

(d) what are the reasons for clearing the project in Maharashtra and not Gujarat ?

**THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI P. SHIV SHANKAR) :** (a) Yes, Sir. Government have decided in principle to set up a gas-based petrochemicals complex at Kavas in Surat District.

(b) and (d) Investment approval for the proposed Gas Cracker Complex in Maharashtra is yet to be given.

(c) It has been decided to take some preliminary steps such as selection of technology, and to do some basic and detailed engineering for the project. The agency to implement the project is yet to be decided.

#### Setting up of Gas-based Fertilizer Plant in Gujarat

2494. **SHRI VITHHALBHAI MOTIRAM PATEL :** Will the Minister of PETROLEUM, CHEMICALS AND FERTILISERS be pleased to state :

(a) whether it is a fact that the Government of Gujarat has proposed to set up the third Gas-based Fertilizer Plant which is expected to cost Rs. 94 crores ;

(b) whether it is also a fact that the proposed project will save about Rs. 100 crores of foreign exchange every year by way of reducing import of fertilizers besides ensuring utilization of Bombay gas ; and

(c) by when Government are contemplating to clear the said project and what are the reasons for delay in the clearance of the project ?

**THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM, CHEMICAL AND FERTILIZERS (SHRI DALBIR SINGH) :**  
(a) The Government of Gujarat

has submitted a detailed proposal for setting up a third gas-based fertilizer project as an expansion of the existing facility at Gujarat Narmada Valley Fertilisers Company at Bharuch .

(b) Indigenous production of fertilizers always result in reduction of imports, thereby saving foreign exchange .

(c) A Working Group that has gone into the question of building up additional nitrogenous capacity based on the surplus gas from Bombay High / Bassein fields has recommended that it would be more economical to build gas based fertilizers plants in the northern areas of consumption by piping gas to these areas than to build plants near the gas source on the West coast and transport finished fertilizers to the consuming areas. Government have accordingly decided to build one gas based plant in Madhya Pradesh, one in Rajasthan and four in Uttar Pradesh. With the existing plants and those under construction, Gujarat State is expected to have a surplus of over 5 lakh tonnes of nitrogen by 1989-90 and this surplus will have to be transported to the areas of consumption in the north.

In the light of these facts, there does not appear to be, *prima facie*, a case for an additional fertilizer plant in Gujarat, despite the availability of infrastructure and associated facilities. However, the State Government of Gujarat has submitted a detailed memorandum recommending the proposal for the third gas based plant and the proposal is being processed for a decision.

#### Purchase of instruments for ONGC

2495. **SHRI R. R. MORARKA :** Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state :

(a) what is the total value of instruments such as D.F.S. and Seismic instruments purchased for the