

Different prices of gas supplied to Tea Gardens of Assam

*164. SHRI BIJOY KRISHNA HANDIQUE; Will the Minister of PETROLEUM be pleased to state;

(a) whether there is a difference between the price of gas supplied to the tea gardens of Assam by the O.N.G.C. and the gas supplied to them by the Oil India Limited;

(b) if so, what are the reasons therefor; and

(c) whether Government propose to re-examine the price fixation of gas supplied to the tea gardens of Assam in view of the high cost of coal used by the majority of the tea gardens?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM (SHRI NAWAL KISHORE SHARMA). (a) Yes, Sir.

(b) From 1-4-78 onwards, the price of gas supplied by ONGC to the tea gardens of Assam was determined on the basis of thermal equivalence of coal, adjusted for higher efficiency of gas compared to coal, with annual escalation based on coal Price revision.

(c) The fixation of price of gas supplied to tea gardens of Assam is being studied.

SHRI BIJOY KRISHNA HANDIQUE- The Minister did not say anything about the quality of the gas supplied by Oil India Ltd. and that is also a Government's concern.

I want a clarification from the Minister, whether the gas supplied by Oil India Ltd., is suitable or not suitable for production.

SHRI NAWAL KISHORE SHARMA: Sir, the question as framed, does not talk about the quality of gas supplied. However, to the best of my information the gas supplied to the tea gardens is of the required standard.

MR. CHAIRMAN- Second supplementary.

SHRI BIJOY KRISHNA HANDIQUE;

Sir, in Assam most of the tea gardens use 100 per cent Run of Mine Coal and the coalfields are located near the gardens in a few heavy tea growing districts. Hence the landing cost of coal, which the Hon'ble Minister has referred to of the tea estates by and large comes to about Re. 030 paise per Kg. for firing and withering as against roughly Rs. 1.30 paise per Kg. of made tea manufactured on gas supplied by ONGC. Thus the average difference comes to Re 1 Per kg. Sir, it is a very intriguing situation that gas worth crores of rupees is annually flared up for want of users. And on the other hand, the price of gas has been kept so high that most of the tea gardens cannot afford to buy. And on the top of that the Government is keen on conserving the coal for the energy sector. Sir, in view of this situation, will the Government consider rationalising and refixing the price of gas keeping in view of the cost of production of tea and its desire to conserve coal.

And since the natural gas from oilfields of Assam have been burnt over the years and like oil, gas, too, is recognised as an exhaustible source, whether Government has made any assessment of the waste in terms of money? And if U is convinced that it is a huge national waste, whether Government has any perspective planning for full commercial exploitation of natural gas?

SHRI NAWAL KISHORE SHARMA: Sir, the hon. Member has put many things in his remarks about this question, in which he has asked about the perspective planning for gas to be consumed. I would say that the revision, was necessary in view of the fact that these prices were fixed much earlier from 1969 and there had been no revision. And to make the formula more scientific, this formula of coal equivalence was adopted. However, there have been certain litigations on the basis of this new formula and certain petitions have been pending in the High Courts. In the meanwhile, the Government has also appointed a com-

mittee to go into the question of pricing of gas. The whole matter about gas pricing is under review of the Government. And I hope the Government would soon come up with a rational formula for pricing of gas which is to be supplied to the various tea gardens.

MR. CHAIRMAN: Mr. Bhattacharjee.

SHRI KAMALENDU BHATTACHARJEE: Respected Chairman, Sir, I would like to know from the Petroleum Minister, whether the Government is contemplating to buy the gas within the Assam *so* that not only the existing industries can use the gas, but new industries will also be attracted, since the operation cost of gas will be low?

SHRI NAWAL KISHORE SHARMA: Mr. Chairman, Sir, as I said earlier, we are looking into this aspect. We have abundance of gas in Assam; and unfortunately because of the Unique features of the region, the industries in that area are not coming up that fast. And it is because of this fact that a lot of gas is being flared up and it is not being used. I would request the hon. Member to see that some industries come up in that area, and we would certainly help the industries by supplying the requisite quantity of gas.

SHRI BHUBANESWAR KALITA: Mr. Chairman, Sir, over and above this supply of gas to different agencies in Assam, a huge quantity of gas is being flared up every day. Sir, I want to ask the Minister what is that quantity of gas being flared up per day in terms of cubic metres and what is the economic loss in terms of money;

SHRI NAWAL KISHORE SHARMA: Sir, it is a fact that some associated gas is being flared up in Assam and I would not be able to tell the quantity of gas that is flared up daily. But I would like to give these figures that the gas which was flared up in the entire country in the year 1984-85 (April, 1984 to November, 1984, is 1909 cubic metres and the cost is 5.04 crores.

SHRI BISWA GOSWAMI: Sir, a huge quantity of natural gas is being flared up and this causes a great national loss. I

would like to know from the hon. Minister whether the Government has got any concrete scheme to utilise this most valuable source of energy, that is. Natural gas.

MR. CHAIRMAN: it is a suggestion.

SHRI NAWAL KISHORE SHARMA: It is a good suggestion for action.

MR. CHAIRMAN: Next question.

Losses suffered by the IDPL

◆165. SHRI RAMANAND YADAV:t
SHRI BHAGATRAM MANHAR:

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

(a) whether it is a fact that Indian Drugs and Pharmaceuticals Limited has been suffering heavy losses year after year;

(b) if so, what are the losses of the company for the last three years;

(c) what are its outstanding dues with State Governments and public institutions;

(d) what is the value of the inventory of the company upto the end of December, 1984;

(e) whether it is also a fact that the company has stopped the production of some life saving drugs;

(f) if so, what are the details thereof; and

(g) whether the post of Chief Executive and other top posts in the Company are lying vacant and if so, what are the reasons thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VEERENDRA PATIL). (a) and (b) It is a fact that Indian Drugs and Pharmaceuticals

The question was actually asked on the floor of the House by Shri Ramanand Yadav.