speed diesel and kerosene would be of the order of 1 million tonnes during the period January-May 1980 over and above what was planned before the beginning of the calendar year for this period on a prorated basis. This additional import has been made due to, *inter-alia*, the shortfall in production in the three refineries in Assam and the Barauni refinery in Bihar. The imports are being arranged from the Gulf countries and other areas. A close monitoring of the production in the refineries of the country, imports and movement of petroleum products is being carried out in close coordination with the Railways, State Governments and oil companies in order to ensure maximum possible supply within the current constraints.

SHRI CHANDRABHAN ATHARE PATIL: In the reply, it was mentioned that the imports are being arranged from the Gulf countries and other areas. Will the hon. Minister be kind enough to name the countries covered by 'other areas'?

SHRI VEERENDRA PATIL: So far as the imports are concerned, we are importing petroleum products, we are making spot purchases

from the open market. So, it is not the question of getting from a particular country. I do not know from which country the suppliers are bringing and supplying.

SHRI CHANDRABHAN ATHARE PATIL: The imports that are being made are practically half of the requirements of the loss caused due to the reduction in production. So, will the hon. Minister be kind enough to tell us whether this will also affect the country's use of oils that is, crude, diesel and kerosene? And if so, how are we going to meet the shortages?

SHRI VEERENDRA PATIL: Sir, in my reply I have already said how we are meeting the shortages. The shortage is 1.9 million tonnes in crude and round about 1.6 million tonnes in petroleum products. We have already imported during the last 5 months additional one million tonnes of products and it is affecting us very heavily so far as the economy of the countries concerned.

SHRI R. K. MHALGI: What are the present minimum requirements of the Indian economy of oil and petroleum products for import?

SHRI VEERENDRA PATIL: The indigenous production is 14 million tonnes and we are importing 16 million tonnes of crude oil and 6.5 million tonnes of petroleum products from outside.

SHRI NIREN GHOSH: I would like to know what steps Government took so that the flow from the oil refineries was not blocked. As far as we are aware, no real steps have been taken so far.

Secondly, he referred to spot purchases. Is he aware that four parties buy it privately, they do not call for tenders, and there is a sort of racket in the Indian Oil Corporation?

SHRI VEERENDRA PATIL: Spot purchases are made on the basis of the tender system. There is

no scandal so far as this is concerned. There are firm rules and regulations and procedure for this. So far as my knowledge goes, Indian Oil Company officers have not departed from the established procedure. They are inviting tenders and fixing the purchases only after taking the lowest tender into account.

SHRI NIREN GHOSH: Four refineries were closed. Oil did not flow. What steps did the Government take to see to it that oil does flow? Practically nothing was done.

SHRI VEERENDRA PATIL: It is a fact that oil is not flowing. The Barauni Refinery is dependent upon Assam crude oil. Oil has not flowed in the pipeline, with the result that Barauni has been closed for the last five months. All the refineries have been closed. Why they are closed, hon. Members are aware, and they are discussing the same subject during the course of the day.

SHRI RAM JETHMALANI: May I know whether any country has refused to supply you oil on the ground that this country entertained a visit from Moshe Dyan?

SHRI VEERENDRA PATIL: No.

SHRI INDRAJIT GUPTA: It is reported in the press that the OPEC countries have evolved a scheme whereby they are prepared to give long term loans at favourable rates of interest to developing countries to enable them to finance their imports of oil from the OPEC countries. I would like to know whether this is a fact and whether India is likely to benefit from the scheme, and if so, to what extent.

SHRI VEERENDRA PATIL: We are trying to prevail upon them to consider us also as a developing country, so that grant or aid or soft loans are advanced to us, but I am not in a position to say what is going to be the result of it.

DR. KRUPASINDHU BHOI: In view of the fact that we are importing 16 million tonnes of crude oil. I would like to know whether the Government has any master plan to produce this quantity also indigenously. If so, what are the steps the Government has taken and within how many years, according to the master plan, we will be able to achieve self-sufficiency and what are the exploration and expansion programmes the Government has taken up and what is the amount of money the Government has provided in the coming budget and for the next five years?

SHRI VEERENDRA PATIL: So far as getting indigenous oil is concerned, we have got an organisation viz., ONGC. They have taken on a large scale off-shore and on-shore drilling works, I am not in a position to give the details. If the hon. member wants, let him put another question. I am prepared to give the details. They are spending a lot of money on finding oil.

Production of Streptomycin in Hindustan Antibiotics Limited Pune

*22. **SHRI V. KISHORE CHANDRA S. DEO:** Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether it is a fact that the production of Streptomycin has fallen considerably due to the strike by the employees of Hindustan Antibiotics Limited at Pune;

(b) if so, the impact thereof; and

(c) what are the steps being taken, by Government to meet the requirements in view of the loss of production?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI VEERENDRA PATIL): (a) to (c). A statement is laid on the Table of the House.

Statement

While there has been a loss of production of about 15 tonnes of Streptomycin at Hindustan Antibiotics Limited (HAL) due to the strike lasting from 18th March to 2nd May, 1980, this has not affected the total indigenous production of Streptomycin materially. In 1978-80 the total streptomycin production in the country amounted to 20.16 M/T as against a production of 220.73 M/T in 1978-79. Needed arrangements for import of streptomycin have also been made to supplement indigenous production in line with the practice in earlier years.

SHRI V. KISHORE CHANDRA S. DEO: In the statement that has been laid on the table of the House, the hon. Minister has stated that though the production of Streptomycin has decreased by 15 tonnes, the total indigenous production was not totally affected as such. But the fact remains that during this strike period, the stocks of Streptomycin, I do not know whether it is due to boarding or some other reason, were not available in the rural markets, especially in the backward districts of Andhra Pradesh wherefrom I come. This is a very vital life saving drug, which is necessary to be used as a precautionary measure and also for several serious diseases. I would like to know from the Minister as to what measures he is taking to see that this particular medicine is distributed properly both in the rural and urban areas alike so that it reaches the common man in time. I am asking about the distribution aspect because he has said that the production has not been affected due to strike. Let him at least spell out the ways and means by which he is going to make a proper distribution so that the stocks available can be utilised by the people.

SHRI VEERENDRA PATIL: I have already made it clear that the shortage is very marginal and there is no short supply so far as this drug