

the Government in 1977-78 that in Orissa, Bhubaneswar is one of the suitable sites or the backward area of Western Orissa like Kalahandi or Bholangir. I want to know whether they will be considered. At the time of deciding the location of the telephone exchange industry because backwardness is one of the criteria for location of the telephone exchange industry.

SHRI YOGENDRA MAKWANA: Not only the backwardness but there are many other factors which are to be taken into consideration while deciding the site of a particular factory and the site selection committee has gone into all these aspects and they have submitted their report which is under examination and at present I am not in a position to say which site will be selected.

SHRI INDRAJIT GUPTA: The question is not only of setting up new factories but also of expanding the existing capacity. I would like to ask him whether his Government has received representations including some letters from me, regarding the possibilities of expansion of the first TTE unit which was set up in this country and which is located in Srinagar in Kashmir which is certainly a backward area industrially speaking. That factory even to-day after so many years is employing less than 150 workers. And they are capable of producing modern equipment such as the one they are going to produce with French collaboration now. Even the management says that because of the rarefied atmosphere which is relatively dust-free, it is very good for making this type of electronic equipment and the workers are experienced and quite skilled. Would he consider—Mr. Makwana, would your Government consider—at least allotting a part of this new production target or expansion which you are going to have, to this factory so that some people can get jobs in Kashmir?

SHRI YOGENDRA MAKWANA: There is no question of existing telephone switching equipment factory in Kashmir. At present it produces coil cords and

telephone instruments in the factory which is situated there. That will be expanded. So far as the digital electronic factory is concerned, one is already decided—to have it in Gonda and the other is under consideration.

SHRI INDRAJIT GUPTA: I am not talking of a new factory. I am talking of expanding the existing one.

SHRI YOGENDRA MAKWANA: That factory is not manufacturing switching equipment. But, Sir, whatever it produces, we are expanding.

DR. SUBRAMANIAM SWAMY: Sir, on a point of order, Sir. The hon. Member is a Marxist. He uses the word term 'Sir J. C. GHOSH.' What is this Sir J. C. Ghosh?

SHRI NIREN GHOSH: I have not put it. Not me, they should charge them.

Question No. 314.

Committee on Synthetic Oil Project

*314. **SHRI NIREN GHOSH:** Will the Minister of ENERGY be pleased to state:

(a) whether any study has been made by the Sir J. C. Ghosh Committee on synthetic oil project;

(b) who composed its personnel;

(c) reasons why the Committee's recommendations were not implemented;

(d) whether Government propose to reconsider the whole thing; and

(e) if not, reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF ENERGY (SHRI GARGI SHANKAR MISHRA): (a) to (e). A statement is laid on the Table of the House.

Statement

(a) Yes, Sir.

(b) The Committee was constituted by the then Production Ministry in the year 1955, with the following composition:—

| | |
|--|----------|
| 1. Dr. J.C. Ghosh, Member, Planning Commission, New Delhi. | Chairman |
| 2. Dr. A. Nagaraja Rao, Chief Industrial Adviser, Ministry of Commerce and Industry (Development Wing), New Delhi | Member |
| 3. Dr. J.W. Whitaker, Officer on Special Duty, Fuel Research Institute, Dhanbad | Member |
| 4. Dr. A. Lahiri, Director, Fuel Research Institute, Dhanbad. | Member |
| 5. Dr. M.S. Krishnan, Director, Geological Survey of India, Calcutta. | Member |
| 6. Dr. S. Husain Zabeer, Director, Central Laboratories for Scientific and Industrial Research, Hyderabad. | Member |
| 7. Shri A.B. Guha, Chief Mining Engineer, State Collieries, Calcutta. | Member |

(c) The Committee recommended the setting up of a low temperature carbonisation plant in Bengal Coalfield for production of soft coke for domestic fuel and for utilisation of bye-products for the production of motor spirit, fuel oil etc. The project was not taken up due to easy availability of cheap imported crude at that time.

(d) and (e). After the rise in prices of oil in 1974, the possibility of using Indian Coal for conversion into oil was studied by an expert Group on Synthetic oil headed by Shri K. R. Chakravorty, which submitted its report in April, 1977. The Group recommended the setting up of a Coal to Oil plant with a capacity of 1 m.t. of liquid fuel per annum. The estimated cost of the project as updated in 1980 works out to Rs. 1140 crores. Keeping in view the high investment involved in such a plant and the difficulty of obtaining an appropriate technology, the Government have not gone ahead with the project and other alternatives like conversion of coal into gas and methanol are being examined. An LTS plant in Dankuni near Calcutta is being set up to carbonise 1500 tonnes per day of raw coal to produce 3.5 lakh tonnes of smokeless coke per year and 18 to 20 million cft. gas per day to meet the demand of domestic and industrial consumers of Calcutta. In addition, it will also pro-

duce tar and tar chemicals and other products like ammonium sulphate, calcium Carbonate etc.

SHRI NIREN GHOSH: Sir, I charge the Government with colluding with the Imperialist Lobby (Interruptions) in order to suppress this report in not setting up this synthetic oil plant. Is it a fact that or not that this report was submitted in 1956?

SHRI SOMNATH CHATTERJEE: 1955.

SHRI NIREN GHOSH: 1956. It was suppressed altogether and not a trace of it was found. Then, when we pursued this question, the Government used to reply that they had no knowledge of such a report. When finally a reference of this thing was found in a Government publication and when the Petroleum Minister was confronted with that, he told me that what he said was true that they did not possess any copy. Then, a manhunt was conducted. This was a rejected file found in the Dhanbad Coal Research Institute. A single typewritten copy was found there. The Government is simply misleading the House that the project was not taken up due to easy availability of coal at that time. No such conclusion was reached

at that time. You are completely misleading the House. The Minister has not taken the trouble to study the report even. They had the cheap crude production out of the low carbonisation plant. They compared and said that the crude oil product would be cheaper than the landed cost of the imported oil product. So, Sir, the Minister has not taken the trouble to read the report. The Committee had also opined in that report that even if the coal priced fluctuated, the synthetic oil products would be internationally competitive. It was said that the cost was prohibitive and that the technical consultants were not available. They are simply misleading again.

This Committee consulted Lurgie, Fish Troper and all those international consultants and those who know the technology or those who are aware of the technology. You could even get one thousand million ton capacity. This technology is available and it could be expanded, thereby thousands and thousands of crores of foreign exchange could be saved. Is it not that the policy that is being pursued by the Minister is a stab at the back of this country?

DR. SUBRAMANIAM: Shri J. C. Ghosh is some relative of Shri Niren Ghosh.

SHRI NIREN GHOSH: No Unfortunately, he is there yet.

श्री गार्गी शंकर मिश्र: अध्यक्ष महोदय, धन साहब का जो प्रश्न है, वह 1955 की कमिटी के बारे में है। असल में 1955 में एक घोष समिति बनाई गई थी प्रोडक्शन मिनिस्ट्री की तरफ से और उस की यह रिपोर्ट है... (व्यवधान)...

THE MINISTER OF ENERGY (SHRI P. SHIV SHANKAR): He said that it was not available. I concede that this question was put in 1974. The then Minister said, that it was not available.

SHRI SOMNATH CHATTERJEE: Is he or the senior Minister replying?

श्री राजनाथ सोनकर झांखी: आप उत्तर दे रहे हैं या ये उत्तर दे रहे हैं।

श्री गार्गी शंकर मिश्र: यह रिपोर्ट है और जो आप यह कह रहे हैं कि यह गूम हो गई थी और मिसलीड किया हाउस को, तो ऐसी कोई बात नहीं है।

श्री जटल बिहारी बाजपेयी: यह कहाँ से निकाल कर लाये हैं?

श्री पी. शिव शंकर: यह आप दिए हैं।

श्री गार्गी शंकर मिश्र: यह कहाँ से निकाली है और कौन निकालता है, बाजपेयी जी इस को ज्यादा जानते हैं। कहाँ से निकली, हमें नहीं मालूम। आप बताइए कि कहाँ से निकली।

यह रिपोर्ट है। इस घोष समिति में ये लोग थे—श्री जे. सी. घोष, मन्दार प्लानिंग कमीशन।

एक माननीय सदस्य: यह तो उत्तर में लिखा हुआ है।

श्री गार्गी शंकर मिश्र: यह जो पोस्टमैन हांती आयी है, उसका कारण यह है कि पहले जब घोष कमिटी की रिपोर्ट आयी थी तो उस समय तेल की प्राइस का एक फ़ैक्टर था। बहुगुणा जी इस बात को अच्छी तरह से जानते हैं। उस क्वॉट तो देश में तेल मिलता था वह बाहर से इम्पोर्ट किया हुआ मिलता था और वह सस्ता होता था। बाद में इसके निकालने की बात भी आगे बढ़ी। यदि आप चाहें तो मैं इसका तदन में रख सकता हूँ।

श्री जटल बिहारी बाजपेयी: यह क्या रख रहे?

श्री गार्गी शंकर मिश्र: ये कागज हैं। इनमें जो लिखा हुआ है वह बहुत अच्छा है, और और आपको पसन्द आयेगा।

इसके बाद एक चक्रवर्ती कमिटी बनी। उन्होंने भी यही कहा कि कोयले से तेल बनाने में ज्यादा कास्ट आयेगी। उसके बाद आज भी हमने इस चीज को छोड़ा नहीं है और उस पर विचार चल रहा है।

चीज है कि तेल की अपनी इकोनो-मिक्स है। हम बहुत चीज ही उम्मीद करते हैं कि हिन्दुस्तान तेल के मामले में आत्म-निर्भर हो जाएगा। फिर भी हम इसको पकड़ें हुए हैं, हमने इसको छोड़ा नहीं है, बिल्कुल नहीं छोड़ा है। (व्यवधान) जो जो चीजें माप चाहते हैं सब पकड़ें हुए हैं। (व्यवधान)

SHRI H. N. BAHUGANA: Sir, I think it is a very serious question which is being treated lightly by the Minister. The question is: What the Government is going to do about it and, I think, it would be better if hon. Shri Shiv Shankar would reply. Then we would be able to know something more.

SHRI ATAL BIHARI VAJPAYEE: Why not Gargi Shankar? Why Shiv Shankar?

MR. SPEAKER: Why differentiate between Shankar and Shankar! I will not allow.

AN HON. MEMBER:; One Shankar is good as another Shankar.

SHRI GARGI SHANKAR MISHRA: We are three Shankars.

SHRI ATAL BIHARI VAJPAYEE: Who is the third Shankar? (*Interruptions*).

श्री गार्गी शंकर मिश्र: जहां तक इस मामले को आगे बढ़ाने का सवाल है, हमने चक्रवर्ती रिपोर्ट के अनुसार एल. टी. सी. प्लान्ट को बेंगलूर में डाल दिया है और कलकत्ता के पास डानकूनी से आपको गैस मिलेगा, सॉफ्ट कोक मिलेगा, डोमोस्टिक गैस मिलेगी। जो उसके बाई प्रोडक्ट होंगे, उनके बारे में हम सोच रहे हैं कि क्या करना चाहिए। (व्यवधान) आपको तेल मिलेगा, मीथेनॉल मिलेगा।

जहां तक कोयले से तेल बनाने की बात है सेंट्रल फ्यूलरिसर्च इंस्टीट्यूट में उस पर

कछ काम आगे बढ़ा है। उन्होंने एक प्लांट बनाया है।

SHRI NIREN GHOSH: Sir, it is unfortunate that he merely tried to dabble with the subject in a joking way. I feel that justice is not being done to the House and Shri Shiv Shankar should seriously answer the question. The question is that the report was suppressed. Who are the culprits? Ultimately it was found somehow or other. Then my question is very specific. The G.C. Ghosh Committee has opined that the cost of production of synthetic oil would be less than imported cost or landed cost of crude oil and other crude products also. That is one thing. And, even at that time, how can they say this—that because of the cheaper availability of oil they did not take up the projects? Not only that. The Report was suppressed. The report was spirited away and no decision was taken at that time. The Report was found only in 1972. And then, in 1974, another Committee was appointed headed by Dr. K. R. Chakravarti and that Committee recommended one million metric tonne of liquid oil from coal to be produced. The cost was Rs 1,140 crores or something like that. That technology is easily available. So, that fact cannot be suppressed. Now, they take the plea that the technology was not available, that the cost would be too much and so on. Mr. Speaker, Sir, you just consider this:— If such a plant is set up and it is expanded then will it not entail huge recurring cost? How many thousands of crores of foreign exchange the country will be saved when you are going to IMF, when you are losing Rs. 500 crores...

MR. SPEAKER: Please put the question.

SHRI NIREN GHOSH: So, I put the question: In view of all these points, may I know whether you are taking up the project immediately as Dhankuni is a coal-based plant, it is not a synthetic oil plant. So, that cannot be any substitute. Why should the country be losing on your account, due to the Ministerial policy, which only helps the international oil companies?

SHRI P. SHIV SHANKAR: Sir, it may be that I may have to repeat part of answer already given by my colleague. But the fact remains that the Report of G. C. Ghosh Committee came sometime in 1956. My hon. friend is saying something about the Report having been made scarce and so on. These are matters of past; and I would not like to go into those details now. It is true that one of my predecessors had given an answer in the Parliament that the copy of the Report is not available. In fact we have been able to lay our hands on the Report. My hon. friend has already informed the House about this. At that time when the Report came the position was that the imported crude was much cheaper and therefore on going into the economics at that time it was found that it would be inadvisable to go and act on the basis of the Report. So, this was the decision that was taken at that time.

(Interruptions) This was sometime in 1958-59. Then, afterwards what happened was this: In 1974, another Committee was appointed headed by Dr. Chakravarty. This Committee rendered their Report in April, 1977. They also took into consideration various factors. As some of my friends have very rightly put it, they discussed it with Lurgi and other companies for the purpose of technology and so on and then they gave the report. On the basis of the report the economics was again worked out and the position was that the cost of production of synthetic oil was estimated at Rs. 809 per tonne without duties and taxes and Rs 997 per tonne with duties and taxes included, as against the cost of imported crude in 1977, which came to Rs. 909 per tonne. Therefore it was found even at that time that the imported crude was cheaper as compared to the crude and the synthetic oil that we might develop through this process. This was in 1977. This is the position that I thought I should explain.

SHRI NIREN GHOSH: Cheaper to what extent?

SHRI P. SHIV SHANKAR: Rs. 90. I have already brought it to your notice. 997 and 909—roughly about Rs. 88. *(Interruptions)* Possibly it would be a little better and there is no doubt about

it; I am not denying that. My hon. friend referred to the Low Temperature Carbonisation Plant at Dhanbadi near Calcutta. The estimation is that this will carbonise 1500 tones of coal per day to produce 3.5 lakh tonnes of smokeless coal per year, 18 to 20 million cubic feet gas per day for domestic and industrial consumption and also yield tar and other products like ammonium sulphate, calcium carbonate etc. This will pave the way for down-stream industries. As regards the present position, I must frankly submit that having regard to the present price structure that we are facing, I shall try to reconsider the whole thing. I must frankly say that I have not applied my mind to it, till the question has been raised. I will take some time and I will be back to the Parliament, if necessary, after going into the economics of the whole thing. That is exactly what I can say at this stage.

SHRI SOMNATH CHATTERJEE: The hon. Minister has been quite frank and we appreciate his frank admission that he has not applied his mind earlier before the question was put. In 1955 the Government of India thought of the necessity of finding out whether coal can be converted to oil and the report was obtained in 1956 which, it appears, was not studied at the governmental level at Delhi. It may have been done at Dhanbad or somewhere else. Again, the necessity was felt in 1974 to set up another Committee for this purpose. Coal is available in abundance and we can convert it into oil and we need not be dependent on others. We are being fleeced of foreign exchange and we are in great difficulty. In 1977 again the report was submitted and this was not studied until 1980. Did the Chakravarty report take note of the earlier report, and have the two expert Committees suggested the possibility of it on the basis of the available technology in this country? The capital requirement with escalation, let us take, would be Rs. 1500 crores. We have to plan, how much foreign exchange we shall save by it. Why should not the Government take up this matter with the greatest urgency and not merely apply its mind during inter-session period, if it can afford some time?

SHRI P. SHIV SHANKAR: I am sorry, my hon. friend has misunderstood my answer about the 1977 report. That has been gone into and I have submitted that the economics of it have been worked out.... (Interruptions) concede that if it is a question of my mistake, I will own it.

SHRI SOMNATH CHATTERJEE: That is not my object. The Government of India, Petroleum Ministry, should take up this matter with the greatest seriousness.

SHRI P. SHIV SHANKAR: I owe an apology to the House on behalf of my department. There is no gainsaying the fact that I should defend this part of the case. What I am saying is that I will certainly consider it. After all, I represent the department and I am sorry on behalf of it.

SHRI SOMNATH CHATTERJEE: The matter should be taken up very seriously.

SHRI P. SHIV SHANKAR: That is exactly what I have said. I am prepared to say that within three months I will come back to the House and explain the position.

SHRI SOMNATH CHATTERJEE: We appreciate that.

श्री अटल बिहारी वाजपेयी: मैं यह जानना चाहता हूँ कि यह रिपोर्ट कैसे गुम हो गई और मिली कैसे?

श्री पी. शिव शंकर: यह 1974 की बात है। मैं क्या कहूँ, मैंने तो इसको देखा नहीं है।

श्री अटल बिहारी वाजपेयी: आपके जमाने में मिल गई, बहुत अच्छा हुआ। यह बताया जाए कि मिली कैसे?

श्री गोपी शंकर मिश्र: 1977 में गुम गई और अब मिली है।

PROF. MADHU DANDAVATE: He is Minister incharge of finding the facts... (Interruptions).

SHRI H. N. BAHUGUNA: Mr. Mishra, be sure of your statement, otherwise you will be committing breach of privilege.

MR. SPEAKER: Q. 316—Not present.

DR. SUBRAMANIAM SWAMY: Sir, if the Minister is ready with the answer, you can use Rule 388 and this question can be answered.

MR. SPEAKER: He has not been authorised.

DR. SUBRAMANIAM SWAMY: But, the Speaker can use Rule 388, Sir.

(Interruptions)

श्री मनी राम बागड़ी: भाषा से सम्बन्धित वह संवाल है। दूरदर्शन वाला वही भाषा को संवाल है।

श्री रामाचतार जाल्गी: जानबूझ कर भगवा दिया है।

श्री मनीराम बागड़ी: 70 करोड़ का यह देश है। इस तरीके से भाषा के संवाल पर.....

(Interruptions)

MR. SPEAKER: Shri Anbarasu—not here.

Shri Panikaji.

Additional funds for rural electrification

*320. **SHRI RAM PYARE PANIKA:** Will the Minister of ENERGY be pleased to state:

(a) whether Government have taken a decision to provide additional funds for rural electrification projects;

(b) if so, the project-wise amount of additional assistance proposed to be given; and

(c) the number of additional villages proposed to be electrified with this assistance?

THE MINISTER OF STATE IN THE MINISTRY OF ENERGY (SHRI VIKRAM MAHAJAN): (a) to (c). The