

**Fertilizer Projects**

650. SHRI M. K. MOHTA : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether it is a fact that some fertiliser projects both in the public and private sectors were approved but later dropped; and

(b) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI SHAH NAWAZ KHAN): (a) and (b) Three private sector projects approved for implementation in the last three years have not materialised. In one case, the party could not get the necessary clearance from the local authority concerned to the site proposed by it on grounds of possible pollution effects and the party surrendered the licence. In another case, the party concerned went into liquidation and surrendered its licence. In the third case, the letter of intent granted to it was valid upto 31st December, 1973 and the party informed the Government that they do not intend proceeding with the project for the present.

**Crude oil conditioning plant in Assam**

651. SHRI SANAT KUMAR RAHA : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether it is a fact that a Crude Oil conditioning plant is proposed to be set up in Assam;

(b) if so, the details thereof; and

(c) by when it is expected to be commissioned ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND

CHEMICALS (SHRI SHAH NAWAZ KHAN) : (a) to (c) A Crude oil conditioning plant is being set up at Moran at an estimated cost of Rs. 3.5 crores to condition ONGC crude for transportation through pipeline. Its designed nominal capacity will be to condition crude at the rate of 1.25 million tonnes per annum. The project is expected to be completed in early 1976.

**Agreement with Iraq for Oil Exploration**

652. SHRI M. K. MOHTA : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether any agreement between India and Iraq has recently been signed for oil exploration in that country; and

(b) if so, what are the salient features thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI SHAH NAWAZ KHAN) : (a) Yes, Sir.

(b) Under the Contract signed on August 22, 1973, the Oil and Natural Gas Commission is to render specified technical, financial and commercial services to the Iraq National Oil Company (INOC) in respect of the exploration for and the exploitation of petroleum in an area of 4175 sq. kms. in Iraq, the marketing of petroleum produced therefrom, etc. The total expenditure on this venture is estimated at about Rs. 68.95 crores, of which the expenditure on exploration would be about Rs. 4.5 crores to Rs. 7.5 crores. In the event of commercial discovery and production, all cost would be recoverable from INOC, and the ONGC will be remunerated for its services through its right to purchase certain specified quantities of crude oil produced from the area at a concessional "guaranteed sale price".