

(a) whether the World Bank has announced 295 million dollar loan to improve natural gas production in India;

(b) if so, the details there of and how it is likely to be spent; and

(c) what are the terms of agreement ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHMA DUTT) : (a) to (c) The proposed world bank loan is likely to be available for ONGC's Western Onshore and Off shore Gas Development Projects. The exact details about the question of loan and terms and conditions of the agreement can be known only after the agreement is finalised.

SHRI S.G. GHOLAP : Sir, my question was : "whether the World Bank has announced 295 million dollar loan ?" Now the reply is given that it is likely to be available. If so, to what extent ? What is the present production of the natural gas and what is the proposal given by the ONGC to the World Bank ?

SHRI BRAHMA DUTT : Sir, negotiation about this loan was held in Washington from November 27 to November 23. The scope of this loan agreement is : (a) Development of South Bassain Fields; (b) Development of Gandhar Fields; (c) Construction of gas pipeline from Heera Offshore fields to Uran; (d) Seismic surveys for Tapti and Hazira fields and studies for identifying low costs investment for development transmission of infrastructure for Western region and utilisation of gas. This is the scope of the whole agreement. But we are discussing with them when the discussion is over, I will inform the House.

SHRI S. G. GHOLAP : My second supplementary is that when is this amount likely to be available ? And negotiation is at what stage ?

(Interruptions)

MR. SPEAKER : Negotiation is at what stage ?

SHRI BRAHMA DUTT : We have made an appraisal of the whole project and I think, within two to three months something should be finalised.

SHRI E. AYYAPU REDDY : Sir, has the 295 million dollar announcement been made by the World Bank ? That has not been answered. Has the quantum of loan assistance specified, and have the terms of loan, that is, the interest rate been specified? We are interested to know that and for that, there is no answer. Then, I would like to know whether ONGC has asked for loan in general of whether it has asked for loan for a specific project, that is, the Western Shore Project, both Onshore and Offshore ? If that is so, why is that the Eastern Offshore and Onshore Projects not included in this ?

SHRI BRAHMA DUTT : I would like to answer the latter part of the question first. The ONGC has asked for a specific project for Western Onshore and Offshore development. As far as quantum of loan and other things are there, quantum will be fixed after the appraisal of the project.

The interest and all that depend on the cost of borrowing made from the World Bank from time to time. Exactly when the agreement is finalised these things will be known. We have asked for this loan because we want to develop this basin. For other basins, we have got the existing loan arrangements.

Oil reserves in Bay of Bengal

*104 DR. KRUPASINDHU BHOI : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether new oil reserves have been discovered in the offshore areas of the Bay of Bengal:

(b) if so, which are these offshore areas;

(c) the approximate quantity of oil reserves discovered in these areas; and

(d) the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHMA DUTT) : (a) and (b) : Yes, Sir, Oil has been discovered in GS-16 structure in Krishna-Godavari offshore during July, 1987.

(c) and (d) The exact potential will be known only after the structure is fully delineated.

DR. KRUPASINDHU BHOI : I am very much frustrated from this rhetoric answer formulated by the bureaucrats of this Hon. Minister's Department from a magnanimous posture. I want to be enlightened by the Minister whether other geological formation than the tertiary formation and sedimentary basin has been identified for off-shore drilling of Bay of Bengal nearer to Paradip Port and Mahandi basin. If so, whether it is a fact that in 1975 and 1980 the Carlsberg Ltd. of USA and the Carnivelselva of France had done detailed production oriented exploratory drilling in this area and whether they had found that more than 5000 sq. kms. of oil and hydrocarbon is floating over this basin. What are the details thereof ?

SHRI BRAHMA DUTT : In the Bay of Bengal sedimentary basins are there; firstly Andamans, secondly Bengal, thirdly Mahanadi fourthly Krishna-Godavari basin and fifthly Cauveri basin. In Andamans I can only say that they have found gas in one well and it is not commercially viable to bring it to the main and unless we locate four-five more wells.

Of course, everybody says that Bengal is floating on oil. But we don't want to float on oil; want to swim on oil... (*Interruptions*). Therefore, we have asked the Soviets. (*Interruptions*) If Bengal floats on oil, it won't help us.

Upto this time our efforts have not yielded any fruits although we have drilled on-shore and off-shore but they are of very high expectations. About Mahanadi also we have not been able to get any success. In Krishna-Godavari Basin and Cauveri Basin we have got some success

and we have put the wells on early production system.

DR. KRUPASINDHU BHOI : Still I am unhappy.

MR. SPEAKER : Has the Minister made you uneasy ? I don't want my members to be made uneasy !

DR. KRUPASINDHU BHOI : I said I am unhappy.

SHRI BRAHMA DUTT : If the Hon. Member wants to know more about Bengal, I will give the whole detail.

MR. SPEAKER : You can send it.

SHRI BRAHMA DUTT : I will lay it on the Table of the House.

DR. KRUPASINDHU BHOI : According to my information, Carlsberg Ltd. and Carnivelselva have opined that the time of production oriented exploratory drilling, the rigs which were available for exploration could not sustain more than 300 lbs of pressure and they were found to be not suitable for detailed exploratory cum production oriented exploratory drilling. Only the ONGC has got the expertise in our country which can have liaison with the foreign expertise and can drill in the Mahanadi and the Bay of Bengal. I would like to know whether the Minister will consider my proposal and re-examine it.

SHRI BRAHMA DUTT : The firm Carlsberg Natomas Groups of USA had conducted seismic survey in off-shore and drilled two wells without any success in 1976. The ONGC, during 1979 to 1981 acquired 2756 line kms. of seismic data in shallow marine areas and identified six locations for drilling. In this basin presently the ONGC are drilling one well viz., SMM-Since June 1987 which has reached a depth of 4565 metres. I have seen this drilling myself. Of course, there is indication of some object there but it has not yet been found. As regards on-shore in Bengal basin we have reached an agreement with the Soviet Union and we are working out the programme to explore oil in South of Calcutta in the Sunderbans,

SHRI V. SOBHANADREESWARA RAO : With the exploration in Krishna and Godavari basin apart from the availability of oil there is availability of huge quantity of natural gas which has already been proved. I would like to know what steps the ONGC or the Government is proposing to make available this gas for the domestic cooking purpose to the towns and cities located near the Krishna Godavari basin where these explorations are going on ?

SHRI BRAHMA DUTT : I came back from that basin three days back. It is a very prospective basin but first of all we have to lay the pipelines to connect the sources of oil and gas. On on-land we have located oil in Bhimanapalli and gas in Kaza, 2 wells of gas in Narsapur and one well of gas in Pasarapudi, 3 wells of gas in Rozole and two wells in Tatipaka and one oil and one gas in Kaikalur. At present we are connecting them by the pipe lines and our main difficulty is crossing the river Vashishta. We have given 50 per cent of the total cost of the bridge over the river Vashishta to the Andhra Pradesh Government and the foundation stone has been laid. Now we are trying to cross Vashishta by boring a tunnel under it.

We have already identified consumers and entered into agreement with eight firms and ten other firms have also come up. Regarding supply of cooking gas to the towns it is a very costly affair, we can supply at one point then the whole infra-structure has to be laid down by the State Government. We offered to Ferozabad one ABJ pipeline. Ferozabad is a glass industry area like Venice of Italy. Our cost will be only Rs. 32 crores but the infrastructure has to be there. We made a similar offer to Bombay. As and when gas is available and as and when Andhra Pradesh Government is able to put up the infra-structure we will consider it.

SHRI R. P. Das : The Minister has already said that South of Calcutta has been identified as one of the spots for drilling of oil. I think the Minister is aware of the fact that Bay of Bengal is a

big big bag stretching from Naokhali to Car Nicobar. So I would like to know the exact place that has been identified and also whether any agency has been selected for drilling the oil ? I would particularly like to know the agency that has been entrusted with the Job of drilling in Bay of Bengal, South of Calcutta.

SHRI BRAHMA DUTT : As regards South of Calcutta the drilling and survey will be done by the Soviet Union experts. As regards off-shore we ourselves are doing the drilling. We are drilling one well off-shore.

Speed post service

*107. **SHRI MULLAPPALLY RAMACHANDRAN :** Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether there is any private sector involvement in the functioning of the speed post service;

(b) if so, the details thereof; and

(c) the details of private courier services functioning in the country ?

THE MINISTER OF ENERGY AND MINISTER OF COMMUNICATIONS (SHRI VASANT SATHE) : (a) No, Sir.

(b) Does not arise in view of reply to (a) above.

(c) This Ministry has no direct information about the details of private courier services functioning in the country. The Reserve Bank of India have however, intimated through the Ministry of Finance that 13 courier companies have been given permission to operate International Courier Services. Only 9 courier companies are however, actually operating International Courier Services under this permission.

SHRI MULLAPPALLY RAMACHANDRAN : Sir, the Indian postal service is renowned the world over for