

years for an oil field to be discovered and produced. We have to discover several oilfields and I hope that within a reasonable time we should produce large quantity of oil which may make us self-sufficient.

#### Export of Naphtha

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\*24. SHRI VASANT SATHE.  
SHRI DHAMANKAR:

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

(a) whether attention of Government has been drawn to the news reports about likely distress export sales of Naphtha by India to relieve critical sullage problem facing refiner-ies,

(b) if so the factors leading to that situation and reaction of Government thereto, and

(c) action taken in the matter?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI K. D. MALAVIYA): (a) to (c). The consumption of motor gasoline has been reduced by fiscal measures so as to augment the production of Naphtha for needs of our fertilizer plants based on Naphtha. There has however, been some accumulation of its stocks because of low off-take by fertilizer plants. About 1.24 lakh tonnes of Naphtha has been exported so far in the current year and another 20,000 tonnes is likely to be exported in the current month. It is proposed to export another 50,000 tonnes later in the year if considered necessary. The exports of Naphtha have been at the going market price.

Efforts are being made to see that the existing fertilizer plants are run at full capacity and the commissioning of new fertilizer plants nearing completion is expedited. It is expected that the Naphtha off-take by fertilizer plants will improve from November onwards.

SHRI VASANT SATHE. Is he aware of distress sale of about 1.50 lakh tonnes of which 1.26 lakhs have already been exported which is going to cause this country loss of Rs. 17 million dollars because of the lower market rate which has come down from 125 dollars to 80 dollars? On the one hand we are not able to utilize the Naphtha for the fertilizer plants and on the other hand I want to ask this question. Is it not a fact that fertilizer plants are working to 50 per cent or even 36 per cent capacity? Is there no coordination between the Petroleum and Chemical wings of your Ministry? Could not you visualize the use of petroleum in this country? How is it that Naphtha was allowed to be stored and we are required to go in for distress sale at all that? In the refinery you have layoff and in fertilizer there is shortage of production. Can you consider this by any stretch of imagination as coordination, Sir? In the Defence Ministry there is a circular that a certain storage capacity has to be maintained by private/public sector oil companies. Has this been done?

SHRI K. D. MALAVIYA: There is no doubt that about 1.50 lakh or less than that quantity of Naphtha has been exported, 1.24 lakh at a certain price and about 10,000 tonnes at another price. But we have not sustained any loss on this sale because the selling price that we have got is at a profit although the fluctuations in the international price are beyond our control.

It is, of course, a fact that stocks of Naphtha were accumulating in the country because of the fertilizer plants not being able to take it for their own use. The main reason being Coromandal fertilizer plant was shut down towards the end of August for maintenance. We could not take off Naphtha for that. Then Madras fertilizer plant was also shut down for about three months because of some trouble there. The shut down of Kota plant was also necessary because it

was expanding. There was, therefore a compulsory reduction in the consumption of Naphtha from all those plants. Also Durgapur fertiliser plant has not yet come up to its average production stream and we are actively considering as to what has happened which has created the situation of low production. There are the two reasons responsible.

**SHRI VASANT SATHE:** What about coordination?

**SHRI K. D. MALAVIYA:** As regards coordination, there is full coordination. When technological imbalances have crept up in the production pattern of the plant well it is not always due to coordination between two departments. There might be some other reasons which we are examining. A Committee was appointed to go into it and it has given its report and we are examining the report as to what has happened. My colleague, Mr. Ganesh, has visited some of these fertiliser plants and we hope in a month or so the situation will improve so that take-off of Naphtha is rapid.

**SHRI VASANT SATHE:** Is it a fact that from Naphtha we are short of kerosene in this country and we could have utilised this capacity instead of allowing it to go waste? You said that we made a profit. That means our cost in the country and what we earned from outside there has been a margin. When I said loss it was on the basis of the earlier world market and reduction to 80 dollars to which you had to sell and on the other hand you are importing kerosene. Why could we not convert Naphtha into kerosene which is so much needed in our rural population? Is it a fact that we have imported kerosene from a multi-national racketeer company like Kuwait Petroleum Company which is not a national company of Kuwait?

**SHRI K. D. MALAVIYA:** Unfortunately, Naphtha cannot be converted into kerosene. There are three ranges within the distillation column of a refinery. The upper distillation is Naphtha and motor-spirit. Motor-

spirit and Naphtha cannot be converted into kerosene or diesel and diesel and kerosene cannot be converted into Naphtha.

Then in the middle distillation we can exchange the quantity between kerosene oil and HSD. It is the government policy to increase as much production of hsd in place of kerosene as possible because of the erratic monsoons. We need hsd for agricultural purposes. Therefore, our policy is to reduce the margin of kerosene production in order to increase high speed diesel which has no relation absolutely to increase or decrease in the production of Naphtha. Motor-spirit consumption has been reduced and it is the Government policy not to increase the consumption of motor-spirit. Therefore, that Naphtha is either to be converted into fertiliser or has to lie in stock and sold in the external market at the price which is available.

**SHRI KRISHNA CHANDRA HALDER:** The hon. Minister in his reply said that as some of the fertiliser plants are shut down we cannot utilise naphtha produced in our country and, as such, we are exporting it to other countries. Further he said his colleague, Mr. Ganesh, has visited many fertiliser plants and he has also recently visited the Durgapur fertiliser plant. The Minister has further stated that the Durgapur fertiliser plant has not yet come to the production stage. Is it not a fact that the Italian company has supplied sub-standard equipment and because of that it has not come into production? I also want to know when all those fertiliser plants will be run properly so that naphtha is not exported to other countries.

**SHRI K. D. MALAVIYA:** It is the firm determination of the Government to improve the technological imbalances that have developed into the Durgapur fertiliser plant and my colleague went there and saw those things. We have just got the whole thing examined and certain mixtures of these equipments have been put

together and we have identified the problem also. It is hoped that all those imbalances are likely to be improved in the next month or a couple of months and production in Durgapur fertiliser plant should improve. We shall see to it that our fertiliser plants reach their maximum efficiency.

**श्री मधु लिमये :** अध्यक्ष महोदय, मंत्री महोदय ने कहा कि सरकार की यह नीति रही है कि पेट्रोल का उत्पादन घटा कर जो नाफ्था बचेगा उस का इस्तेमाल फर्टिलाइजर की पैदावार बढ़ाने के लिए किया जायगा। लेकिन मंत्री महोदय को जानकारी होगी कि फर्टिलाइजर के अलावा पेट्रो-केमिकल इंडस्ट्रीज के लिए नाफ्था इस्तेमाल में लाया जाता है। 1 मार्च 1974 को नाफ्था का दाम पेट्रो-केमिकल इंडस्ट्री के लिए 272 रुपये प्रति टन से बढ़ा कर तकरीबन 22 लाख रुपये प्रति टन करवाया गया है उस के बाद पेट्रो केमिकल इंडस्ट्री तकरीबन मार्च के महीने में थप हो गई। यह दाम इसलिए बढ़ाया गया था ताकि मफत लाल, यूनियन कार्बाइड और शक्ति प्रसाद जैत आप के पास दौड़ कर आए और आप के जो अयोग्य आर मीजी प्रेडीमेसर थे उन्होंने ठाई कराट रुपया इन बाजारों में बमूल किया। यह मैं इसलिए कह रहा हूँ कि बाद में एक हजार रुपया प्रति टन दाम घटाया गया। वह पन्द्रह रुपया नहीं। इसलिए मैं मंत्री महोदय से जानना चाहता हूँ कि...

**श्री बर्षत साठे :** आप के कहने का मतलब है कि जो घटाया गया वह साग इन्होंने ले लिया ?

**श्री मधु लिमये :** मैं यह नहीं कह रहा हूँ। आप तो अच्छी तरह समझते हैं, उन का कास्ट व्यूरो जो है वह क्या नये में दाम तय करता है ? दाम इसलिए बढ़ाए गए कि मफत लाल, यूनियन कार्बाइड और शक्ति प्रसाद जैत इन के पास आएँ और बाद में एक हजार रुपया प्रति टन दाम घटा दिया गया। मार्च के महीने में पेट्रो केमिकल इंडस्ट्री

पूरी ठर थी। तो मैं मंत्री महोदय से जानना चाहता हूँ कि आप के खाद के कारखानों में नाफ्था का इस्तेमाल करने की दूबत नहीं थी तो नाफ्था का इस्तेमाल करने वाले पब्लिक सेक्टर में भी प्रोजेक्ट्स हैं, जैसे गुजरात में इंडियन पेट्रो केमिकल कारपोरेशन है, तो इन लोग को आप नाफ्था ज्यादा दे कर जो पेट्रो केमिकल प्रोडक्ट्स थे उनका निर्यात ज्यादा कर सकते थे। इसलिए जो मांटे साहव ने कहा कोआर्डिनेशन का मवाल है, मैं आप से जानना चाहता हूँ कि नाफ्था के विभिन्न उपयोगों के बारे में क्या आप ने कोई लम्बान का नीति बनाई या इसी तरह देश को चौपट करने का काम आप करेंगे ?

**श्री के० डी० सालवीय :** अध्यक्ष महोदय, चूँकि माननीय मदन्य कुछ चिठे हुए हैं।

**श्री मधु लिमये :** नहीं मैं चिठा हुआ नहीं हूँ। मैं दुबो हूँ।

**श्री के० डी० सालवीय :** तो इन के चिठन की बात की मैं न कह। - (श्रवधान) - मेरी बात सुन ले। चूँकि चिठे हुए हैं इसलिए कई मुनासिब बातों को गैर-मुनासिब बाता में उन्होंने मिला दिया। अगर 'चिठ कर के मवाल न करने तो कई बातें उन्हाणे उपयुक्त उठाई, उन का मैं मुनासिब जवाब देता। अब उन के चिठने का क्या करूँ ? उन के लखरे है, उठाया करता हूँ।

नाफ्था का इस्तेमाल पेट्रो-केमिकल इंडस्ट्रीज में होता है। लेकिन उस का अंश बहुत कम है और जहाँ कहीं भी नाफ्था की पेट्रो-केमिकल इंडस्ट्री के लिए जरूरत पड़ती है नाफ्था को फ्रैक किया जाता है और तरह तरह के पदार्थ बना कर वह सब उन को दिया जाता है। गुजरात के लाट को जितने नाफ्था की जरूरत पड़ती है वह हम उन को देते हैं। मुझे खुशी होगी कि वह और बागें लें हम उन को और देंगे।

दाम जो 22 मी बढ़ाया गया था वह इसलिए बढ़ाया गया था क्यों कि क्रूड आयल का दाम इतना ज्यादा बढ़ गया था अक्टूबर में कि वह हमारी शक्ति के बाहर हो गया। इसलिए हम ने दाम बढ़ा कर जो कर्जा हमारे ऊपर क्रूड आयल का हो गया था उस कर्जे को षदा करने की कोशिश की। उस कर्जे को षदा करने के लिए दाम बढ़ाया था। था मधु निमये जी को मालूम होना चाहिए कि जब यह हमें मालूम हुआ कि 22 मी रुपये प्रति टन की बजह से जो पेट्रो-केमिकल इंडस्ट्रीज का पस्टिमाइड, इन्फोकिटाइड, ग्राग दवाओं में इन्फेमाल होना है उस के दाम बहुत ज्यादा हो जाते हैं तो फिर सरकार ने उस का दाम कम किया। यही कारण कम करने का था। हमें जो शक करने है उस का जवाब हमारे पहले मंत्री दे चुके हैं और कह चुके हैं कि एक हजार रुपये का दाम इसलिए बढ़ाया गया था कि हम तामाम उन लोगों को नाफ़ा दे सके जो पेट्रो-केमिकल इंडस्ट्री चलाते हैं।

। श्री मधु निमये : अध्यक्ष महोदय, आप इन के स्पष्टीकरण में संतुष्ट हैं ? मैं ने पूछा था, इस पन्द्रह रुपया प्रति टन का अग्र फर्क होता तो मैं समझ सकता था। लेकिन हजार रुपया का जो फर्क है उस के पीछे रहस्य और गज क्या है ?

**SHRI MOHANRAJ KALINGARAYAR:** Sir, naphtha is one of the very important components for manufacturing fertilisers. Also it is a very important part for manufacture of plastic products. The two monopoly concerns are supplying the granules to most of the factories—small-scale and large-scale industries—in this country.

The price has recently been raised to a very high rate. They say it is due to non-availability of Naphtha. In this respect, what is the rationale of the policy of exporting it when they cannot meet the local demand?

**SHRI K. D. MALAVIYA.** So far as the local demand of the petro-chemical and plastic industries is concerned all the producers will get Naphtha at a very reasonable rate because we have got Naphtha. It cannot be below the cost of production of Naphtha. But there will be no difficulty in the availability of Naphtha to indigenous producers of the petro-chemical industries and they will be satisfied with the price that will be charged.

**Import, Consumption and Supply of Petrol, Kerosene Oil and Diesel**  
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\*25 **SHRI R. R. SHARMA:**  
**SHRI MADHAVRAO SCINDIA:**

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

(a) the percentage of oil imported by India to the oil consumed by her and the percentage by which its price has been increased during the last two years;

(b) the percentage by which prices of diesel and petrol have been increased in India during the same period; and

(c) the per litre sale price today of diesel, petrol and kerosene respectively and the extent of the element of duties and taxes included in it?

**THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI K. D. MALAVIYA):** (a) The percentage of oil imported by India to the oil consumed during 1972 and 1973 is given below:—

Year	Percentage of oil imported to the oil consumed
1972 . . .	62.6%
1973 . . .	65.5%