

Withdrawal of credit facilities by U.S. Company

32. SHRI B. P. NAGARAJA
MURTHY :

SHRI B. RACHAIAH:

SHRIMATI MAIMOONA
SULTAN:

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

(a) whether it is a fact that owing to the withdrawal of credit facilities by the U.S. Company Exxon for supply of its crude oil to Hindustan Petroleum Corporation, Government are suffering a loss of nearly Rs. 1.5 crores per year;

(b) if so, in what circumstances the credit facilities were withdrawn; and

(c) the steps taken by Government to secure modification of the related agreement ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI K. R. GANESH): (a) to (c) There were no credit facilities as such made available by EXXON for the supply of crude oil prior to the acquisition of majority shares in Esso Standard Refining Company by Government on 14-3-1974. The procedure in vogue, however, was that on receipt of the invoice from Exxon, the remittance was made after obtaining the permission of the Reserve Bank of India. This resulted in a timelag of 30 to 40 days between the date of loading of crude and the remittance of the amount. In terms of the Agreement for purchase in bulk crude oil, between Exxon International Company and the Government of India, Hindustan Petroleum Corporation Limited are required to open an irrevocable Letter of Credit. Under this procedure, the remittance is effected within seven to eight days of the date of loading of crude.

Recovery of demurrage charges from M/s. Rahias Industries Limited, Dalmianagar

33. SHRI N. G. GORAY: Will the Minister of RAILWAYS be pleased to refer to the answer to Starred Question No. 322 given in the Rajya Sabha on the 5th August, 1974 and state:

(a) whether the appeal made by M/s. Rohtas Industries Ltd., Dalmianagar, to rescind the order of payment of demurrage of about a crore of rupees for the period from August, 1972 to June, 1973, has been finally considered by the Eastern Railway Administration; and

(b) if so, the details of the decision taken ?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SARDAR BUTA SINGH) : (a) and (b) No decision has yet been taken on the appeal of M/s. Rohtas Industries Ltd., Dalmianagar.

Restrictive Trade Practices by Nylon Manufacturers

34. SHRI N. G. GORAY : Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(u) whether it is a fact that the M.R.T. P. Commission has ruled that the pact entered into by a number of nylon manufacturing companies recently is full of restrictive practices; and

(b) if so, whether Government have taken any steps to curb the activities of these manufacturers?

THE DEPUTY MINISTER IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI BEDABRATA BARUA) : (a) Yes, Sir. The Commission had passed an order on the 21st October, 1974 on certain preliminary issues raised by four Nylon Spinners, namely,—

(1) M/s. J. K. Synthetics Ltd.

(2) M/s. Garware Nylon Ltd.

(3) M/s. Nirlon Synthetic Fibres & Chemicals Ltd.