

[English]

MR. SPEAKER : Shri Ran Bahadur Singh. Absent.

Dr. A.K. Patel. Absent.

Shri C. Janga Reddy. Absent.

Shri Mohd. Mahfooz Ali Khan. Absent

SHRI SURESH KURUP : You should impose a fine.

MR. SPEAKER : Shri Ranjit Singh Gaekwad.

Setting up of New Refineries

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\*196. SHRI RANJIT SINGH  
GAEKWAD :

DR. CHANDRA SHEKHAR  
TRIPATHI :

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether Government have planned to set up new refineries to achieve the desired refining capacities by 2000 A.D. ;

(b) if so, whether the petroleum production is likely to increase and the refining capacities raised in the country by 2000 A.D.; and

(c) the details of the perspective plan for setting up new refineries and the expansion of the existing ones ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHMA DUTT) : (a) to (c). A Statement is given below.

Statement

A new 6.0 MTPA refinery is being set up at Karnal. A new refinery is also proposed to be set up in Assam. A detailed project report is being prepared for a 3.0 MTPA refinery at Mangalore. Capacity of the Mathura refinery is being raised from 6 MTPA to 7.5 MTPA and that of the Koyali Refinery from 7.3 MTPA to 9.5 MTPA.

The currently estimated demand of petroleum products by 2000 A.D. is expected to be of the order of 90 to 95 million tonnes. Additional refining capacities required will be considered on various techno-economic factors including the demand supply balance and availability of crude oil based on special studies in this regard.

SHRI RANJIT SINGH GAEKWAD : The petroleum industry is fast developing all over the globe, particularly in our country also. A lot of work has been done for finding new areas, especially on the Western coast.

I would like to know from the hon. Minister whether the Government is going to set up a second refinery on the Western border of the country.

SHRI BRAHMA DUTT : At present, we are planning to set up two refineries, one in Karnal and another in Assam. A detailed project report is to be prepared for Mangalore. In Eighth Plan, we will have to plan for more refineries—south, north, east, west—all depending on the consumption pattern and we are doing that exercise if, when and where it is required. Because the demand is increasing very fast, we will have to see that we create enough refineries to meet the demand.

SHRI RANJIT SINGH GAEKWAD : Sir, in the answer, it is stated that the capacity of the existing refineries are being increased.

(Interruptions)

MR. SPEAKER : Will the House come to order please ? No talking here. Order.

SHRI RANJIT SINGH GAEKWAD : Nobody seems to be interested in petroleum..(Interruptions)

MR SPEAKER : They are interested in burning it out.

AN HON. MEMBER : All are interested in cooking gas.

SHRI RANJIT SINGH GAEKWAD : I would just like to know whether the Government would reconsider the decision and give preference to Gujarat in regard

to setting up a second refinery, looking to its record, power development and also the discipline in which the development has taken place. After all, whether it is in Gujarat or in any other place, it is an asset of the country. So, I feel that the Government should reconsider and develop the places where they are going to get returns and good work is done.

**SHRI BRAHMA DUTT :** Sir, I very humbly submit that putting up a refinery or establishment of a refinery depends on the consumption, on the demand; because putting up a refinery somewhere and then transporting the products to the consuming area will be a very costly affair, we will be spending diesel and power. Now, our strategy is to transport the crude by pipelines and put up the refineries in the areas where the power production are being consumed. On that criterion we will decide it in the Eighth Plan. The Eighth Plan will take care of the increased demand in various parts of the country.

**SHRI A.J.V.B. MAHESWARA RAO :** I want to know from the hon. Minister whether there is any proposal to set up a new refinery in Krishna Godavari Basin considering the availability of natural gas and oil.

**SHRI BRAHMA DUTT :** Sir, my previous answer covered this question also. It all depends on the consumption pattern of the Krishna Godavari basin. At present, our experts are concentrated in exploring that area and developing the various sources. Then, according to the consumption pattern we will put up.

**SHRI DIGVIJAY SINH :** From the consumption point of view, Gujarat leads the country as far as the petro chemicals are concerned. May I know and ask from the hon. Minister whether there is any justification for another refinery there because of the consumption pattern ?

**SHRI BRAHMA DUTT :** Sir, petro chemicals and refinery are allied matters, but they are different matters. We are putting up a hydro carbon cracking plant and also a natural gas cracking plant to take care of the petro chemical units. Of course, that is also included in the consumption pattern,

**SHRI DINESH GOSWAMI :** Sir, the hon. Minister has stated that a new refinery is going to be set up in Assam and that is a part of the Assam accord. The original idea was to have a private sector refinery, but the State Government was asked to go ahead for a joint sector refinery. Now, the Government is thinking in terms of the public sector refinery and the State Government has asked for its participation. Therefore, I would like to know what is the Government's reaction to the State Government's demand for participation in the refinery; and number two--whether the original proposal for expansion of the two refineries Digjam and Barauni still stands and if so, what is the present position of its expansion.

**SHRI BRAHMA DUTT :** We always like to increase the capacity of the existing refineries because this is the cheapest method of adding to the capacity. It was proposed to have a refinery in private sector in Assam. But due to certain unfortunate conditions nobody is coming forward. Then we tried to have it in the joint sector. Since we want to increase the production of oil as also refine it there, we decided to put up a refinery in the public sector. But there is a big if i.e. if free flow of oil is assured. Unless the oil flows down the pipeline, no refinery can be established and no refinery can work. We are requesting the Assam Government and they are responding. Now, there is a proposal. They want to join hands with us. It will depend on the availability of funds with them and the decision of the Planning Commission. I have constituted a group of officers to talk to the Assam Government. If something pragmatic comes out, we will have a refinery there.

**SHRI DINESH GOSWAMI :** What about the expansion of the other two refineries ?

**SHRI BRAHMA DUTT :** Again I do not want to open the Pandora's box. When we wanted to expand the capacity, the State Government said that it did not want expansion but it wanted a new one. I am for expansion of the capacity as also establishment of a new refinery.

**SHRI M. Y. GHORPADE :** What exactly is the status of the Mangalore

Refinery and when does he expect it to be completed ?

**SHRI BRAHMA DUTT :** For Mangalore refinery we have identified the partner i.e. Indian Rayon. We have acquired about 800 acres of land. That has been identified. And the detailed project report is being prepared. I hope, the detailed project report will be available by the end of this year and construction will start after the detailed report has been studied.

**Foreign Technical Collaborations in the field of Communication**

\*198. **SHRI VIJAY N. PATIL :** Will

the Minister of **COMMUNICATIONS** be pleased to state :

(a) the projects in the field of communication where foreign technical collaboration is available;

(b) the areas identified and the nature of projects to be undertaken; and

(c) the time likely to be taken to execute those foreign collaborations ?

**THE MINISTER OF ENERGY AND MINISTER OF COMMUNICATIONS (SHRI VASANT SATHE) :** (a) to (c). A statement is given below.

**Statement**

*Details of Important Telecom Projects under the Ministry of Communications where Foreign Technical Collaboration is available*

Sl. No.	Name of the Project (a)	Areas identified and nature of projects to be undertaken (b)	Time likely to be taken to execute these foreign collaborations (c)
1	2	3	4

**A. Indian Telephone Industries Ltd.**

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|-------|--|---|---|
| (i)   | ESS Project (Mankapur U.P.)<br>(In Collaboration with M/s. CIT Alcatel of France)                      | To Establish Manufacturing Capacity of 5 Lakh Lines of Local Digital Electronic Switching Equipment Annually.         | Production Started Already                    |
| (ii)  | ICP Project, Rae Bareilly<br>(In collaboration with M/s. BTM of Belgium)                               | To Establish manufacturing capacity of 2 lakh lines of Electro-mechanical crossbar switching equipment of ICP design. | The production has commenced since 1982-83    |
| (iii) | Digital Trunk Automatic Exchange Project Palghat<br>(In collaboration with M/s. CIT Alcatel of France) | Manufacture of 30,000 Lines of digital TAX equipment.   | Production already started.                   |
| (iv)  | Telephone Instruments Project (In collaboration with M/s. FACE Standard of Italy)                      | To manufacture 5 lakh Telephone Instruments and 2.5 lakh critical parts per annum each at Bangalore and Naini Units.  | Production expected to start from 1988 April. |