

**SHORTAGE OF KEROSENE AND DIESEL OIL
IN ORISSA**

48. SHRI S. SUPAKAR: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether it is a fact that there is an acute shortage of kerosene and diesel oil in Orissa; and

(b) what is the quantity of kerosene and diesel oil supplied to the State during the last four months?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI O. V. ALAGESAN): (a) and (b) No State-wise quotas have been fixed for high speed diesel oil. No shortage of this product has been reported from Orissa.

In the case of kerosene oil, State-wise quotas have been fixed only from March 1966. Supplies of kerosene to Orissa since December 1965 have been as under:—

			Tonnes
December, 1965	..	..	3628
January, 1966	..	..	3910
February, 1966	..	..	4064
March, 1966	..	..	3900

From 22-4-66, the monthly kerosene quota of Orissa has been raised to 4200 tonnes.

"NEHRU LOK." IN MYSORE CITY

49. SHRI N. R. M. SWAMY: Will the Minister of EDUCATION be pleased to state:

(a) whether it is a fact that the Government of India have accepted a scheme of the Mysore Government to establish "Nehru Lok" in Mysore City near the Chamundi Hills; and

(b) if so, what are the details of the said scheme?

THE DEPUTY MINISTER IN THE MINISTRY OF EDUCATION (SHRI BHAKT DARSHAN): (a) No such scheme has been received so far, by the Government of India, in the Ministry of Education.

(6) Does not arise.

12 NOON

**CALLING ATTENTION TO A
MATTER OF URGENT PUBLIC
IMPORTANCE****REPORTED, ACUTE SHORTAGE OF KEROSENE
OIL**

SHRI DAHYABHAI V. PATEL (Gujarat): Sir, I beg to call the attention of the Minister of Petroleum and Chemicals to the reported acute shortage of kerosene oil in different parts of the country.

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI O. V. ALAGESAN): Sir, hon'ble Members will recall that on the 21st February, 1966, I made a comprehensive statement regarding supply and distribution of kerosene oil. As was stated therein, we fixed State-wise quotas along with each company's share of supply to fulfil these quotas from March 1966 onwards. These quotas were fixed on the basis of consumption figures during the year 1964 after making adjustments for a certain misuse of inferior kerosene. The figures relating to the year 1965 were not adopted for it was not a normal year for several reasons. We requested the State Governments to further break them into District-wise quotas and see that proper distribution arrangements are made to the entire population.

I also convened on 26th March, 1966, a conference of Ministers in charge of Civil Supplies in the State Governments, at which questions relating to supply and distribution of kerosene and other oil products were discussed. A suggestion was made in the conference that 75 per cent, of the allocation might be on the basis of past consumption and 25 per cent, on the basis of population, which I undertook to consider. Simultaneously steps were taken to increase production of kerosene within the existing refining capacity in the country and also to import additional quantities of kerosene.

We also took steps to see that the quotas allotted to the various States in the months of March and April 1966 reached the States concerned. In spite of it, shortages developed in some areas as in Bombay City recently. Requests were also made from a few States for increase in their monthly allocations. In March itself the quota for West Bengal was increased by 2,500 tonnes that is, from 20,500 tonnes to 23,000-t.Mines.

The quota for Punjab was increased by 1,200 tonnes for April 1966, i.e. from 8,800 tonnes to 10,000 tonnes in order to meet the needs of the Defence Services. The quota for U.P. was increased by 500 tonnes for April, 1966. By about the middle of April, 1966, the Orissa quota was increased from 3,200 tonnes to 4,200 tonnes.

I am glad to inform the House that, keeping in view the overall availability from internal production and imports, we have been able to increase the allocations for May 1966 in the case of the following States as given below :—

(Tonnes)			
State	Quota for April 1966	Quota for May 1966	Increase
1. Andhra Pradesh	12,600	13,600	1,000
2. Bihar	12,500	13,500	1,000
3. Gujarat	15,100	15,850	750
4. Kerala	8,100	8,600	500
5. Mysore	9,200	9,700	500
6. Rajasthan	5,300	5,800	500
7. U.P. ..	17,200	18,200	1,000

While announcing these increased quotas, we are also requesting the State Governments to improve their distribution arrangements so that shortages are not allowed to develop anywhere within their areas.

SHRI DAHYABHAI V. PATEL: Sir, since it has become the practice of this House to preface a question with a few remarks, I hope you will permit me also to make a few remarks in this case. Yesterday we had long debate on the question of Calling Attention to starvation, deaths and shortage of food and famine. May I know, Sir, whether the Minister has taken into account all this when giving an answer. After all statements in Parliament do not produce oil or food or shortages. What is the use of a statement or a Conference of Ministers when on the one hand we are faced with acute shortage of food and on the other hand¹ with shortage of oil.

I am glad the Minister has added oil products in answer to the question though my Calling Attention was restricted to kerosene oil. Since oil products have been added, does the hon'ble Minister realise that oil products are very essential for agri-

cultural operations? They are useful to the agriculturist for driving his tractor, for driving his pumps, particularly at a time when we are faced with famine conditions. In this condition how is this little allocation going to ease the situation? Is there really shortage of oil or is there maldistribution? Would the Government not appreciate that this monopoly of distributing bodies is responsible for these scarcity conditions? The Minister also referred to the allocation to Gujarat. May I ask the Minister when oil has been found so abundantly and at the cheapest price in exploration—the Gujarat exploration is the cheapest—why under the management of Government-owned companies the cost of production is the highest in the world and why Gujarat alone has to suffer for all this? Why is there shortage of oil in Gujarat when there is so much of abundance of oil in Gujarat?

SHRI O. V. ALAGESAN: I will reply the second part of the hon'ble Member's question first. For Gujarat, we have increased the quota of kerosene by 750 tonnes. The average monthly intake during the nine months preceding March—March is the month when we started fixing quotas—was 15,420 tonnes. Now, Sir, with the increased quota the quantity that has been allotted to Gujarat comes to 15,850 tonnes. That is more than the consumption in the preceding nine months. So it cannot be said that there is shortage of kerosene in Gujarat. But it is true that some time ago—not now—there were long queues in the Ahmedabad city. I was told about it by the Minister concerned. Now, Sir, I am told that the situation has eased and the distribution arrangements have been strengthened.

شری عبدالغنی (پنجاب) : آپ نے
کہا کہ پنجاب کے لئے اپریل کے
مہینہ میں کوئلہ الاٹمنٹ زیادہ کر
دیا۔ کیا وزیر صاحب فرمائیں گے کہ
جتنا پہلے ملتا تھا اتنا بھی ان کو
مل گیا کہ نہیں۔ اگر نہیں گیا
تو کیوں نہیں گیا۔ باقی اسٹیٹوں میں

(श्री عبدالغनी)

जो अलॉटमेंट किया है उस का अंश को
कितना प्रोसेसिंग वॉकशॉप का मिला और
कितना प्रोसेसिंग नहीं मिला - अगर नहीं
मिला तो उस के बारे में मन्सूरी
किया सुचित किया - जितना अलॉटमेंट किया
जाएगा उस को अप्रैल में ही दिया
जाएगा - क्या आप के पास इसी अलॉटमेंट
है कि जितना अलॉटमेंट किया गया उस का
बहुत तेज़ी से वितरण किया - जितनी पहली
अलॉटमेंट तैयारी होती है तैयारी नहीं की -

†[श्री अब्दुल ग़नी (पंजाब) : आपने
कहा कि पंजाब के लिए अप्रैल के महीने में
कोटा अलॉटमेंट ज्यादा कर दिया। क्या वज़ीर
साहब फरमाएंगे कि जितना पहले मिलता
था उतना भी उनको मिल गया कि नहीं।
अगर नहीं गया तो क्यों नहीं गया? बाकी
स्टेटों में जो अलॉटमेंट किया है उसका
उनको कितना परसेंटेज अलोकेशन का
मिला और कितना परसेंटेज नहीं मिला।
अगर नहीं मिला तो उसके बारे में मिनिसट्री
क्या सोचेंगी? जितना अलॉटमेंट किया
जाए उसको इम्प्लीमेंट ही किया जाए। क्या

SHRI O. V. ALAGESAN: Sir, I am
equally anxious that the quotas that we allot
should not remain just paper quotas. that they
should actually reach the States concerned. I
am glad to say that I have figures for the
month of March. In the month of March, we
began allotting this quota. In most of the
States the supplies have been either equal or
even more than equal to the quotas allotted.

Now, Sir, as regards Punjab, the quota
[Hindi transliteration]
allotted was 10,000 tonnes and the actual

receipt was 10,234 tonnes. We are seeing to it that all
the quotas that are allotted -each the States in time
and are distributed properly. The distribution
arrangements are in charge of State Governments.

SHRI RAM SINGH (Uttar
Pradesh): May I know, Sir, how much kerosene oil
was indigenously produced last year and how much
was imported and from which country?

SHRI O. V. ALAGESAN: Sir, the information
with reference to the year 1965 per month was—I
am giving the average per month which can be
multiplied by 12 because this is only an average—
1,18,750 tonnes internal production. The imports, on
an average, were 91,000 tonnes. So the total
availability per month in the year 1965 came to
2,09,750 tonnes. Sir, against this, I would like to
inform hon'ble Members that in March the total
availability—that is, taking the internal production
and import; in fact, the internal production went up
to 1,51,739 from 1,18,750 tonnes. If you add the
imports to this figure,— came to 2,23,939 tonnes.
That is about 14,000—15,000 tonnes more
availability in the month of March than the average
availability per month during the year 1965. The
April figures are still further improved. Taking both
the internal production and the imports the
availability in April was 2,24,800 tonnes.

SHRI BANKA BEHARY DAS
(Orissa) : Sir, I have raised this question twice in
this House. We have a kerosene famine in our State.
One month back I had to purchase kerosene at a
price 50 per cent, more in the Cuttack city itself.
Before this quota system was introduced, what was
the average consumption of kerosene in Orissa and
after this quota system how much are they getting?
My information is that the Indian Oil Company is
giving us less than what we are consuming normally
for lighting purposes. Secondly, we have to pay
much more than the other States are paying for the
kerosene which we are getting from Madras. May I
know why Orissa is being discriminated against so
far as prices are concerned?

SHRI O. V. ALAGESAN: We received
representations from the Orissa Government and
we have increased the quota,

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for Orissa by a thousand tons. The position of previous consumption and present quota is somewhat like this. The average monthly supply during the 9 months preceding March was 4,169 tons. Now this quota stands at 4,200 tons a little more than the average consumption during the previous year. I hope, with this increased allocation, there will not be any difficulty in distributing kerosene.

SHRI MULKA GOVINDA REDDY {Mysore): May I know whether it has come to the notice of the Government that kerosene and diesel oil are sold in black market, at higher prices than those fixed by the Government, and also that because of short supply of diesel oil the truck owners and bus operators are using kerosene and mixing it with diesel oil, so that they can run their trucks and buses, thus creating further scarcity of kerosene? What steps are the Government taking to provide adequate supplies of diesel oil and kerosene and to prevent mixing of kerosene with diesel oil to run trucks and buses?

SHRI O. V. ALAGESAN: Sir, I am painfully aware of the fact that specially kerosene is sold at black market prices in some areas in our country; it is true. It is unfortunate that it should be so when there is enough kerosene available in the country. The hon. Member referred to availability of high-speed diesel oil. It is true that there is certain misuse of kerosene, LDO, etc. Because of the differential between LDO and HSD kerosene is mixed with LDO to produce HSD and it is used as HSD. That is causing shortage of kerosene. As regards the availability of HSD in the Southern Zone, my officer recently had comprehensive talks with the representatives of the four southern States—Mysore, Andhra, Madras and Kerala—and the meeting was a very successful one.

SHRI DAHYABHAI V. PATEL: Successful with no result.

SHRI O. V. ALAGESAN: The hon. Member is welcome to hold his opinion but I am stating a fact.

MR. CHAIRMAN: It is a complimentary opinion to you.

SHRI O. V. ALAGESAN: In 1964 the average monthly supply of HSD for M48RS/66-3

Cochin supply area was 17-44 thousand tons and for Madras it was 16-5 thousand tons. In J 965, the average was for Cochin 19-85 thousand tons and for Madras 17-70 thousand tons. The availability in May 1966 will be 27-6 thousand tons for Cochin and 23-9 thousand tons for Madras. The increase is as much as 8 thousand tons for Cochin and 6 thousand tons for Madras.

SHRI G. MURAHARI (Uttar Pradesh): The Minister has given certain figures for the 9 months preceding March. In the first place I would like to question the figures themselves because for the last one year we have been witnessing this shortage of kerosene. It is not as if this shortage occurred in March. Therefore, any figures taken during the preceding 9 months do not help us much. To say that they have been able to allocate 100 tons more or something like that after March, does not help us at all. The moot point is that on the one hand the Government says that there is no shortage and on the other hand the prices of kerosene are blackmarket prices. The Minister says why the prices should be so high when there is absolutely no shortage of kerosene. Either there is shortage of kerosene or there is some kind of maldistribution of kerosene resulting in this kind of blackmarketing. What steps have the Government taken to go into the causes of this blackmarketing and find out culprits and take action against them? It is no use simply saying that the Government has allocated so much when the prices are going up day by day. What steps does the Government take to put an end to this blackmarketing? Secondly, I would like to know whether there is any politics behind this kerosene affair. I think some of the oil companies which are responsible for supplying oil are applying some kind of squeeze and it is also a fact that in most of the areas the distributors happen to be Congressmen and, in spite of the fact that they are Congressmen, I am surprised that the country should witness this kind of blackmarketing. Therefore, I would like to know what steps the Government is taking to put an end to this blackmarketing.

SHRI O. V. ALAGESAN: The hon. Member has made several insinuations in his question. I do not subscribe to

[Shri O. V. Alagesan] those insinuations. First of all he says that he does not believe my figures. I can only place my figures before the House; I cannot make the hon. Member believe in them. But even according to him if it is an increase, it is an increase over the supply position in 1965 and so the position should ease.

Then, Sir as regards the statement that most of the kerosene dealers are Congressmen, I do not know where the hon. Member got this information from. Anyhow, that is an insinuation which is not worthy of an hon. Member of this House.

Then with regard to the question as to how to control the prices, we have armed the State Governments with powers. We have issued several orders according to which the State Governments, who are in direct charge of distribution arrangements in their respective jurisdictions, can take various steps; they can license the dealers; they can fix the prices in various localities and see to it that they are enforced and if it is sold at higher prices, they can take action under the orders that have been issued. It should be recognised that both the State Governments and the Central Government come into the picture. As far as the supply position is concerned, it is the responsibility of the Central Government to see that sufficient supplies of kerosene and other deficit products are made in the country. We are trying to do it by increasing the internal production in the country and also by arranging for imports. Originally the Soviet Union had undertaken to give us 600,000 tonnes of kerosene and on further request they have increased this quantity by another 100,000 tonnes. So, in the course of the year we will be getting 700,000 tonnes of kerosene. We have also arranged it in such a manner that most of this quantity will be received in the early part of the year because from the middle of the year the Cochin refinery will be coming up and the second million tonnes throughout at Barauni and Koyali refineries also will be materialising. So, our internal position will look up in the second part of the year. So we have arranged that most of the imported kerosene will be obtained in the earlier part of the year. These are the steps that we have taken. Similarly there is the responsibility of the State Governments I do not want to find fault with them because they are handling a very large number of

dealers, thousands and thousands of small retailers and dealers and it is not an easy job to control this vast army of kerosene retailers. They have to look after the distribution arrangements. What we do is to see that proper liaison is kept up in order to see that whatever quota is allotted reaches the State and is properly distributed. We watch the process right up to the district point. Beyond that the State Government steps in and takes care of the distribution arrangement.

SHRI CHITTA BASU (West Bengal): Sir, I would like to seek clarification on two points from the hon. Minister. The first is this. In his statement he has given certain figures in tonnes. I have got certain figures in kilo litres, specially in the case of West Bengal. West Bengal needs about 36,000 kilo litres per month on the basis of population and the Government agreed to arrange for the supply of 29,000 kilo litres and for that purpose certain companies were allotted fixed quotas. The information that I have got is that the Indian Oil Company was given a quota of 16,000 kilo litre per month to be supplied, the ESSO was given 5,040 kilo litres per month, Burmah Shell was given 5,40 kilo litres per month and Caltex was given 2,250 kilo litres per month. But in April the information that I have collected is that the Indian Oil Company has supplied only 6,292 kilo litres instead of its quota of 16,000 kilo litres, ESSO has supplied only 3,600 kilo litres instead of its fixed quota of 5,040 kilo litres, Burmah Shell has supplied only 2,900 kilo litres instead of its fixed quota of 5,040 kilo litres and Caltex has supplied only 1,483 kilo litres instead of the 2,250 kilo litres which is its fixed quota. Therefore it is evident that the supply was not more than 14,000 kilo litres during April while the Government had agreed to arrange for the supply of 29,000 kilo litres. That is to say, the supply has been something less than half. So may I know what steps the Government propose to take against these four companies who failed to fulfil their quota of supply thus resulting in such a crisis in West Bengal? That is one point on which I seek clarification from the hon. Minister.

The second point on which I seek clarification is this. In his statement on the 27th of April I think, in the Lok Sabha, the hon.

the one he made now, that the crisis in respect of kerosene was due to the inefficiency of the distribution channels, as he was telling us just now. But the West Bengal Government in a press communique of the 29th April has protested against that remark and said they had made adequate arrangements for efficient distribution of the kerosene oil that had been allotted or received by the West Bengal State from these companies. Therefore, my point is whether the Government is aware of that press communique issued by the West Bengal Government repudiating the charges made by the Central Government regarding inefficient distribution arrangements. If so, what steps the Government is now proposing to take in order either to increase the quantity of supply from these companies or to improve the system of distribution in West Bengal ? On these two points, Sir, I want clarification from the hon. Minister.

SHRI O. V. ALAGESAN: Sir, the hon. Member seeks to put words into my mouth which I have not uttered. Evidently, he wants to see that there is a clash between the Central Government and the State Government. I would be very chary of criticising a State Government. In fact, I have taken the opportunity to state that they have to deal with a large number of small dealers, thousands and thousands of retail dealers, agents and so on, and it is a very, very difficult job. It is not my purpose to criticise any State Government. Supposing I had been in charge of the distribution arrangement in the State, perhaps I would not have done better. So it is far from my intention to criticise any State Government for such shortfalls that might have occurred in the distribution arrangement. The hon. Member has quoted some figures and I will get those figures from him and give him a detailed reply. I have got here the mass figures of allotted supplies. For West Bengal, the quota which was originally fixed was 20,500 tonnes. Later on it was increased and the supply is now more. As against the allotted quota of 20,500 tonnes, the supply was 21,570 tonnes in March, 1966. The increase that has been made is 2,500 tonnes. So the total allocation to West Bengal stands at 23,000 tonnes. This is equal almost to the consumption in the year 1964 when there was free import and there was no curb on the consumption of kerosene oil.

SHRI D.L. SEN GUPTA (West Bengal):

As we all know, the trouble in West Bengal in March-April last was not only about food but also about kerosene. Since then we met the Minister in charge of Petroleum and Chemicals in his room and there we got the statement from him that the distribution of kerosene in the case of West Bengal and for that matter, in the case of every State, would be on the basis of the experience of the consumption in the preceding months. Accordingly I take it that he found 25,000 tonnes to be the average consumption per month in West Bengal. Now I find that in the statement that he has given today, this quantity has been reduced to 23,000 tonnes.

AN HON. MEMBER: It is 29,000 tonnes.

SHRI D. L. SEN GUPTA: They came to their original decision on the basis of the average consumption in the preceding months. Now what prompted him now to reduce that quantity and bring West Bengal to this very difficult situation ? That is my question number one. My second question is this. It relates to the Press communique of the West Bengal Government and also to the newspaper report in the villages and cities the examinations had to be held and as we all know, in Calcutta the examinations were delayed and delayed and now the examinations are on for higher secondary, school final, pre-university and colleges. But the students do not get kerosene even to prepare for their examinations. If tomorrow again there is trouble about distribution, the common man will feel it and the Central Government passes on the responsibility to the State Government and the State Government passes on the responsibility to the Central Government. It is then a question of law and order. Is that the correct position that we should have ? Is it a Government worth the name ? I want clarification from the Government here whether the Central Government is in a position to take the responsibility for making the supplies and also for the distribution so that this anomalous position could be removed.

SHRI O. V. ALAGESAN: To answer his last question first, certainly we do not propose to undertake responsibility for distribution arrangements of kerosene in the

various States. It is true that I invited all the Members from West Bengal belonging to both Houses so that I could explain the kerosene situation in West Bengal to them. I did so and the hon. Member also was present. Evidently he is confusing between tonne and kilolitre. One tonne is 1,284 kilolitres and 1,000 tonnes will be 1,284 kilolitres. If the present quota of 23,000 tonnes is converted it will come to 29,500 kilolitres. So I think that should satisfy the hon. Member. The Centre is not trying to shift the blame on to the States and the States also, I do not think, are trying to shift the blame on to the Centre. If some people can take happiness in that fact I do not like to stand between them and their happiness.

SHRI ATAL BIHARI VAJPAYEE (Uttar Pradesh): Sir, though my name is not there, I would like to seek a clarification. I would like to know what is the rationale behind the Statewise allocations of kerosene. On what basis have quotas been fixed and on what basis has it been increased for West Bengal? Is the Government waiting for agitations in other States? May I point out while West Bengal is getting 23,000 tonnes, U.P. is getting only 18,200 tonnes? While Maharashtra is getting 42,000 tonnes, Bihar is getting only 13,000 tonnes. Has population got nothing to do with the allocation of kerosene oil?

SHRIO. V. ALAGESAN: It is a very pertinent question and I should like to satisfy the hon. Member on this point. As I said, when we first decided upon this quota system in the month of March, it was decided on the basis of past consumption and for that we took the year 1964 as a basic year because as I said 1965 was not a normal year. In 1964, there was unlimited consumption of inferior kerosene and much of the inferior kerosene was used in place of HSD etc. So we thought that at least 50 per cent of the inferior kerosene would have gone into misuse. So 50 per cent, of the consumption of inferior kerosene and the entire consumption of superior kerosene in 1964 were taken as the basis and it was on that basis that we fixed the quotas for the various States. Then, Sir, in the conference, that I convened, a suggestion was made that the allocation should not entirely be based on past consumption but that some weightage should be given for population

also. And the suggestion that was made was that 75 per cent, of the allocation should be on the basis of past consumption and 25 per cent, should be on the basis of population. Now, in the increases that we have been granting in the quotas we have also tried to go by this criterion, namely, 75 per cent, on the basis of past consumption and 25 per cent, on the basis of population. As per this in most of the States we were able to reach optimum figures that will be due to the various States.

Now, Sir, a question has been raised that Uttar Pradesh gets much less quantities than West Bengal or Maharashtra. If, in fact, I were to proceed on the basis of population, Uttar Pradesh itself will get 17 per cent, of the entire quantity of kerosene but it so happens that in Uttar Pradesh, Bihar, etc. there are other fuels available. It is not only kerosene that is consumed as fuel; there is soft coke, coal, forest timber, firewood, etc. So all these things go to make the total fuel consumption of the States concerned. Looked at from that point of view there is less consumption in Uttar Pradesh and it is just half of what it should have been if it had been on a population basis. So the quota has been fixed on the basis of past consumption but even so we have raised the quota for Uttar Pradesh by 1,500 tonnes and I hope that would satisfy the needs of Uttar Pradesh.

PAPERS LAID ON THE TABLE

I. THE UNION PUBLIC SERVICE COMMISSION (EXEMPTION FROM CONSULTATION) AMENDMENT REGULATIONS, 1966 AND EXPLANATORY NOTE THEREON.

II. THE MINISTERS' (ALLOWANCES, MEDICAL TREATMENT AND OTHER PRIVILEGES) AMENDMENT RULES, 1966.

III. GOVERNMENT RESOLUTION *re.* CONSTITUTION OF PUNJAB BOUNDARY COMMISSION.

THE DEPUTY MINISTER IN THE MINISTRY OF HOME AFFAIRS (SHRI V. C. SHUKLA): Sir, I beg to lay on the Table-to) A copy of the Ministry of Home Affairs Notification G.S.R. No. 388, dated the 9th March, 1966, publishing the Union Public Service Commission (Exemption from Consultation) Amendment Regulations,