HPCL had explored the feasibility of setting up a refinery in northern India and in this regard had also explored certain sites in Rajasthan. On the basis of their study, they decided to take up the refinery project at Bathinda (Punjab) as their preferred location. As regards locating a refinery in Rajasthan, the Possibility of locating a well-head refinery in the Barmer area is under the consideration of M/s. Cairn Energy, who are the operator for the oil discovery made there. The refinery project come up in the public sector as a Joint Venture.

International gas pipeline project

115. SHRI G.K. VASAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there is a proposal to meet India's oil needs through international gas pipeline project; and

(b) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) Yes, Sir. Owing to environmental and techno-economic considerations, gas is now the preferred fuel Substantial gas imports are needed to satisfy our growth requirements, to reduce our dependence on crude oil, as well as to reduce the cost of our energy imports. There is a severe shortage of natural gas in the country from domestic sources, both current and projected, which serioulsy jeopardizes the prospects for our energy security. Therefor, it is proposed to import natural gas in the form of Liquefied Natural Gas (LNG) as well as through transnational pipelines from gas rich countries in West Asia (including Iran), Central Asia and South East Asia. Government is particularly pursuing gas imports through pipelines from Iran through Pakistan and from Myanmar through Bangladesh. The negotiations with Iran are at an initial stage. For the pipeline from Myanmar through Bangladesh following tripartite Ministerial-level discussion at Yangon on 12-13 January, 2005, a draft MoU was concluded at the technical level in Yangon on 24-25 February, 2005, and is likely to be signed shortly at Dhaka by the Ministers of the three countries concerned.