

SHRI D. K. BOROOAH: Sir, if the honourable Member means that we are paying at prices fixed by them, it is a fact, because oil belongs to them and to buy oil from them we have to pay their price.

SHRI G. A. APPAN: But our materials also belong to us.

MR. CHAIRMAN: Mr. Appan, do not interrupt him.

SHRI G. A. APPAN: Why should we supply our materials to them?

MR. CHAIRMAN: Mr. Appan, I will not allow you to interrupt him.

SHRI D. K. BOROOAH: We are supplying to them very few things and also in comparatively small quantities and we are selling them at international prices and we are not giving them any concessions because they do not really need them. But...

SHRI K. CHANDRASEKHARAN: Because they are rich enough to pay.

SHRI D. K. BOROOAH: But, so far as the price is concerned, they are charging a price fixed by them because the oil belongs to them and so long as we do not have oil of our own in this country and so long as we want the wheels of industry to run, then, Sir, we will have to buy from those countries and there is no escape from it.

MR. CHAIRMAN: All right. Next question.

Soviet help in oil exploration

*238. SHRI MAHENDRA BAHADUR SINGH:

SHRIMATI LAKSHMI KUMARI CHUNDAWAT:

SHRI LOKANATH MISRA:

SHRI SUNDAR MANI PATEL:

SHRIMATI KUMUDBEN MANI-SHANKAR JOSHI:†

SHRI YOGENDRA SHARMA:

SHRI S. G. SARDESAI:

SHRI N. G. GORAY:

SHRI DEBANANDA AMAT:

SHRI K. P. SINGH DEO:

SHRI SYED HUSSAIN:

SHRIMATI PRATIBHA SINGH:

SHRI SAWAISINGH SISODIA:

SHRI SHYAM LAL GUPTA:

SHRI M. K. MOHTA:

SHRI CHANDRAMOULI JAGAR-LAMUDI:

SHRIMATI SAVITA BEHAN:

SHRI T. V. ANANDAN:

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

(a) whether an agreement has recently been signed between the Governments of India and U.S.S.R. for massive oil exploration and development of oil industry in India; and

(b) if so, what are the details of the agreement and the follow-up action taken in this regard?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI D. K. BOROOAH): (a) and (b) While no such agreement has been signed between the Governments of India and USSR, during the discussions held with the Soviet delegation led by the Soviet Oil Minister in January, 1974, the Soviet side agreed to expedite Soviet assistance in terms of experts and supply of equipment for boosting the Indian effort in exploration, drilling and production of oil. In this context an allocation of Rs. 3.12 crores under Soviet credit has recently been made to the ONGC, to cover imports from USSR.

MR. CHAIRMAN: Put your question, please.

SHRIMATI KUMUDBEN MANI-SHANKER JOSHI: No questions, Sir.

†The question was actually asked on the floor of the House by Shrimati Kumudben Manishanker Joshi.

MR. CHAIRMAN: Yes, Mr. Yogendra Sharma.

SHRI YOGENDRA SHARMA: Sir, the honourable Minister says that no agreement has been signed. But, at the same time, he says that some agreement has taken place inasmuch as the Soviet Union has agreed to supply something. Now, going by the reports that appear in the newspapers, I think India has a very big quantity of crude oil and if it is properly exploited, then India can become self-sufficient after sometime. This is what the reports say. Has the Minister come across these statements and, if so, what is his reaction? Does he agree that India has sufficient quantities of crude oil, but that is not explored and exploited? I want to know whether, in view of the world oil crisis, the Government of India will take accelerated measures, as have been suggested in the Malaviya Committee Report with an added emphasis on the exploration and exploitation of this crude oil. If so, in this respect what are the offers of the Soviet Union to help us in the exploration of...

MR. CHAIRMAN: This is enough. If you put four or five questions, then others will be deprived of their chances.

SHRI YOGENDRA SHARMA: No question has been put so far...

MR. CHAIRMAN: You have put so many questions.

SHRI YOGENDRA SHARMA: Is it or is it not a fact that strong forces in the ONGC have been sabotaging the Soviet help in making India advance to self-sufficiency in oil exploration and I may draw...

MR. CHAIRMAN: You should not go on like this. This is enough. You have put a number of questions.

SHRI YOGENDRA SHARMA: No questions were put so far...

MR. CHAIRMAN: There are other gentlemen.

SHRI YOGENDRA SHARMA: Let me complete. My main point is whether there are strong forces working in the ONGC...

MR. CHAIRMAN: Now you are repeating the same thing.

SHRI YOGENDRA SHARMA: Because I am not sure whether he has got my question.

MR. CHAIRMAN: This is not right. Hon. Members should not repeat their questions. You are depriving others of their chances.

SHRI D. K. BOROOAH: As the House knows the primary assistance that we get for oil exploration is from the Soviet Union. A Techno-economic feasibility study of the development by hydrocarbon resources in the public sector in India was made jointly by the Russian and Indian experts. This study recommended two alternatives for action. Variant I and Variant II, the former being more ambitious than the latter. After detailed discussions, Variant I was recommended for adoption which was subsequently approved by the Government. As per this Variant, an Implementation Plan for the 5-year period 1973-74 to 1977-78 has been prepared by the ONGC. This Plan is based on Soviet collaboration and this was agreed to by the Soviet experts. The main objectives of this Plan are:

(i) To establish an additional recoverable reserve of 64.00 million tonnes of oil;

(ii) To step up the production of crude oil in a manner so as to achieve a production rate of 8.00 million tonnes during 1977-78, with a cumulative production of 30.35 million tonnes during the five-year period;

(iii) To establish a gas production rate of about 1090 million cubic metres per year by the end of 1977-78, with a cumulative production of 4344 million cubic metres during the five-year period;

(ii) To intensify exploration work in new areas so as to obtain information for assessing the hydrocarbon potential

of these areas; and

(v) To maximise the efficiency and minimise the costs by introducing sophisticated equipment and techniques wherever necessary.

It will be seen that the Soviet experts have said that our increase in the next four years from ONGC will be only 4 million tonnes and as the hon. Member said that would not mean self-sufficiency in the next five years.

So far as sabotaging is concerned, I have not heard it. Soviet experts have not told me about it. The Soviet Ministers have not told me.

SHRI N. G. GORAY: I would like to know whether the Soviet experts have located certain areas in India which are not known to us just now and if so which are those areas. It is reported in the Press that the oil fields in Gujarat are getting exhausted. Is there any plan to go deeper to find out whether there is oil or whether we have to shift from this location to some other location?

SHRI D. K. BOROOAH: There is no area which the Soviet experts have located without our knowledge and all efforts in this exploration have been joint endeavours.

SHRI N. G. GORAY: I never said it was without our knowledge. I asked: which are those areas.

SHRI D. K. BOROOAH: Soviet Union have not done anything independent of the ONGC. They have done in complete collaboration with the ONGC. Therefore, the areas which are discovered are the joint endeavours of the Soviet Union and ONGC as they are doing now in Jaisalmer. Even Bombay High also was on the basis of a seismic survey made by the Soviet ship. Therefore, it is the result of joint efforts.

Number two: it is a fact that production in some of our oil fields like Ankleswar is getting lower. For that, there is a system called secondary recovery and that secondary recovery method is being applied in this country. It is applied on a

large scale in the case of certain wells where production is getting lower. Then there are a number of technical devices—if the hon. Member want to know—like water flooding, then heating of the wells and steam-heating of the wells. All these methods we have discussed in details with the Soviet experts and we are going to implement it.

SHRI SYED HUSSAIN: Sir, I have heard that USSR is extending a helping hand in exploration of oil off shore and on shore but I want to know—it was in the newspapers also that petrol can be available in Kashmir district of Bara-mulla—whether Indian experts have sought the help of USSR experts in this connection.

SHRI D. K. BOROOAH: Yes Bara-mulla is one of the areas which we consider as prospective and we are going to start drilling there.

श्री मती प्रतिभा सिंह: क्या माननीय मंत्री जी यह बतलाने की कृपा करेंगे कि जो चर्चा इस के साथ नेल के इन्वेस्टिगेशन के विषय में हुई, उसके द्वारा इस कुछ नये किस्म के जहाज माडर्न टेक्नोलॉजी के साथ देने के बारे में भी कोई फैसला हुआ है या नहीं ताकि हमें बम्बई हाईवे में तेल प्राप्त करने में आसानी हो सके ?

SHRI D. K. BOROOAH: Sir, we have already ordered a survey ship for off-shore survey and we have ordered it with an American company. So far as the equipment is concerned, not for off-shore, because USSR has not that level of technology for off-shore drilling as yet because they do not need it perhaps at present, we are getting all the equipment from USSR, including new rigs, about 18 rigs we are getting; not all of them we are getting from the Soviet Union; we are getting from other countries also including Rumania most of the equipment of field installation, nickel casing of tubes; all these are details and I do not want to bother the House with these details.

SHRI SHYAMLAL GUPTA: Before entering into agreement with the USSR, is it a fact that oil exploration in Bombay

High was taken up in collaboration with Japan as far back as 1965 and it was given up and the Japanese equipment remained unused for a number of years while lot of time and money was wasted on infructuous explorations with Soviet collaboration in the Bombay High? If so, I would like to know the amount, Government had to pay for the Japanese expertise for the period it remained unused and the money that we spent on exploration with Russian assistance near Bombay High, and whether it proved to be a flop.

SHRI D. K. BOROOAH: So far as Bombay High is concerned, the Soviet survey ship only surveyed this area and recommended that Bombay High area could be a highly prospective area. So far as drilling from fixed platform is concerned, it was tried out. In Aliabet we got oil, not in commercial quantity. So far as drilling in Bombay High is concerned, we only bought this ship from a Japanese company which is based entirely on American technology and we are drilling it on our own and not in collaboration with Japan.

SHRI MONORANJAN ROY: Will the Minister inform us about the onshore drilling in West Bengal? The drilling was started and then abandoned because of lack of high-powered drilling machines. I would like to know whether the Government intends to restart drilling in the Sunderbans area in collaboration with Soviet experts?

SHRI D. K. BOROOAH: There was an effort made earlier by the Stanvac and it was abandoned because they thought it was not fruitful. But we are again starting this programme. I cannot say that we have decided, but it is under consideration that we should again drill in these areas.

SHRI MONORANJAN ROY: Was it abandoned because of insufficient number of high-powered drilling machines, and the drilling instruments which were used were not sufficient to go in depth?

SHRI D. K. BOROOAH: In this case, the hon. Member seems to know more and, therefore, I take his information.

DR. K. MATHEW KURIAN: Sir, there is a statement by the Indian Ambassador in Washington, Mr. Kaul, which states that the Government of India will go in for joint ventures with the United States of America even for oil exploration in India. I have also a statement with me—of the Statesman of 17th December, 1973—which states that the Government of India is having cuckoo-land optimism in New Delhi so far as facing the energy crisis is concerned. My specific question is, in view of the experience of India with American oil companies—international giant companies—and the American oil imperialism in the world, whether the policy of reliance on American oil imperialism, as Mr. Kaul, the Indian Ambassador, has pointed out in Washington, will be changed and they would rely more on socialist countries, particularly the Soviet Union. I would like to know whether there is any change in the policy of reliance on imperialism.

SHRI D. K. BOROOAH: Sir, he has slightly confused me . . . (*Interruption*).

MR. CHAIRMAN: You are not confused. Otherwise, you would not be saying that you are slightly confused.

SHRI D. K. BOROOAH: I am slightly confused because I thought whatever he said is in the Statesman and I have never known the Statesman has been anti-imperialist.

DR. K. MATHEW KURIAN: You forget about the Statesman. You are a statesman . . . (*Interruption*). You come to the statement of the Indian Ambassador.

SHRI D. K. BOROOAH: Let us be clear about it. He quoted something from the Statesman . . . (*Interruption*).

MR. CHAIRMAN: Mr. Kurian, this is not right. You have already put your question. Let him reply.

SHRI D. K. BOROOAH: Sir, he puts a question and does not allow me to answer. What can I do, Sir?

SHRI A. P. JAIN: Sit down.

SHRI D. K. BOROOAH: So far as our policy regarding onshore drilling is concerned, we are collaborating with the Soviet Union, and we are also buying rigs from Rumania on the recommendation of the Soviet Union. But so far as offshore drilling is concerned, I have repeated it time and again in this House that the Soviet Union has not developed in the offshore drilling technology except in a very small measure. That is because their onshore reserves are so great that it has not become necessary for them to go in for offshore drilling. So far as offshore drilling is concerned, it is a highly sophisticated technology and, therefore, we have to use this technology from wherever it is available. If it is available from the Soviet Union, then it will be from the Soviet Union. If it is not available there, then from another country. The Soviet Ministers with whom I had detailed discussions never suggested that they had offshore technology.

SHRI N. G. GORAY: You should have talked with the Indian Communists and not with the Soviet Ministers.

DR. K. MATHEW KURIAN: Do you agree with the Indian Ambassador's statement?

SHRI D. K. BOROOAH: All I say is that the decisions in this country are not made by the ambassadors but by members of the Government.

SHRI K. CHANDRASEKHARAN: Regarding offshore drilling, particularly in Bombay High, may I know from the Government whether they are now considering any offer in this connection from the Government of Kuwait?

MR. CHAIRMAN: The question is not about Kuwait. If you want to answer, you can answer.

SHRI D. K. BOROOAH: The Government of Kuwait has not asked us to drill in their waters nor are they in a position to offer any technology because they are 100 per cent dependent on American technology.

Setting up of Railway Consultancy Corporation

*239. SHRIMATI SUSHILA SHANKAR ADIVAREKAR:†

SHRIMATI RATHNABAI SREENIVASA RAO:

SHRIMATI SUMITRA G. KULKARNI:

SHRI M. S. ABDUL KHADER:

SHRIMATI KUMOD BEN MANI-SHANKER JOSHI:

Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to set up a Railway Consultancy Corporation to assist the developing countries; and

(b) if so, what are the details in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MOHD. SHAFI QURESHI): (a) Yes, Sir. A Railway Consultancy Company is proposed to be set up to give technical and economic services to all foreign as also Indian clients.

(b) The Company is in the process of being registered.

SHRIMATI SHUSHILA SHANKAR ADIVAREKAR: Sir, I want to know whether the Railway Consultancy Company which we are proposing to set up will be more advanced as compared to the one's in the other developing countries. I also want to know if we send this Consultancy group over there to other countries whether we will derive any monetary benefit in the form of consultancy charges or whether those countries will place orders with our country for the manufacture of their equipment, etc.

†The question was actually asked on the floor of the House by Shrimati Sushila Shankar Adivarekar.