

श्री उपसभापति : आप बैठिये, आपने दो मिनट कहा था वह हो गया।

श्री राजनारायण : आप बीच में खड़े हो गये, दो मिनट बीता भी नहीं।

तो मैं कहना चाहता हूँ कि आप श्री ओम् मेहता को कहें कि हमारी बात प्रधान मन्त्रि साहिब को बोलें कि जिन मंत्रियों के रुपये लाकर्स में रखे हों या जिन राजपुरुषों के रुपये लाकर्स में रखे हों उन रुपये को जब्त किया जाय, उनका पूरा एकाउंट उनसे पूछा जाय कि इतना रुपया उनके पास कहा से आया, उनकी पर्सनल और पैरेटल प्रॉपर्टी कितनी रही है, इस सारी बात का हिसाब-किताब लगाना चाहिये और इसका एक एकाउंट इस सदन में पेश होना चाहिये। और यह रुपया जो सीज हुआ है वह रुपया कहाँ जायगा?

MR. DEPUTY CHAIRMAN : In the afternoon, we have to discuss a very important item and many hon. Members would like to participate in that discussion. Therefore, we cannot adjourn for a long time. The House stands adjourned till 2-45 p.m.

The House adjourned for lunch at nineteen minutes past two of the clock.

The House reassembled, after lunch, at forty-five minutes past two of the clock. **THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN)** in the Chair.

DISCUSSION ON THE WORKING OF THE MINISTRY OF PETROLEUM AND CHEMICALS

SHRI BABUBHAI M. CHINAI (Maharashtra) : Mr. Vice-Chairman I want to initiate discussion on the Ministry of Petroleum and Chemicals. This Ministry, as you know, comprises six departments petroleum, fertilizers, petro-chemicals, drugs and pharmaceuticals, chemicals and allied industries and the last would be administration itself. Now, we also have a report by the Ministry concerned of 606 RS/71--7

1970-71. It is not my desire to touch all the six subjects. I only want to stick to petroleum, drugs and pharmaceuticals, and if time permits, I want to say something on the administration of Oil and Natural Gas Commission. My first subject would be, as I said, petroleum. It is very important for the economy of this country and, therefore, I may go into this subject in a little detailed way, and I am sure, Mr. Vice-Chairman, you will show your usual indulgence to me.

The demand for petroleum products in India in 1970 was 18 million tons. It is rising at the rate of 10 per cent per annum and in ten years' time it would be somewhere between 48 and 50 million tons. The production of indigenous crude at present is about 6.5 million tons per year of which 3.5 million tons is produced in Gujarat and the rest in Assam. Production of these fields is declining. From our venture with National Iranian Oil Co., ENI (Italian) and Philips (American), India has a share of 1 million tons per annum of offshore Rostam crude. India imported 11 million tons of crude in 1970 from Iran and Saudi Arabia at a cost of Rs. 102 crores. At today's prices the cost of crude imports in 1980 would be Rs. 400 to Rs. 425 crores. That is within ten years it will rise from Rs. 102 crores to Rs. 400 or Rs. 425.

This is the size of the problem. How is India going to pay for these huge imports for all times to come? Both from the point of view of national security and economic development, India must find crude oil resources within the country; otherwise it will perish. Fortunately nature has been kind to India. Even from the meagre known geological data, it is clear that oil can be found in India. What is required is concentrated effort to exploit our natural resources.

I shall burden the Minister with charges of corruption and inefficiency

[Shri Babubhai M. Chinai.]

in ONGC provided I have enough time after making my observations on both the subjects as I have stated before. But one must not forget that the size of the problem is so large that a single Government agency like the ONGC or Oil India cannot produce the results that the country needs. The performance of the ONGC and Oil India was as follows :

ONGC started operations in 1959. The number of wells drilled till the end of 1969 was 760 and the outlay till the end of 1969 was Rs 324 crores. Total crude production upto the end of 1970 was 19 m. tonnes. The present crude production rate is 3.6 million tonnes a year

Oil India started operations in 1959. The number of wells drilled upto the end of 1969 was 290. The total crude production upto the end of 1970 was 15 million tonnes. The present crude production rate is 3 million tonnes per year

No one can feel proud of this achievement. And I am sure my friend Shri Sethi who is sitting opposite to me will also share my anxiety and view on this subject.

Oil exploration is a very expensive business. It requires, in addition, highly skilled technicians and very sophisticated plant and machinery. India has neither the capital, nor the technical resources to undertake this colossal task on a departmental basis. We should follow the example of England and Australia. A socialist government in U.K. under Mr. Wilson opened the whole of the North Sea to anybody who could first satisfy the government that it had (a) technical know-how to operate in the difficult North Sea and (b) had money. Australia went one step further. It opened the whole country to anyone who was willing to invest in oil exploration. It offered tax incentives of a magnitude that as many as 121 companies were engaged

in exploring oil in 1968. The proof of the pudding is in the eating of it. Today huge oil fields have been discovered in the North Sea and Australia. Ten years ago, Australia did not produce even a single tonne of oil, but today it is able to meet not only its domestic requirements of 2.5 million tonnes, but also is ready to export. And look how the country is booming. Its growth rate is nearly 15 per cent.

The fear of the Government of India is that if the foreign oil companies who have the know-how and the money are allowed to explore oil in India, then India's sovereignty will be affected and these companies will take too much profits out of India. Has Australia's or England's sovereignty been affected? Is there not an economic boom in Australia? We can worry about too much profits later, let us first find oil in India and save Rs 400 to Rs. 450 crores of foreign exchange.

ONGC and Oil India alone cannot undertake this huge task. Time is running out. If we take 4 to 5 years to sign a contract for a single drilling rig with Japan, we will not make any progress. Let ONGC carry on, but seek also the help of all others. It makes no difference if they are Russians, Americans, English, Germans or Japanese. Let us have them all, but let us get on with the job on a war footing. No time can be lost.

The country by 1980 will need 50 million tonnes of refining capacity. Refineries are expensive. Save capital expenditure by making the maximum use of existing refineries. Expansion is cheaper than building a brand new refinery. If India had unlimited money and foreign exchange, we can have refineries in each and every State in India.

To expand the existing refineries, both in the public and private sectors by 8 million tonnes, it will cost Rs 50 to 60 crores, but to build 8 million tonnes of refining capacity in the public sector and to expand the existing public

sector refineries only will cost Rs. 180 crores. Why waste the spare capacity available with the private oil companies? If you are worried about these companies taking profit out of the country, tell them to buy goods and services in India equivalent to the additional profits so that India can earn foreign exchange. These oil companies have the tankers and the drilling rigs in the Persian Gulf. Ask them to have them overhauled and repaired at the Mazagaon Docks. I would only give you one example. I am told that one rig was overhauled a year ago at the Mazagaon Docks and it earned Rs. 60 lakhs in foreign exchange. Ask these oil companies to buy in India their requirements just as they do in Japan and Singapore. Make your prices competitive and attract foreign trade to India by using the big industrial companies. Not only the oil companies, but also all the foreign companies—encourage them to buy in India and, if necessary, force them. But don't waste the natural assets because you do not like to see them taking profits out of the country. This is the best way of ensuring economic growth.

For a vast country like ours, it is necessary from the national security angle as well as from the point of view of saving costs that more pipelines are built. There should be a pipeline from Bombay to Poona and Bhusawal and the Bhusawal pipeline should be linked with the Haldia/Barauni/Kanpur pipeline. If you have pipelines, you can move feed-stocks of the right type to the land-locked States and build fertilizer plants and petro-chemical complexes for these States. For too long the country has adopted a negative attitude, an attitude that is based on fear of foreign capital and expertise. What we need is a positive approach. What we want is rapid economic development. That is not possible unless crude oil is discovered in India. All our energies should be directed to the exploration production of crude oil. Discover crude or perish ! The ONGC alone cannot do it. Let us not be suspicious of foreigners. Work in co-operation with

them and achieve the country's goal of self-sufficiency in the shortest possible time.

In Australia, the chances of finding oil were rated very low till the early sixties. The Federal Government Australia endeavoured to encourage the search for petroleum by creating favourable conditions ...

SHRI JOACHIM ALVA (Nominated) : Australia is a subsidiary of America.

SHRI BABUBHAI M. CHINAI : Beg your pardon ?

SHRI JOACHIM ALVA : I said that Australia is a subsidiary of America.

SHRI BABUBHAI M. CHINAI : Why are you allergic to America and Australia ? Any time any Member in this House mentions anything good about America or Australia, my friend, Mr. Alva, is so allergic that he always gets up and interrupts the Member concerned. But, if any free tip is allowed on behalf of America, he will be the first to go and he won't refuse at that time.

SHRI JOACHIM ALVA : I am not a member of the Federation of Chambers of Commerce & Industry and I am not a black marketeer.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Order, order, please.

SHRI BABUBHAI M. CHINAI : Sir, I would tell my friend, Mr. Alva, this. So far as I am concerned, please do not disturb me. He will get bricks against bricks...

SHRI JOACHIM ALVA : I am not a black marketeer.

SHRI BABUBHAI M. CHINAI : ... and he will get it back and he will have to repent for it. He has tried it several times and today also he has tried.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Order, order, please. No personal references, please.

SHRI BABUBHAI M. CHINAI : Thank you, Sir.

SHRI JOACHIM ALVA : What is wrong in saying that Australia is the subsidiary of America?

SHRI BABUBHAI M. CHINAI : The Federal Government of Australia endeavoured to encourage the search for petroleum by creating favourable conditions for individuals and companies willing to engage in exploration. As a result, as many as 121 companies were engaged in exploration activity at the end of 1968, and within a short span of 8 to 10 years. Australia now not only meets a major proportion of its annual requirements of 28 million tonnes from indigenous sources, but also expects to export surplus crude oil in the near future to earn valuable foreign exchange. The incentives given by the Australian Government included the following terms :

Subsidies

The Government provided for cash subsidies or grants to be made available towards the cost of exploration. The amount of subsidy varies between 30 to 40% of the direct cost of operation, depending on the circumstances. As large discoveries began to be made, the Government became more selective in granting these subsidies, for example, no subsidies were granted for further operations within a designated radius of a discovery well.

A stipulation attached to the grant of a subsidy is that all geophysical and geological information from the subsidised operations must be passed to Government who has the right to publish it within six months of completion of the operation concerned. In this way, information becomes available to other explorers at no cost. Any subsidy must ultimately be repaid, if and when production results from a subsidised operation.

3 P.M.

The Government allows certain taxation concessions to both investors and

prospecting companies to encourage the search for petroleum. Investors are permitted, for tax purposes, to deduct from their assessable income all sums paid for shares issued by petroleum search companies in respect of application, allotment, call moneys, expenditure on purchase of rights to prospect, preliminary expenses incurred in the formation of exploration companies and certain items of operating expenditure. These deductions are allowable only if a petroleum search company elects to forego an equivalent amount, when in the event of commercial production, capital expenditure is claimed as a deduction for tax purposes. Most Australia search companies have elected to pass on this benefit to their shareholders.

As soon as a company begins to derive net income from the sale of petroleum it is permitted to deduct the capital costs of both prospecting and production from its income.

The general effect of these concessions is to exempt a company from payment of income tax on profits derived from the sale of petroleum and its products until such time as the capital expended on prospecting and production has been recouped, a company making a profit from the sale of petroleum is liable to pay taxation at the same rate as any other company which is 47.5 per cent.

Any dividends paid by a producing company out of income not liable to tax in the hands of the company itself are likewise exempt from tax in the shareholders' hands.

Petroleum prospecting and producing companies are exempt from the payment of sales tax on much of the equipment required for carrying out their operations.

In addition to these inducements the Australian Government in 1965 gave further encouragement to exploration by setting for a period of five years, a bonus price for any crude discovered. The price formula adopted was based

on posted prices for imported crudes, adjusted for quality, plus freight, plus an incentive margin of US 75 c. per bl. compared to about US \$ 2.48 for similar quality non-discounted Middle East crude delivered to Brisbane. Under these arrangements the Government laid down not only that Refiners should pay the bonus price but that they should also be responsible for taking delivery of their share of this crude direct from the producer's terminals.

Since September 1970, prices of indigenous crude are based on import parity is based on the posted prices, less discounts, of the principal crudes imported plus average overseas tanker freight, plus average wharfage and other landing costs plus a quality differential less the average freight cost of delivering Australian oil to the refineries from the port of delivery by the most economical means possible.

The favourable conditions created by the Government have resulted in proven established reserves of over 230 million tonnes and a production rate of over 16 million tonnes in 1970.

Now, I would like to make a few observations on Drug Price Control. There is no doubt that the prices of drugs have shot up even after the heroic efforts of the former Minister of Health and the Minister for Petroleum and Chemicals to bring down drug prices. I have no doubt that the main factor responsible for the high prices of drugs is the inefficient management and the high cost of production in our public sector production units. This has led to a system of canalised imports where the c.i.f. cost is much lower and the cost of production of the public sector units which are exorbitantly high, being pooled together. The prominent units in the public sector are the Hindustan Antibiotics and the Indian Drugs and Pharmaceuticals Ltd., having two drug plants, one at Rishikesh and the other at Hyderabad. These units have been reported to be incurring losses. For

example, Folic Acid for which the c.i.f. price works out to Rs. 600 per kg., has a pool prices of Rs. 1,312 per kg. In respect of Vitamin B 2 the c.i.f. price being Rs. 205 per kg., and the pool price is Rs. 682 per kg. Examples can be multiplied for a number of items. My point is to clearly demonstrate that among the factors responsible for high prices in the country, the most important one is the abnormally high cost of indigenous production. Whatever the price of import substitution, it is high time these units are placed on a more efficient basis and the consumers spared the consequent profiteering and exploitation. The second factor is the role which the STC is playing particularly in respect of profiteering. It imports at a much lower price whereas the selling price in terms of profit ranges from 25% to 325% according to the item concerned. This is illustrated by the prices charged for Sulphadiazine and Folic Acid. To this must be added the increased taxes both Central and the State and the cost-price spiral consequent upon the inflationary policies of the Government which has made the lot of the common man extremely miserable in respect of one of the most vital necessities of life. Various Parliamentary Committees and Reports have pointed out that the surgical instruments manufactured under IDPL are not the tools which the surgeons use today. At Rishikesh the IDPL is not able to use even 20% of the installed capacity. A pertinent question that emerges in this connection is : Is it not possible to reduce the large many varieties of the same preparation without any basic or fundamental difference in their therapeutic or curative value to a reasonable proportion so as to avoid the prevalence of wide variance in prices? The Tariff Commission had some revealing figures in regard to the wide variation between ex-factory cost and the retail prices. The bulk selling prices of basic drugs and formulations range from 160 to 350% of ex-factory cost whereas the mark-up for retail prices varied from 660 to 2,000%. It is true that drugs cannot be placed on par with other

[Shri Babubhai M. Chinai.]

commercial items since it involves an element of health hazard. Even while appreciating this factor there is considerable scope for effecting a reduction in drug prices on a rational basis. In countries like Scandinavia, we are informed, multiplication of similar drugs is not permitted.

(Time bell rings.)

I am the only speaker on my side.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : The understanding is...

SHRI A. D. MANI (Madhya Pradesh) : He is making an important point. Let him be allowed.

THE VICE-CHAIRMAN (Shri Akbar Ali Khan) : I do not need your advice, Mr. Mani.

SHRI BABUBHAI M. CHINAI : The last point is in connection with the ONGC and its working. The period 1962-1966 was a period of perils for our country. China had invaded our borders and Pakistan ventured to violate our territorial integrity. Our economy needed to be put on a war footing at any cost. Our young soldiers and officers were dying on the field of battle and uncertainty had gripped the Nation's mind. It was during this critical and dangerous period that the super bosses were minting money out of the nation's woes. The country's peril was their profit. The story of the ONGC affairs from 1962 to 1966 is a story of treachery and treason. Even before 1962, the bureaucratic clique was well entrenched into the ONGC. This clique had managed to turn this public organisation into a perpetual source of huge profits for themselves and certain contracting firms. The emergency conditions of 1962-1966 offered them a windfall of ill-gotten gains. During 1962-66 the ONGC entered into several shady deals involving crores of rupees with foreign companies. Many fraudulent projects were started, resulting into huge losses to the

Public Exchequer and inflating the private and secret accounts of the ONGC bosses. Not that these shady deals and fraudulent projects got away unnoticed. The reports of the Comptroller and Auditor General of India, persistently point out the missing accounts links and dubious ways of handling public money by the ONGC bosses. However, these super-creatures seem to be more powerful than the law of the land. They contemptuously ignore the Auditor General's observations and the decision of the judicial courts of India. In the same way they flout the findings of the Parliamentary Committee on Public Undertakings and laugh at the public who cry against their misdeeds. The ONGC I.C.S. gang once again proves that there never was nor there is anything Indian or Civil or of Service about the I.C.S.

I will quote two or three examples and close my observations. In 1960-61 stores and spares worth Rs. 4 crores odd were not linked to the invoices. No physical verification of the stores was conducted during 1959-60. This is there in the Audit Report of the Director of Commercial Audit, May, 1963, for the period 1960-61.

In 1961-62 there was a loss of Rs. 1,92,793.50 on account of faulty estimates. This refers to the Ankleshwar Pipe Line Project in Gujarat. The case involves many more bunglings and was investigated by the Special Police Establishment but was hushed up.

There was a damage of Rs. 63,900 due to misuse of machinery in violation of accepted procedures.

There was a further loss of Rs. 40,000 due to overpayment of compensatory allowances. An extra expenditure of Rs. 27,380 was incurred on account of licence fee against the stipulated procedure Rs 10 crores worth of goods have not been accounted for. Rs. 156.56 lakhs worth of stores in transit not correlated with payments already made. A sum of Rs. 2.60 lakhs was paid as demurrage for carelessness in clearing the goods.

In 1962-63 Rs. 97,580 was paid as rent for fire engine, when the total cost of purchasing this equipment was Rs. 96,000. The wilful delay in placing the purchase order has resulted in a loss of Rs. 57,580. There was a loss of Rs. 3,00,540 due to short landing and improper handling of delivery. Rs. 7.02 lakhs was overpaid to foreign companies in foreign exchange. Rs. 4,53,509.70 worth non-consumable and non-capital items were unaccounted for with respect to the Shahjahanpur Project. Rs. 3,38,51,821 worth of capital equipment in transit and stores was unaccounted for. Rs. 5,02,06,547 worth stores and spares in transit were not properly accounted for and wilful duplication in the statements is suspected. Rs. 4.7 lakhs worth materials were omitted. In addition, several projects furnished statements of materials in transit without valuation, 44 items consisting of 225 packages in case of one project alone. Total omissions consist of several lakhs of rupees.

SHRI A. G. KULKARNI (Maharashtra) : Is this Jayanthi Shipping Company accounts or what?

SHRI BABUBHAI M. CHINAI : This is all the Audit Reports of the ONGC. There was overvaluation to the tune of Rs. 16.60 lakhs of stores lying at Calcutta. Rs. 9.11 lakhs were fraudulently duplicated as stores in stock as well as stores in transit. Fraudulent undervaluation to the extent of Rs. 5.65 lakhs of capital and spares, Rs. 5,09,929 was advanced to the CPWD for construction works not at all accounted, the final expenditure incurred being Rs. 7,14,106. Rs. 24,076 was paid to CPWD for maintaining two jeeps also given by the Ex. ONGC. One of the jeeps has disappeared leaving behind no address.

Sir, finally, according to the provisions of Chapter II of the Accounts Manual of the Commission the Annual Accounts of the projects are required to be checked by internal audit before their submission by the units to the Headquar-

ters of the Commission. It was, however, noticed that the accounts for the year 1965-66 had been test-checked by the internal audit only in respect of nine units out of the 29 units. Then, Rs. 5 crores infructuous drilling projects in the Ganga valley. Without inviting global tenders the contracts were given. This does not include ONGC's expenditure on their own men and materials. Then, there is Contract No. 2 for Rs. 5 crores with Snam-Saipem, ENI. The same fraudulent bungling, the same *modus operandi*. This refers to drilling in Punjab area, contract signed on 13-5-1963. This does not include what the ONGC spent on men and materials and other services. Then, Rs. 2 crore drilling contract signed with Forasol on 17-2-1964. Excluding its own expenditure on men and materials and other services for operations in Jaisalmer area, they are paid in Francs 106,26,000 plus Rs. 18,94,000.

All these facts show that there is something wrong somewhere in this Ministry. I am glad that the Government has appointed a Committee very recently to look into the working of this big organisation and I would say the white elephant of this particular Ministry, but one thing is not acceptable to me and it is this. The Committee, which has been recently appointed, has got as Chairman one who was a Minister of this very Ministry and one who had to leave in very peculiar circumstances. That very man has been made the Chairman and this organisation is a child of that Minister and, therefore, I am afraid whether the finding of this Committee ...

SHRI JOACHIM ALVA : A very upright man. He is a very poor man now.

SHRI BABUBHAI M. CHINAI : That is all right. That is what Mr. Alva thinks of him.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : No interruptions please.

SHRI JOACHIM ALVA : He is a very poor man.

SHRI BABUBHAI M. CHINAI : This is what I was expecting from Mr. Alva.

SHRI JOACHIM ALVA : Why not ?

SHRI BABUBHAI M. CHINAI : Therefore, I have my own doubts whether we will have an impartial report on the working of the ONGC. I wish the Government had taken some care before appointing the Chairman. I also want to focus the attention of the hon. Minister to the fact that I am prepared to submit many more such fraudulent deals which this Ministry has done. For want of time it is not my desire to go on repeating them one after another, but if my friend, Mr. Alva, is very anxious to know all these things, he will be given in the Lobby.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Mr. Arjun Arora.

SHRI JOACHIM ALVA : I want to say one word...

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : No, no.

SHRI JOACHIM ALVA : He has made allegations against me and I must get one minute...

SHRI BABUBHAI M. CHINAI : What allegation have I made ? I have made no allegation against you.

SHRI JOACHIM ALVA : One minute. This is personal. He said I have had lots of free trips. Now, I want to tell you that I had ten trips and most of them had been on my own, except that I went at the expense of the Government of India twice to Africa and Australia in Air-India...

SHRI BABUBHAI M. CHINAI : Mr. Alva, how many free trips ? Narrate them. I am prepared to prove that you had free trips at the expense of the

Government, not one but several. Do not try to show that you are innocent.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : You have had your say.

SHRI JOACHIM ALVA : He did not say that he gave money, donation to the Prime Minister, through an M.P. in the Lok Sabha. He said he gave money to the "National Herald". He wrote a letter to the Prime Minister. He said no grudge against anybody. I have had most of the trips at my expense alone.

(Interruptions)

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : No more. Mr. Arjun Arora.

SHRI JOACHIM ALVA : Big business do not want us even to speak.

SHRI BABUBHAI M. CHINAI : What a comparison between Mr. Alva and Mrs. Alva who was occupying that august Chair. What a comparison between her husband there and her behaviour.

SHRI JOACHIM ALVA : Do not blackmail.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Now, Mr. Arjun Arora.

SHRI ARJUN ARORA (Uttar Pradesh) : Sir, my friend, Mr. Babubhai Chinai, was very much worried about the cost of the drugs produced by IDPL and he compared that with the price of imported drugs. For his benefit...

SHRI BABUBHAI M. CHINAI : Pooled price.

SHRI ARJUN ARORA : Let it be pooled price or any price of a foreign produce and an Indian produce. For his enlightenment and for his further enquiry I point out to you, Sir, that caustic soda is not manufactured in the public sector. It is manufactured in the private sector and private sector

alone. Its price has risen from Rs. 1100 per metric tonne to Rs. 4000 per metric tonne, and this has happened within the last two years. This is the performance of the private sector. *(Interruption)* One of the very well known private sector enterprises is Nocils of Mafatlal—and Shri Babubhai Chinai and his friends like to cite the names of Tatas and Mafatlal as a different type of industrialists. During the last one year of Nocils of Mafatlal, of the private sector, have increased the prices of some of their products by 100 per cent. What they were selling last year for Rs. 1800 per metric tonne is sold by them today at Rs. 3500 per metric tonne. I have got details but I will not go into them. I will pass them on to the Minister with a copy to Shri Babubhai Chinai. Shri Babubhai Chinai may apply some moral pressure on the producers of caustic soda and on Nocil not to indulge in profiteering of the worst order. And of course if Shri Babubhai Chinai bring down prices, I hope the Minister fails to exercise moral pressure and will bring some measures against them.

SHRI A. G. KULKARNI: One small request. You send a copy to Shri Mafatlal who is the Chairman of the Fair Practices Association of India.

SHRI BABUBHAI M. CHINAI: I want to make one thing clear. I hold no brief for anybody who is profiteering and much less for Tatas, Birlas or Mafatlals. Therefore, it may not be pointed out to me, it may be pointed out to them, and any assistance Mr. Arora wants may be addressed to them.

SHRI ARJUN ARORA: That is why I said I will write to you. My only point is that Mr. Chinai is a clean man, but he sometimes gives the impression of holding the brief for the private sector which is composed mostly of unclean people. That is his difficulty—a clean person has to champion the practices of unclean persons.

SHRI BABUBHAI M. CHINAI: I concede that I am a champion of

the private sector but that does not mean that I hold brief for them. This is my conviction.

SHRI JOACHIM ALVA: It is a whole tribe of blackmarketers.

SHRI BABUBHAI M. CHINAI: Nobody reads your Forum.

(Interruption)

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Mr. Arora, you continue.

SHRI ARJUN ARORA: I hope you will please take note of the time taken in this duel between Mr. Chinai and Mr. Alva and not ring the bell.

Mr. Chinai finished his very comprehensive attack on this Ministry with an attack on the ONGC and he gave some details which appeared impressive. I hope the Minister will give a reply to them. That is his business. But as a humble Member of Parliament and as a humble citizen of this country, I feel it is my duty to submit to you, Sir, that this country produces seven million tonnes of crude per year, thanks to the work done by the ONGC.

AN HON. MEMBER: And Mr. K. D. Malaviya.

SHRI ARJUN ARORA: And much of that work was led by Mr. K. D. Malaviya for whom I hold no brief.

SHRI MAN SINGH VARMA (Uttar Pradesh): In spite of all these scandals.

SHRI ARJUN ARORA: In spite of all the shortcomings that Mr. Babubhai Chinai and the Jana Sangh may point out, it is the ONGC and the ONGC alone, which has led to the production of seven million tonnes of crude in this country every year.

SHRI BABUBHAI M. CHINAI: These are all.

SHRI ARJUN ARORA : And as for as Mr. Malaviya is concerned, I hold no brief for him. He is a Member of the other House elected recently, he won the confidence of the people in spite of what is said against him.

Sir, I congratulate Mr. Sethi for heading this Ministry which is doing a very important work. Those who are familiar with something of the oil industry in the world know that oil is a very slippery and very powerful business. There are for example six or seven big oil companies—they are called the 'seven sisters'—who are dominating the world oil market, oil production, refining and distribution. The Socialist countries have broken their monopoly and in this country the ONGC and the Indian Oil Corporation have also broken their monopoly.

Sir, the Indian Oil Corporation is one of the rare public sector corporations which make satisfactory profits. During the last five years the profits have risen from Rs. 74 lakhs to Rs. 24 crores.

AN HON. MEMBER : The consumer is not affected ?

SHRI ARJUN ARORA : Well, the consumer pays the same price for the products of the Indian Oil Corporation as he pays for ESSO, Caltex and Burmah Shell because in this industry and in this commodity, the price all over the country is the same for the consumer, except the local taxes.

SHRI BABUBHAI M. CHINAI : what is the investment ?

SHRI ARJUN ARORA : I am coming. The investment of Indian Oil is much less than many public sector corporations. The turnover of Indian Oil is increasing every year. The turnover has increased three times during the last six years and today, Mr. Prem Manohar, the manufacturers of chemicals ...

SHRI PREM MANOHAR (Uttar Pradesh) : It is a consumer article. People cannot do without it. So the monopoly does not go to the ONGC

SHRI ARJUN ARORA : The Indian Oil Corporation holds no monopoly. Mr. Prem Manohar can buy his raw materials from Burmah-Shell. He is not bound to buy them from the Indian Oil Corporation. And Mr. Mani, if he owns a car, can run it on Burmah Shell petrol. But the fact is that the turnover of Indian Oil has increased three times during the last five or six years. That is a performance on which we should congratulate the Indian Oil Corporation. Sir, he talks of investment. I am glad that as far as investment is concerned, the Indian Oil is investing its profits in the correct direction. The Haldia Refinery is being built with an investment of Rs. 70 crores by the Indian Oil Corporation by its own internal resources. That is something of which we in this country should be proud.

Sir, the production of oil, the distribution of oil and the handling of oil are very important for this country. Not only production, but production and distribution, both are important.

[THE VICE-CHAIRMAN (SHRI A. D. MANI) in the Chair.]

We know when Pakistan attacked us in Gujarat, some of the foreign oil companies did some mischief. We now also know that whenever there has been a crisis there have been occasions when foreign oil companies played mischief.

Today the work of the O.N.G.C. with regard to the production of crude has become very important because much of the crude imported into this country comes from Iran. Now, Iran has its own politics, its own political relations, and the Western oil companies do not merely produce and sell, do not merely make profits, they are not merely commercial enterprises. Oil companies in several countries, particu-

larly in Latin America have been known to overthrow the Governments. (*Interruption by an hon. Member*) Of course, they will not succeed in this country but they go on trying.

AN HON. MEMBER : We will not allow

SHRI ARJUN ARORA : Thank you for the confidence. Oil is important for security. It is also important for production. Till sometime back we could say that oil was important for industrial and chemical production. Today oil has acquired a place in our agricultural production also, a very big place because our agriculturist is increasingly taking to tractors and to the use of fertilisers and chemical fertilisers are also a product of the petroleum industry.

Sir, today we are faced with the problem of what to do with the three Western oil companies. In spite of what others may feel, my clear-cut suggestion to Mr. Sethi is to nationalise them because nationalisation of the three Western oil companies is the cheapest for the country.

SHRI NIREN GHOSH : (West Bengal) : May I know, Sir, if it is a fact that Mr. Triguna Sen, when he was in charge of the Ministry, recommended nationalisation of these three oil companies but the Cabinet has so far shelved it?

SHRI ARJUN ARORA : I thought Mr. Niren Ghosh knew that I have no access to Cabinet papers.

SHRI NIREN GHOSH : You have no access to Cabinet papers but you have access to Cabinet ears.

SHRI ARJUN ARORA : I really do not know what Dr. Triguna Sen recommended and why that recommendation was accepted or not accepted.

Sir, as far as these three Western oil companies are concerned, their future is on the agenda. They have made the Government a very tricky

offer. They say, "You become our partners, and become 51 per cent owners of the three Western oil companies." Of course, they reserve the management to themselves, they reserve the sources of crude supply to themselves, and they in effect want to prolong the concessions which they got in the early 'fifties. Sir, I would suggest that we should not fall into that trap. Even the present situation in which the three oil companies exist as foreign companies, bringing their own crude at their own price which they dictate, is better than our Government becoming partners in sin. We will be made to pay more in foreign exchange as their profits and for crude if we become partners than we do now. Of course, if we nationalise them and ever pay compensation as laid down by the Supreme Court—I say erroneously laid down by the Supreme Court—even then we can nationalise them in Rs. 50 to Rs. 60 crores. Why doesn't the Government take that step? Sir, a small country like Ceylon had the courage to nationalise all the foreign oil companies operating in that country. Why can't this Government with a massive mandate of the people, with more than two-thirds majority in the Lok Sabha, and with many people willing to help it in the Rajya Sabha have the courage to nationalise the three Western oil companies and have in this country one uniform system of distribution, one uniform system of production?

SHRI BABUBHAI M. CHINAI : And corruption. A uniform system of corruption will also come with it.

SHRI ARJUN ARORA : Tax evasion indulged in by the friends of Mr. Babubhai Chinai is the worst form of corruption.

SHRI BALACHANDRA MENON (Kerala) : That is one form.

THE VICE-CHAIRMAN (SHRI A. D. MANI) : Mr. Arora, you go on developing your points.

SHRI ARJUN ARORA : If I am interrupted, I must meet the interrupt

[Shri Arjun Arora.]

tion. As you know, Sir, I am beyond the age of a school boy debater who reads from a written text. I am a Parliamentarian of some standing, probably the same as you. So, I must meet all the interruptions and the day I find I cannot, I will resign and go home and rest. And I assure you, I will never read a speech prepared by somebody else.

SHRI BABUBHAI M. CHINAI : You cannot accuse me of that. I have been doing it myself.

(Interruptions)

THE VICE-CHAIRMAN (SHRI A. D. MANI) : Order please. Mr. Arora, you go on making your points.

SHRI ARJUN ARORA : My friends interrupt me more than my opponents.

THE VICE-CHAIRMAN (SHRI A. D. MANI) : No interruptions, please.

SHRI ARJUN ARORA : If I were a believer, I would say "God save me from my friends like Mr. Kulkarni."

Sir, the estimated demand of crude at the end of the Fourth Five-Year Plan is about 28 million tonnes. We in this country already produce 7 million tonnes. And if what is being done about the off-shore drilling is a success, we will be in a happy position, whatever Mr. Babubhai Chinai may feel. But, Sir, we must think of alternative sources. While our first effort should be oil exploration inland and off-shore, we must also be in search of alternative foreign sources. And my submission to you, Sir, is that reliance on the three Western oil companies and their own sources of crude is not a reliable alternative. The UAR has recently struck oil—I do not remember the name of the place—and it is in search of buyers. I hope our Government, the Ministry, the IOC, will take it up at the highest level. Similarly, the USSR produces more than 30 or 40 times of crude that we require. The

USSR is exporting oil not only to Eastern European democracies but also to Western Europe. Italy is one of their biggest buyers. Knowing the relations between the USSR and this country I suggest that the availability of Soviet crude for this country should be explored at the highest political level. Not only Mr. Sethi, but our Prime Minister should take it up with the appropriate Soviet authority. In the next Kosygin-Indira Gandhi meeting the availability of Soviet crude to India should be on the top of the agenda ...

SHRI CHITTA BASU (West Bengal) : What about Bangla Desh?

SHRI ARJUN ARORA : Bangla Desh was discussed this morning.

Sir, I was saying that nationalisation of the three Western oil companies will be cheaper economically and politically a more reliable arrangement. We have got enemies and some people in this country live under the constant threat of war by one or the other of our neighbours. I expect that those people who day in and day out talk of a threat of war—of course, Yahya Khan has threatened a war according to this morning's newspapers, and that changes the political situation—cannot go on complaining against the United States' supply of arms to Pakistan and still allow Caltex and ESSO, the American companies, to operate in India and control the most vital material, both in defence and in peace.

I am a supporter of the Government. I am a supporter of the public sector. But I am not a supporter of the mistakes made by the Government. I am not a supporter of the inefficiency in the public sector. Sometimes it appears the ways of the Government are inscrutable. The chairmanship of ONGC—well, both Mr. Babubhai Chinai and I agree, it is a big organisation; I say it is great, he says it is big—is vacant for about one year. This Government should be able to find somebody to take that post ...

SHRI BABUBHAI M. CHINAI : They have not been able to select anybody from among the defeated Ministers.

SHRI ARJUN ARORA : This time 10 Ministers were defeated. It was Mr. S. K. Patil who was defeated ..

THE VICE-CHAIRMAN (SHRI A. D. MANI) : Mr. Arora, you have taken twenty-five minutes. I would like you to conclude your speech because there are ten speakers.

SHRI ARJUN ARORA : All my time is taken up by interruptions.

THE VICE-CHAIRMAN (SHRI A. D. MANI) : That is why I allowed you twenty-five minutes.

SHRI ARJUN ARORA : Please allow me five more minutes.

SHRI BRAHMANANDA PANDA (Orissa) : You don't listen to interruptions.

SHRI ARJUN ARORA : Well I must listen to interruptions, and I must reply. You are a parliamentarian and you know it I must hit back. My motto is to hit back hard.

SHRI BABUBHAI M. CHINAI : Parliamentary procedure is that.

THE VICE-CHAIRMAN (SHRI A. D. MANI) : Mr. Chinai, let him finish his speech.

SHRI ARJUN ARORA : Why is ONGC chairmanship vacant for one year? I do not want a mere bureaucrat to go there. I want somebody with drive to go as ONGC's Chairman. And there are people in this country with the necessary drive. I want the ONGC's Chairmanship to be given to somebody who can be a leader of a big team of scientists, technicians and others. ONGC employs more than 20,000 people—perhaps 22,000 people. Some of our best technicians and best engineers are working for ONGC. A mere bureaucrat will not do. Similarly, I want this Ministry to be strengthened. People should not come to the Oil Ministry as birds of passage. Government should carefully choose the peo-

ple whom it brings to the Petroleum and Chemicals Ministry. It should give them necessary training and retain them for some time because they have to deal with the most cunning capitalists of the world. If people in this Ministry work for 2 or 3 years and then go away, it will not be good because they go away just when they learn certain things. The great need is that people for this Ministry should be carefully selected and given an opportunity to get themselves trained in the process of work and they should be retained. The need for that retention should override the ordinary routine, red-tape of the administration.

I mean no disrespect to the present Minister. I know he is very hard-working and he has made a mark wherever he has gone. But through you, Sir, and through the Minister I want to request the Prime Minister to take a personal interest in this Ministry because development of oil industry in its various facets—these facets are increasing every year, if not every week—is a national need which deserves attention from the highest quarters in the government. Whether the portfolio is held by the head of the government or not, the political necessity and economic need are such that the head of the government, in many countries, takes a constant interest in the development of this industry.

श्री प्रेम मनोहर : उपमहाध्याय जी, पेट्रोलियम और रसायन मंत्रालय बहुत ही महत्वपूर्ण मंत्रालय है, इस दृष्टि में कि इसमें पांच छः लाइन्स हैं। इसके अंदर केमिकल्स, फार्मेस्युटिकल्स, डेटेरेजेंट्स रबर प्लास्टिक, फर्टिलाइजर्स और पेट्रोलियम हैं। इस कारण मे यह अपने देश की जनता के अधिक से अधिक लोगों के सम्पर्क में आता है।

अभी जैसा हमारे मित्र अर्जुन अरोड़ा जी ने कहा, सबसे पहले मैं केमिकल्स के बारे में कुछ तथ्य फैक्ट्स आपके सामने रखना चाहूंगा, जिसमें से एक वस्तु कास्टिक सोडा की शार्टेज है, जिसकी वजह से दुग्गुनी प्राइसेज

[प्रेम मनोहर]

हो गई है। केवल सोडा कास्टिक ही नहीं, इसके अलावा सोडा एश की भी शार्टेज है। जो सोडा एश है वह 600 रु० टन अभी हाल तक मिलता था, आज उसके दाम 1,200 और 1,300 रु० पर टन है, कम से कम कानपुर में 1200-1300 रु० पर टन पर भी सोडा एश नहीं मिलता। लेकिन इसमें मेरा कुछ मतभेद है श्री अर्जुन अरोड़ा ने कि इसमें कमी उस प्राइवेट सेक्टर की नहीं है जिसने वह ब्लैक मार्केटिंग कारवाई, बल्कि उस सरकार की कमी है जिसकी अपनी नीति इस तरह की रही कि पिछले छ. सात साल में बराबर इसके बारे में कोई ध्यान नहीं दिया, कोई लाइसेन्स इश्यू नहीं दिए। ठीक है, मैं नहीं कहता कि आप लाइसेन्स उन्हीं मोनोपोलिस्ट के इश्यू को जिनके लिए हम मना करते हैं। ठीक है, आप उनको नहीं करते हैं, तो यह आपका मामला था। लेकिन यह जो कंज्यूमर्स आर्टिकल है, जो बेमिक कैमिकल है, जिस पर मारी इकॉनोमी बेम करती है, अगर उसके लिए आप मोनोपोलिस्टों को लाइसेन्स देना नहीं चाहते हैं, तो ठीक है, मत दीजिये। आप टाटा को लाइसेन्स मत दीजिये, बिरला को मत दीजिये, डालमिया को मत दीजिये, क्योंकि ये तीनों मोनोपोलिस्ट सोडा एश बनाते हैं, इन तीनों को आप लाइसेन्स मत दीजिये, लेकिन किसी चौथे को तो दीजिये? कोआपरेटिव सेक्टर में, आपने महाराष्ट्र में एक लाइसेन्स दिया था पिछले चार सालों में, लेकिन आज तक उसका प्रोडक्शन नहीं आया। आप लाइसेन्स किसको दे, किसको न दे, उसके बारे में मुझे कुछ नहीं कहना है। मुझे तो केवल एक बात कहनी है और वह है कि जो कमी इस चीज की आई है, आज इस का जो ब्लैक मार्केट हो रहा है और जिसका जिक्र अभी श्री अर्जुन अरोड़ा ने भी किया कि जो इसके बनाने वाले हैं, वे ब्लैक मार्केट कर रहे हैं। लेकिन मैं यह जानना चाहता हूँ कि इस

तरह की स्थिति का निर्माण किमने किया और इसकी जिम्मेदारी किमकी है? मैं यह समझता हूँ कि यह मनुष्य मात्र का दोष है कि जब भी उसको अवसर मिलता है, वह ब्लैक मार्केटिंग करना है और आज हर आदमी कर रहा है। यह बात ठीक है कि आजकल मैनुफैक्चरर ब्लैक मार्केट कर रहे हैं, डीलर्स कर रहे हैं, कंज्यूमर्स कर रहे हैं और आज स्थिति यह आ गई है कि इसके दाम दुगुने हो गये हैं। तो मैं यह जानना चाहता हूँ कि इस प्रकार की जो स्थिति हुई है, उसकी जिम्मेदारी किमकी है। इस सम्बन्ध में नीति ठीक न होने के कारण इसकी सारी जिम्मेदारी सरकार की है।

इतना ही नहीं, मैं आपके सामने यह बतलाना चाहता हूँ कि इस बारे में कोई भी कोशिश नहीं की गई, जिसका परिणाम यह हुआ कि इस कैमिकल की बराबर शार्टेज होती रही है और उसके दाम दुगुने आगे निरुने होने चले गये। आपने इसके दाम को रोकने की कोशिश नहीं की। एक साल के अन्दर एक प्लान्ट के दाम चौगुने और पंचगुने हो जाया करते थे। जैसे हाइड्रोमैल्फाइट सोडा की बाजार में बड़ी शार्टेज थी, वह दो साल पहिले बाजार में 7 रु० और 8 रु० किलो बिका करता था, लेकिन उसके दाम 30 रु० और 40 रु० किलो तक है। एक प्लान्ट में लोगो ने 10 करोड़ रुपया कमाया है। तो मैं यह जानना चाहता हूँ कि इसकी जिम्मेदारी किमके ऊपर है। मैं माननीय मंत्री जी से जो यहाँ पर इस समय है निवेदन करना चाहता हूँ कि वे इस बात का जवाब दें कि इस बात की जिम्मेदारी किमके ऊपर है। इस सम्बन्ध में लाइसेन्स इश्यू क्यों नहीं किये गये और इस चीज का प्रोडक्शन क्यों नहीं बढ़ाया गया। ठीक है, इस चीज पर ब्लैक मार्केट हो रहा है, लेकिन इस तरह की स्थिति का निर्माण क्यों होने दिया और इसकी जिम्मेदारी किमके ऊपर है।

मैं आपको उदाहरण देना चाहता हूँ कि सन् 1958 में यह डिसिजन लिया गया था सिन्थेटिक्स डार्ज इन्टरमीडिएट्स गवर्नमेंट बनायगी, लेकिन आज 1971 हो गया है, अभी तक सरकार ने इस ओर कोई भी कदम नहीं बढ़ाया और नहीं आज तक किसी प्राइवेट कम्पनी को इसके सम्बन्ध में लाइसेन्स दिया गया है। इस तरह की 50-60 इन्टरमीडिएट्स हैं, जैसे, एनलीन, नाइट्रोबन्जीन, इसोकलीन इत्यादि, इस तरह के करीब 80 आइटम्स हैं, जिनके बारे में गवर्नमेंट ने तय किया था कि वह स्वयं बनायगी। आज इस तरह का डिसिजन लिये हुये करीब 13 साल हो गये हैं, लेकिन अभी तक किसी भी चीज का प्रोडक्शन नहीं शुरू हुआ। इन 13 सालों के अन्दर अरबों और करोड़ों रुपये का डार्ज इन्टरमीडिएट्स का इम्पोर्ट हुआ। यह तो इम्पोर्ट हुआ वह किसके कास्ट पर हुआ? अगर यह चीजे यहाँ पर बनाई जाती तो इतना रुपया हमारा बच जाता। सरकार ने पहिले यह फैसला किया था कि इस चीज को पब्लिक सैक्टर में बनाया जायगा, मगर वह नहीं बना पाई और न प्राइवेट सैक्टर वालों को ही इस सम्बन्ध में बनाने के लिए लाइसेन्स दिये, जिसकी वजह से हमारे अरबों रुपये बाहर फैंक दिये गये। आज तक इस चीज में कोई तरक्की नहीं हुई है। आप इस चीज को पब्लिक सैक्टर में बनाना चाहते हैं, तो निश्चित रूप में बनाइये, लेकिन आपने 1958 में यह फैसला कर लिया था, मगर आज तक उसको कार्यान्वित नहीं किया। आप स्माल स्केल और मीडियम स्केल इन्डस्ट्रीज को अलग-अलग से यह चीज बनाने के लिए दे देते तो इन वर्षों में यह चीजे हमारे यहाँ बननी शुरू हो जाती और इतना अरबों रुपया हमारा बाहर जाने से बच जाता। तो मैं यह जानना चाहता हूँ कि इसकी सारी जिम्मे-

दारी किमके ऊपर है। इसकी जिम्मेदारी किस मंत्रालय पर है। देश में सरकारी लोग जो इस तरह की काली करतूतें करते हैं, वे इस चीज के लिए उत्तरदायी हैं।

इसके बाद मैं फर्टिलाइजर के बारे में कहना चाहता हूँ। फर्टिलाइजर के सम्बन्ध में चौथी पंचवर्षीय योजना में जो टारगेट रखा था, वह अभी तक पूरा नहीं हुआ है। जो टारगेट इस सम्बन्ध में हम अचीव करना चाहते थे वह नहीं कर सके और यही कारण है कि येन ऋण के आधार पर जापान से हम फर्टिलाइजर लेने की कोशिश कर रहे हैं। अभी कुछ माल पहले हमने सुपर फासफेट का इम्पोर्ट किया था, जबकि हम इस चीज को पहले से ही यहाँ पर बनाते हैं। जितने भी सुपर फासफेट के मैन्यूफैक्चरर थे, उन्होंने इस चीज को बनाना बन्द कर दिया है, क्योंकि उनका मान बिक नहीं सका है। मैं वहीं फैक्ट्स बतला रहा हूँ, जिनके बारे में हमारे पास फैक्ट्स हैं और जिन फैक्ट्स के कारण आज इस तरह की स्थिति हमारे देश में हो गई है। मैं मंत्री जी से यह चाहूँगा कि सरकार इस तरह की बातों में, डिमिजन लेने में इतना लम्बा समय क्यों लगा देती है और जब डिमिजन लेती है तो वह राग डिमिजन लेती है। मैं यह निवेदन करना चाहता हूँ कि सोडा ऐश और सोडा कास्टिक के सम्बन्ध में पिछले 6 सालों से कोई डिसिजन नहीं लिया गया है। अगर रात को कोई आदमी सो रहा हो और अगर उसको एक दम उठाया जाय तो वह एक दम भड़क जाता है, उठ जाता है और एक दो मिनट में मेन्स में आता है। लेकिन यहाँ पर यह फर्क है कि मंत्री तथा मंत्रालय को हिलाने के बाद भी कोई मेन्स नहीं आता है। आपने टाटाज को लाइसेन्स दिया सोडा ऐश बनाने का। चार साल तक आपने उसको लटकाए

[श्री प्रेम नवोहर]

रखा और फिर टाटाज को दिया। अब तीन साल में प्रोडक्शन आएगा, करोड़ों अरबों रुपये का ब्लेक होगा, कन्ज्यूमर मारा जायगा। आपने अब निश्चित किया है कि 10 हजार टन हर क्वार्टर में इम्पोर्ट होगा। अब करोड़ों रुपये का सोडा एश इम्पोर्ट करेंगे। यह डिमिशन चार साल पहले कर लेते तो जो करोड़ों रुपये का इम्पोर्ट होगा वह इम्पोर्ट नहीं होता और जो यहां पर ब्लेक मार्केट हो रहा है वह नहीं होता। केवल एक डिमिशन लेने में चार साल गल गए। कैसे आपके डिमिशन होते हैं।

कुछ नथ्य मैं आपके सामने रिफाइनरीज के बारे में रखूंगा। अभी अरोड़ा जी ने बहुत तारीफ की, ठीक है बहुत अच्छा काम किया है, लेकिन मैं बताना चाहता हूँ कि उतनी कास्ट पर दुगुना, चौगुना काम काम हो सकना था। छोटी बात को हम समझते हैं कि बहुत अच्छा कर लिया।

रुस्सम क्रूड आयल हम निकाल रहे हैं और अपने रुस्सम क्रूड आयल को चीप रेट पर वर्ल्ड को बेच रहे हैं और वहां से से दूसरा तेल ज्यादा दामों पर खरीद रहे हैं। उसका केवल यही कारण है कि आज तक हमने रुस्सम क्रूड आयल को कन्ज्यूम करने के लिए अपने देश में एक भी रिफाइनरी नहीं बनाई। मैं पूछना चाहता हूँ कि क्यों नहीं बनाई, किमका दोष है? आप पांच साल से सो रहे थे कि जो रुस्सम क्रूड आयल निकाल रहे हैं चीप रेट पर उसके लिए रिफाइनरी नहीं बनाई? यह किमका दोष है?

1958 में आपने क्रेकिंग आफ दि आयल शुरू किया। क्रेकिंग जब ठीक ढंग से होता है तो अच्छे-अच्छे सबस्टेंस मिल सकते हैं, लेकिन हमने एक गंवारा आदमी की तरह क्रेकिंग किया सिर्फ पेट्रोलियम को

के लिए। पेट्रोलियम कोक की कीमत 60 रुपये 11 टन थी, अब 100 पर टन है। जो अफाम आयल कम्पनी है उसका बेहतर यूज हो सकता है जैसे पैराफीन वैक्स के लिए। आज देश में पैराफीन वैक्स की बहुत शार्टज है अपने दाम में दुगुने, त्रिगुने तक पर वह मिलती नहीं है, लोगों ने इम्पोर्ट लाइसेंस तक के लिए एप्लाइड किया है, क्योंकि यह बड़ी आवश्यक चीज है। पैराफीन वैक्स न मिलने के कारण बहुत दिक्कत हो रही है। हमारा क्रेकिंग सिस्टम वही चल रहा है, हम पेट्रोलियम कोक ही बना रहे हैं जो चीपेस्ट चीज है हाइएस्ट कास्ट पर। क्यों नहीं, आपने अभी तक अपने क्रेकिंग सिस्टम को चेंज किया, क्यों नहीं आपने पेट्रोलियम कोक में बेहतर चीजे बनाई? इसका जवाब दें।

प्रति वर्ष हम 40 करोड़ रुपये की सल्फर इम्पोर्ट करते हैं। जितनी भी रिफाइनरीज हैं, उन सब में सल्फरिक गैस है। इन गैसों को रिकवर करने के लिए आपने कोई इन्तजाम नहीं किया। मैं समझता हूँ कि 40 करोड़ रुपये की जो सल्फर इम्पोर्ट करते हैं, उसके बजाय उस सल्फर ने एडीशनल इक्विपमेंट मगाकर रिफाइनरीज में लगाते तो 40 करोड़ रुपये की सल्फर, जो कि एक बेसिक राँ मैटेरियल है, इम्पोर्ट न करना पड़ना, इसके लिए अमरीका के ऊपर, पौलैंड के ऊपर इटली के ऊपर निर्भर रहना पड़ना है, वह निर्भर न रह कर आत्म-निर्भर होते। ईश्वर न करे, जैसी कि याह्या खाँ ने आज लड़ाई की बात कही है, वैसा हुआ तो इस तरह के बेसिक राँ मैटेरियल्स का इम्पोर्ट नहीं होगा और हमें बहुत दिक्कत उठानी पड़ेगी। कृपा करके मंत्री जी मुझे बताएं कि रिफाइनरीज में जो सल्फर मिलनी चाहिए, उसके लिए कौन से कदम

उठाए गए हैं? क्या आप आने वाले एक साल में या दो साल में सल्फर का रिफाइनिंग करने वाले हैं, सल्फर निकालने वाले हैं, कृपा करके इसको बताइए।

इसके बाद मैं ओ० एन० जी० सी० की बात पर आऊंगा। अभी बाबुभाई चिनाई ने जो तथ्य रखे, बाबुभाई अपने पास से नहीं लाए, कहीं से ढूँढ़ कर नहीं लाए, वह एकाउन्ट्स कमिटी ने सामने रखे हैं, वे बाबुभाई चिनाई के डाक्यूमेन्ट्स नहीं हैं, वे डाक्यूमेन्ट्स मेरे मित्र अर्जुन अरोड़ा के भी हैं, उनको देखे कि पिछले दिनों में कितना बड़ा धोखाला हुआ है। कुछ अच्छा काम हुआ है, अच्छा काम करने के लिए गवर्नमेंट है ही, लेकिन हम पार्लियामेंट में बैठे हैं कि जो बुरे काम गवर्नमेंट करे, उसे गलत काम के विषय में बताए कि यह गलत कर रहे हो।

श्री अर्जुन अरोड़ा : और अच्छे काम की तारीफ करे।

श्री प्रेम मनोहर : उतनी तारीफ करे जितनी आवश्यक है।

श्री अर्जुन अरोड़ा : यही जनसंघ में खराबी है कि अच्छे काम की तारीफ नहीं करता।

श्री मान सिंह वर्मा : जनसंघ चापलूसी नहीं करता, तारीफ तो करता है।

4 P.M.

श्री प्रेम मनोहर : अब यह जो पूरा मेमो-रेडम था, जो श्री बाबुभाई चिनाई ने बताया वह सेठी साहब को शायद लोक सभा में दिया गया था और लोक सभा में दिए जाने के बाद में या उससे पहले ही डिस्मिज ले लिया होगा सेठी जी ने या कैबिनेट ने कि श्री के० डी० मालवीय को इस सबका हैड बनाया जाए। उसमें मुझे कोई आपत्ति नहीं है। लेकिन आपत्ति मुझे केवल इस बात की है कि जो भी एलीगेंस है, उनमें से अधिकतर उनके समय के हैं। ठीक है, मैं यह नहीं कहता कि उसमें मालवीय जी की सांठगांठ होगी चाहे

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जान कर या अनजान में या भूल कर, लेकिन उन्हीं के जमाने में वे सबकी सब गलतियाँ हुई हैं और उन सब गलतियों को वे कैसे पकड़ेंगे। क्या उनके आफिसर उनसे यह नहीं कहेंगे कि साहब, इनका फाइल्स को दबा दीजिए, इन पेपर्स को इधर से उधर कर दीजिए जैसा कि दो दिन से पेपर्स में बराबर आ रहा है। यह "पेट्रिएट" में आया है :

"BATTLE FOR FILES CONTINUES IN PIPELINE PROBE".

यह "पेट्रिएट" की रिपोर्ट है 18-7-71 की।

यह जनसंघ की रिपोर्ट नहीं है।

(Interruption)

SHRI ARJUN ARORA : Sir, I want to say one thing about this. This matter is going on before a Judge. The Press publishes the reports. We are not free to comment this way or that. I hope Mr. Prem Manohar also agrees that when a matter is *sub judice* we are not free to comment on it. The whole pipeline enquiring against Mr. Nayak is going on. That is why I did not speak about it.

SHRI CHITTA BASU : What is *sub judice* about it?

SHRI ARJUN ARORA : Everything is *sub judice*.

SHRI PREM MANOHAR : It is reported in the *Patriot* and not a *Jana Sangh* paper. Certain papers are being sought for by the Commission for examination. That is the only thing.

THE VICE-CHAIRMAN (SHRI A. D. MANI) : If it is any comment on the proceedings then it is *sub judice*.

(Interruptions)

SHRI CHITTA BASU : The Commission should be supplied with certain files.

श्री प्रेम मनोहर : मेरे कहने का केवल एक ही मतलब है—मैं इस पर कोई कमेंट नहीं कर रहा हूँ—कि यह जो टाकरू कमीशन बैठा उस टाकरू कमीशन को ओ० एन० जी० सी० से फाइल्स भी नहीं मिल रही हैं देखने

[श्री प्रेम मनोहर]

के लिए, फाइल्स को दबाया जा रहा है। यह जो कमीशन है जिसको आप इम्पार्शल कहते हैं, मैं उसकी तारीफ करता हूँ। लेकिन जहाँ पर श्री के० डी० मालवीय इनवाल्ड हैं, वहाँ पर वे फाइल्स मिलेंगी क्या, वहाँ पर फाइल्स गायब नहीं हो जाएंगी क्या, वहाँ पर फाइल्स को जला नहीं दिया जाएगा क्या?

श्री अर्जुन अरोड़ा : श्री के० डी० मालवीय कतई इनवाल्ड नहीं हैं। यह इन्क्वायरी मिस्टर नायक, आई० सी० एस० के खिलाफ हो रही है। आप श्री के० डी० मालवीय को इसमें क्यों लाते हैं?

SHRI BABUBHAI M. CHINAI : All the inquiry is under his chairmanship.

श्री प्रेम मनोहर : मैं वही कह रहा हूँ। मेरे मित्र श्री अर्जुन अरोड़ा नाराज नहीं होंगे; क्योंकि मुझ को फिर श्री के० डी० मालवीय का नाम लेना पड़ेगा, लेकिन जो तथ्य हैं, वे तथ्य हाउस के सामने जरूर आने चाहिए। कैम्बे में जब पंडित नेहरू गए थे तो ओ० एन० जी० सी० वालों ने वहाँ के वैल नम्बर चार में 8 नम्बर वैल से 10, 15 बैरल्स तेल ला कर गिरा दिए और उनके सामने वहाँ पर पम्प चला दिया गया। जब पंडित नेहरू वहाँ ले जाए गए थे तो उनको वैल नम्बर चार में से तेल निकलते हुए दिखाया गया था। आज भी वैल नम्बर चार उसका साक्षी है। वह तेल जो था वह आठ नम्बर वैल का था...

श्री अर्जुन अरोड़ा : आठ नम्बर का कुआँ किसका था? वह भी ओ० एन० जी० सी० का था या नहीं?

श्री प्रेम मनोहर : मैं मानता हूँ, लेकिन तब यही लिखा जाता कि वैल नम्बर आठ से तेल निकला है, उस समय वैल नम्बर चार से तेल निकलता दिखाने की क्या जरूरत थी।

इस प्रकार एक इटालियन फर्म थी जिसको 5,700 रुपए रोज एक कान्ट्रेक्ट दिया गया जिस दिन से कि उसका ड्रिलिंग इन्विपमेंट इटली से आएगा उस दिन से। तो उसका कान्ट्रेक्ट 5,700 रुपए रोज का था। जब वहाँ उसको कोई काम नहीं मिला तो देहरादून में, वहाँ की पहाड़ियों के बीच में 10, 12 बैरल तेल बिखरा दिया गया। साइंस के जो स्टूडेंट्स हैं उनको पता है कि तेल निकालने के लिए किसी भी ड्रिलिंग के पहले...

SHRI ARJUN ARORA : He is addressing me instead of addressing you. What can I do?

THE VICE-CHAIRMAN (SHRI A. D. MANI) : I am addressing you, Mr. Arora. Do not disturb him.

SHRI ARJUN ARORA : Why should Mr. Prem Manohar address me? He should address the Chair.

SHRI PREM MANOHAR : I am addressing the Chair itself.

SHRI MAN SINGH VARMA : He was addressing the Chair.

SHRI PREM MANOHAR : I must like him because he is from Kanpur.

तो उस इटालियन फर्म को 5,700 रुपया रोज का दिया जाता था। वह क्या करे? पिछले चार, छः, आठ महीनों में उसके पास कोई काम नहीं था तो देहरादून में पहाड़ियों के बीच दस, बारह बैरल तेल ला कर बिखरा दिया गया और रात को वहाँ पर लोग इकट्ठा किए गए कि तेल निकला, तेल निकला। वरना जो उसका प्रोसेस है, तेल निकालने का जो प्रोसेस है, उसे सब लोग जानते हैं। ज्यो-लाजिकल सर्वे होने के बाद कोई ड्रिलिंग होती है और उसके बाद ही तेल निकलता है। लेकिन उन सारी बातों को वहाँ तक पर रख दिया गया और जो इटालियन फर्म थी, जिस को 5,700 रुपया रोज दिया जाता था, उसको वहाँ तेल निकालने का काम दिया गया और

वहापर कुआ खोदा गया और इस प्रकार वहा लाखों रुपया नष्ट हुआ ।

THE VICE-CHAIRMAN (SHRI A. D. MANI) : There are ten Members who want to speak.

श्री प्रेम मनोहर : मैं अब एक ही बात आपके सामने रखूंगा । जानसन साहब को यहां से हटाया गया है और उनको केनाल्स का इन्चार्ज बना दिया गया है । उनको बगला दिया गया है, चपरासी दिए गए हैं, कार मिली है । उनसे पूछा जाए कि क्या उन्होंने आज तक वहा की एक भी फाइल देखी है या अपनी मिनिस्ट्री, पिछली मिनिस्ट्री की जो फाइलें हैं उनको ही वे देखते और ठीक करते रहे हैं । यह स्थिति जानसन साहब की है । इसके साथ-साथ मैं एक बात और कहूंगा कि ओ० एन० जी० सी० के जो गवर्नमेंट आफिसर्स हैं, वह किस तरह से वहां के एम्प्लाइज को विकिटमाइज कर रहे हैं । मैं बताना चाहूंगा कि हमारे के० सी० जोशी, आर० पी० पाल, भारद्वाज और वर्गीज को निकाला गया है और वर्गीज को तो कई बार निकाला गया, कोर्ट के स्ट्रेक्चर के बाद वह रिऍम्प्लाइड हुआ और फिर उसे निकाल दिया गया है और आज भी वह अडर सस्पेंशन है । कोई पार्लियामेंटरी रिपोर्ट काम नहीं करती, कोई कोर्ट का स्ट्रेक्चर असर नहीं करता, कोई आडिट एकाउन्ट्स असर नहीं करता । तो इसलिए मैं एक शब्द में मंत्री जी से स्पष्टता से कहूंगा कि वे इन सब बातों से ऊंचे उठे और यह जो रैकेट है आई० सी० एस० और आई० ए० एस० आफिसर्स का, उसको तोड़े और फाइलो को खुद स्टेडी करे और अपने स्वयं डिजीजन्स ले । हम उनके साथ हैं आज भी जो गलतियां हैं, वे ठीक हो सकती हैं, लेकिन कम से कम वे आगे तो न हो । इतना ही मैं आपसे कहना चाहता हूँ ।

THE VICE-CHAIRMAN (SHRI A. D. MANI) : There are 10 speakers and the Minister expects to reply by 5-15.

I would request Members to confine their remarks to 10 minutes. Mr. Panda.

SHRI BRAHMANANDA PANDA : Mr. Vice-Chairman, there is a saying in Oriya that a known Brahmin need not put on his sacred thread. So when Mr. Chinai makes a dazzling speech and talks of making economic progress in the country, I understand for whom he speaks and what it is. I need not quarrel with him as much of the ground had been already covered by my friend, Mr. Arora. I will only point out some salient points in defence of our socialist measures and also our public sector which now stands maligned not only by the private sector people but also by some of us who are committed to socialism and the public sector in the country. Mr. Chinai gave a detailed report of the oil production in this country or that country or America. I am not allergic to America or Australia. Nearly, about 8 decades ago, a British company got concession from the then British Government for exploration of oil in this country. Now our ONGC is only 11 years old. Can you tell how much the ONGC has produced during this period and how much that company produced ?

SHRI BABUBHAI M. CHINAI : What is our requirement and in how many years you are going to fulfil it ? What is the cost which we are incurring and what the others have increased ? What are you spending on foreign exchange every year ?

THE VICE-CHAIRMAN (SHRI A. D. MANI) : You need not yield, Mr. Panda.

SHRI BRAHMANANDA PANDA : As Mr. Arjun Arora says, I believe in...

SHRI BABUBHAI M. CHINAI : If he addresses me, how can I keep quiet ?

THE VICE-CHAIRMAN (SHRI A. D. MANI) : You do not address each other.

SHRI BRAHMANANDA PANDA :
Because he has addressed me directly I cannot help it.

Now, Sir, this is the only public sector undertaking which is making a profit year after year. So it is natural that it is an eyesore to those who believe in the role of the private sector. I am not one of them. I know I cannot be a classical economist like Mr. Chinai but I am proud I am a socialist. If there is to be economic growth in the country I must know for whom that growth comes. That growth cannot come for the dark forces of the country, those big business houses who have been exploiting the country and who had identified themselves with our independence movement only to have an economic grip over the country. I am not one to go headlong with them. I certainly want that we should progress. We may commit mistakes; we are committing mistakes. I do not say that everything is right in the public sector but we have that right to commit mistakes, because we are learning to do things. We have to work hard and establish socialism in the country. Therefore whatever shouting there may be from the private sector, whatever maligning there may be from people who are individually and collectively interested in exploiting our national wealth, I am not one who would go with them because I stand solidly for socialism and for public sector.

I will only touch upon a few more points. He said that oil exploration should be given to the private sector. Tomorrow they will demand that because our guns and rifles are not good, their production should be given to the Tatas. Is this the way you are going to have economic progress in our country? I am one of those who hold that anything that is essential for the economy and for the security of the country should be in the hands of the Government and not in private hands.

SHRI PREM MANOHAR : Who and it should be in the private sector?

SHRI BABUBHAI M. CHINAI : I never said that. You kindly look into my speech.

SHRI BRAHMANANDA PANDA :
You said some of these things should be given to the private sector.

SHRI BABUBHAI M. CHINAI :
What I said was that you can give it to anybody, any country you like, and I started with Russia but what we want is crude oil.

SHRI BRAHMANANDA PANDA :
I do not know how...

THE VICE-CHAIRMAN (SHRI A. D. MANI) : Mr. Panda, you must remember that you will have to conclude within ten minutes. If you go on answering questions you cannot make your points.

SHRI BRAHMANANDA PANDA :
You see, God has given me two ears. If anybody says something I cannot but hear. As I hear you, I must also hear him. If he takes away a few minutes of my time you will have to give me more time or you ask him to keep quiet. I am a human being and cannot but hear him.

Sir, I am happy when I see Mr. Chinai. I am really glad, he dresses well, he is conducting himself well and he is clean and bright. But the unfortunate thing about him is that he always speaks for the dark forces of the country whom I do not believe in elimination or liquidation but I do want that they should be controlled in such a way that they will not be able to play havoc with the common people of our country.

Now, I will tell you how this small concern, this child of only 11 or 12 years, has been making profit all these years. Sales in million Kls of 10c are as follows :

1965-66	.	.	.	.	3.8
1966-67	.	.	.	.	4.9
1967-68	.	.	.	.	6.5
1968-69	.	.	.	.	8.1
1969-70	.	.	.	.	10.2
1970-71	.	.	.	.	11.5

SHRI BABUBHAI M. CHINAI :
What is the expenditure ?

SHRI BRAHMANANDA PANDA :
Somebody makes an investment, something is produced and something is sold. Some profit accrues. How can there be profit unless you take the capital and everything else into consideration ? It is common knowledge and I need not teach him any mathematics. Then sales value in crores of rupees is given below :

1965-66	.	.	.	.	220
1966-67	.	.	.	.	338
1967-68	.	.	.	.	431
1968-69	.	.	.	.	527
1969-70	.	.	.	.	637
1970-71	.	.	.	.	670

Mr. Chinai asked about profitability and profitability in crores of rupees is given below :

1965-66	.	.	.	.	0.89
1966-67	.	.	.	.	4.52
1967-68	.	.	.	.	6.43
1968-69	.	.	.	.	13.14
1969-70	.	.	.	.	9.81
1970-71	.	.	.	.	11.12

So, if this Corporation becomes an eyesore to the private sector people, I am not very much surprised. Now, I will tell you about the storage capacity. As on 31-3-66 it was 620,000 Kls and as on 31-3-71 it is 11,32,000 Kls. So, our achievement is more than three times in the face of stiff opposition by these three Western companies. We are facing competition at every point. This Corporation is facing competition at every point. There are two things. As Mr. Arjun Arora has pointed out, these oil people are experienced in the line. They are not only here but they are also in the West Asia region. There are politics and other things added to that, but thank God they will not play havoc in our political life here. I would request the Minister and through him

the Prime Minister that these companies should be nationalised at the earliest. When they have become a stumbling block to our progress we should remove it. In the case of Goa we liberated it. In the same way for the growth of our Corporation these three companies should be nationalised as early as possible. I have only one or two points more to make. The number of officers at the end of the year as on 31-3-66 was 751. As on 31-3-71 the number is 1,776. The number of unionised staff as on 31-3-66 was 4,777 and as on 31-3-71 it is 6,700. If the Corporation is not making profit, they ask why it is not making any profit. If it is making profit, they ask why it is not making more profit. Those people who do not contribute anything to this and who have no belief in this, for their criticism neither we nor our Government should pay any heed.

Before concluding my remarks I wish to say this. You have already rung the bell without taking into account how many minutes of my time were taken up by others. The whole burden is on Mr. Sethi to answer, but I would say that the Prime Minister should take a personal interest in this Ministry because this happens to be one of our very important Corporations. Not only in peacetime, but also in times of unrest oil is a daily need from the poorest hut to the palace, for our roads and even for our bulldozers. This has to be strengthened and if any competition or any hindrance comes in the way of its development and growth, it should be removed. I again emphasise that the foreign companies should be nationalised as early as possible.

THE VICE-CHAIRMAN (SHRI A. D. MANI) : Mr. Balachandra Menon. I would like to say that I have fixed the time for ten minutes.

SHRI BALACHANDRA MENON :
It cannot be finished in ten minutes.

THE VICE-CHAIRMAN (SHRI A. D. MANI) : I mention it because the Minister is expected to reply at 5.15.

About 1963-64, it is curious and revealing to note that after the above reports the form and character and contents of the Commercial Audit Reports undergo a dramatic change. The most important thing is the appointment of one Mr. S. B. Kabra, which makes a revealing story of the methods and manners adopted by the corrupt ICS bosses for establishing a system of mutual bargain and jobbery for achieving personal gains. This is to hush up all the attacks on them. It is pointed out by Mr. Bhattacharya, Director of Commercial Audit—

"According to the provisions of Chapter II of the Accounts Manual of the Commission the annual accounts of the projects are required to be checked by internal audit before their submission by the units to the Headquarters of the Commission. It was, however, noticed that the accounts for the year 1965-66 has been test-checked by the internal audit only in respect of nine units out of the 29 units."

Then drilling contracts and corruption there, all these things have been pointed out. Now, illegal recruitment, resignations, these things are also there. Mr. Kabra, the Audit Officer, has been recruited. Mrs. Leela Menon—I do not know who she is—has also been taken into it. I do not know why they get all these sorts of people there : It is something curious. I would therefore say that it is high time that the Government immediately decided that all these high officers at least should be asked to take leave so that the inquiry can be successful. If the Malaviya Committee wants to go into that inquiry fully, all these people should go. A high power judicial Commission...

SHRI T. V. ANANDAN (Tamil Nadu) : How would you solve unemployment ?

SHRI BALACHANDRA MENON : It will be much better at least to go into the cases. I would, therefore, demand that a Commission be set up to probe into the scandals and punish the criminal conspirators. A high power Commission of Members of Parliament should inquire into the administration and functioning of the ONGC. There should be immediate removal of people in the administration, say, the Secretary, the Joint Secretary, the Chairman of the ONGC and the Director of Administration, ONGC. These are the people who should go as also the people who are now connected with these accounts, Mr. Kabra and others. These are the immediate things to be done.

Now, Sir, I want to point out about their attitude towards labour. Whenever any worker has complained, they will see to it that that worker gets dismissed. There have been about twenty cases of dismissal here. The ONGC bosses have systematically suppressed the legitimate activities of the trade union and the office-bearers of the Union have been dismissed one after another, Mr. K. C. Joshi and 20 others.

THE VICE-CHAIRMAN (SHRI A. D. MANI) : You are quoting from some document ?

SHRI BALACHANDRA MENON : No documents, notes. And then Rs. 25 lakhs they have spent on litigation just to fight the trade unions. There is the case of victimisation of Mr. C. M. Varghese. This young man was dismissed and suspended 8 times. Always the court held that he was correct. He was taken back. Finally, he was discharged. He was not even given a charge-sheet. I want this to be inquired into. If trade union activities cannot be allowed, then what will happen ? I want a healthy trade union to come up. This is what they have done. There is no Government undertaking which is so anti-labour as this organisation. It is high time we enquire into it. Why is it that twenty of these people are being discharged ?

Sir, Mr. Triguna Sen, the previous Minister, stated that all the allegations of the Parliamentary Undertakings Committee had been referred to the Takru Commission of Enquiry. Several important things have been left out.

Sir, in the report of the P.U.C. on Sl. No. 29, paragraph 9.12 it is stated that the Parliamentary Committee reported on the Sham Inquiry conducted by Mr. N. S. Rau even after his retirement as Central Vigilance Commissioner in an honorary capacity for many years. This must be looked into. It is surprising why no other matter has been included in the terms of reference. How are we going to save this situation? I would request that foreign refineries

[Shri Balachandra Menon.]

(ii) that we seriously conduct an enquiry into the functioning of the O.N.G.C.;

SHRI BALACHANDRA MENON : Yes, they are shielding them. Even when the enquiry is going on, papers are not given; that is the charge. If that is so, let them at least remove all the old officers and put new people there, conduct the enquiry, take proper action and restore faith in the public sector. This is what we want. If you are not going to restore faith in the public sector, then you will lead the country to something else; what happened in Ceylon will be repeated here and with a vengeance. If you are not

going to change, we will have no faith in whatever you profess about the public sector, in whatever you speak about socialism. It is all fake and you will be betraying the country. You have no faith in the workers, in the ordinary people. You are only having faith in the bureaucrats. Stop that. This is what I have to say. Otherwise, face the music that will be there. You will have to face it.

THE VICE-CHAIRMAN (SHRI A. D. MANI) : Mr. Subramania Menon. I would request you to be brief in your remarks and help me to control the debate so that the Minister may reply before 6 O'Clock.

SHRI K. P. SUBRAMANIA MENON (Kerala) : Mr. Vice-Chairman, Sir, I am thankful to you for the advance warning that you have given me. But I am sure that you will bear with me when I speak a few things about this Ministry.

It is a good thing that we have decided to discuss the working of this Ministry because this Ministry is in charge of two of the key sectors of our industrial economy, namely, petroleum and chemicals. Both these sectors, as you have seen, are dominated by foreign monopoly interests. And that is the rub of the problem. The problem that faces our country to-day is the increasing grip of these foreign monopolies over the economy of our country and their trying to dictate terms to us. It is not merely an economic proposition, Sir. The problem of petroleum is also highly political. As you will recall, many Ministers have fallen because they stepped on the barrel of foreign oil and slipped. Mr. Malaviya has slipped, Dr. Triguna Sen has slipped. We know why they had to slip. It is because they stepped on the barrel of foreign oil companies. And I am sure that if our present Minister tries to stop on the barrel of the foreign oil companies, he is also likely to slip. Unfortunately, the Government in this country, which is supposed to look after

the interests of our country, has failed to safeguard our interests in these matters.

Now, I will come to only a few points concerning this. First of all, let me take this drug industry. As you know, the drug industry in our country is controlled by a dozen or so of the big foreign monopolies. For that matter in most of the capitalist countries, the drug industry is controlled by monopolies. And they are powerful monopolies, too. It is not only that they have been selling us drugs at high prices, but they have been very unconscionable and selling us rotten drugs and untested drugs, too. Let us take some of the revelations which were made during some of the United States Senate hearings on the drug industry. For example, in 1970 it was revealed in one of the Senate hearings that the American pharmaceutical companies have been selling products to developing countries—to their subsidiaries—at exorbitant prices. Here is a quotation from the newspapers—

"The practice of American pharmaceutical companies selling their products to their own subsidiaries in developing countries at dramatically excessive prices' was sharply criticised at the hearings here yesterday of the Senate Sub-Committee on monopoly and small business."

What are the facts brought out by the Sub-Committee hearings ?

"Several giant companies including American cynamid, Pfizer, Merck, Wyeth, Schering and Upjohn, were charged with selling antibiotics and other vital medicines to developing countries at rates ranging from 300 per cent to 11,364 per cent of the European competitive prices of the same product or its therapeutic equivalent."

Now, this is the sort of loot, open loot, which these American companies have been practising on this country; not only

[Shri K. P. Subramania Menon.]

on this country, in common with our country, they have been practising this loot on all the developing countries in the world.

"That this was being done through the US Agency for International Development was deplored by the Subcommittee's Chairman, Senator Gaylord Nelson."

[MR. DEPUTY CHAIRMAN in the Chair.]

This is another thing. The collusion between the American Government agencies and the drug companies was well brought out during these hearings—the loot of these American drug companies.

"When developing countries like India, Pakistan, Columbia or Chile permit the setting up of a subsidiary company of a US pharmaceutical firm, they seek USAID loan in Dollars to pay for the foreign exchange component involved. When the subsidiary is set up, the US firm sells its products to that company for local sale at 'diametrically excessive prices.'

Thus the developing country not only pays fabulously inflated prices for the drugs made locally by American subsidiaries, but also makes the payment in Dollars on which interest is paid. The country in question, therefore, suffers both ways.

Senator Nelson said that this was not 'technical aid', but a 'good, hard Yankee bargain'.

It was revealed at the hearings that American cynamid, for instance was selling tetracycline hydro-chloride to its subsidiaries in under developed countries at US \$ 230 kg. when the same product was available in Europe at about \$ 24 a kg., the difference being 1,125 per cent.

Pfizer was selling an antibiotic (redomycin) to its foreign subsidiary at \$ 350 a kg. when in Europe its cost was only \$ 24 a kg. The price mark-up in this case was 1,875 per cent.

Merck was selling an anti-histamine called dibenzo-cyclo-heptatriene pipe-

ridine to its Indian subsidiary at \$ 1,060 a kg. when a therapeutic equivalent in Europe cost \$ 20.50 a kg. The mark-up here was 5,171 per cent.

The worst case was that of Wyeth's who was selling an analgesic to us Columbian affiliate at a price 11,364 per cent higher than the prevailing prices in Europe."

"This is the sort of loot which these American drug companies have been practising on this country and also some other newly independent, and developing countries.

Here are some remarks of Senator Gaylord Nelson : "The American manufacturers of drugs are coming out well; Uncle Sam is coming out well... only the poor consumer and the poor under-developed countries we claim we are helping are coming out very poorly".

These companies have been selling us drugs at highly inflated prices. Not only that. They have also been selling us drugs which are sometimes injurious and untested also. It became known at the hearings that certain drugs whose sale was prohibited in the US were being fobbed off on developing countries without their knowledge and at arbitrary prices. I want the Minister to note this. Drugs which are not tested or which have been prohibited for sales in America have been sold to others at arbitrary prices. Thus on January 3, 1970, American Cynamid sold triamcinolone, a gluco-corticoid used in treatment of arthritis, to its Indian subsidiary—note this—for 7,960 dollars a kg. The price of a similar drug available in Europe was only 550 dollars a kg.

As you know, Cynamid has got an agreement with Sarabhai and they must be giving these drugs and many of the Ministers and M.Ps. who suffer from arthritis must be taking this medicine and killing themselves. Not only they take money from us at exorbitant rates, but they also poison us. This is the ethics of the American drug companies.

It is these companies which control the majority of drug industry in India today. What has this Ministry done to remedy this situation? Whatever action the Ministry has taken has only aggravated the situation and it has only increased the control of these foreign monopolies on our drug market.

Here is something more about these drug companies. This will show how unscrupulous, how criminal they are in their activities. This has been brought out here. More truths about price-juggling by American pharmaceutical firms as also about palming off ineffective drugs on the public are revealed in hearings on drugs in the Senate Sub Committee on Monopoly of the Select Committee on Small Business. It was revealed that while Veteran Administration purchased metrobarbital from Denmark at 1.55 dollar per 500 tablets, Carter Williams, an American firm was selling the same drug under the trade name of meprospan for 34.25 dollars for 500 tablets in America or at 2300 per cent of European prices. If the American public, what do you expect them to do to the Indian public? They will cheat us hundred times more mercilessly, more ruthlessly and more unscrupulously than they do to the American public.

Another remarkable thing about American drug companies is that they have been marketing ineffective drugs. According to Dr. Charles Edwards, US Commissioner for Food & Drugs, who gave evidence before the Committee, the prestigious US National Academy of Sciences has found that many drugs marketed in America are thoroughly ineffective.

Sentaor Hayfford Nelson, Chairman of the Sub-Committee, noted that Schering were selling mericortin for \$ 17.90 a hundred to the pharmacists while bidding the same to new York City at \$ 1.20 a hundred.

It was also stated that micro-furantin, a specific for urinary tract diseases, was sold by Eaton Laboratories at \$ 76.30 a thousand, when the same was available from foreign sources at \$ 18.50 per

thousand.

One of the most startling facts is that of the 16,000 therapeutic claims evaluated by the panels set up by the National Academy of Sciences, approximately 11,000 or 70% were found to be lacking evidence of efficacy. Dr. Edwards said :—

“Thousands of drugs introduced between 1938 and 1962 had been marketed on proof of safety alone with no obligation from manufacturers to prove the truth and validity of their promotional claims of effectiveness.”

Now, Sir, this is the sort of drug companies that are operating in India who are taking away enormous profits from this country by squeezing the poor consumer in this country who are lying sick and who are dying.

AN HON. MEMBER : MPs also.

SHRI K. P. SUBRAMANIA MENON : Yes, MPs, Ministers and all of us are victims of these American drug rackets in this country. I charge this Ministry with absolute indifference to this sort of thing happening in this country, with absolute callousness and that they have been allowing these American and foreign drug companies to exploit our country, to take away huge sums from our country, by selling ineffective and harmful drugs.

Now, Sir, I come to the second problem, the problem of petroleum.

MR. DEPUTY CHAIRMAN : Please conclude now.

SHRI K. P. SUBRAMANIA MENON : You know, Sir, the time is limited and I do not want to take much of the time. But the problem is more or less the same as in the drug industry.

What are the basic facts about this petroleum industry? As you know, Sir, we are consuming about 20 million tonnes of crude out of which about 15 to 16 million tonnes are imported. This crude comes to us at an exorbitant price. This is the central fact of the whole thing. The foreign oil companies have

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been exploiting our country, have been squeezing our country, and our Petroleum Ministry has not been able to put a stop to it. Not only that, Sir. They have got more and more embroiled into the machinations of these foreign oil companies.

Now, Sir, here is a book by one Michael Tonzer who was the Public Relations Officer of the ESSO in India. He has given some startling facts about the production costs of crude oil.

He says :

"One consumer government, that of West Germany, indeed had a set of independent estimates of crude costs prepared on its behalf in 1962. These suggested that costs up to the ocean terminal averaged about 33 cents per barrel in the Persian Gulf area in 1959. . . . It compared this estimated average cost with similar estimates of about 90 cents for Venezuela. . . .".

Then, the New York Times, reported :

"The direct production costs, including transportation to the Persian Gulf port, are about 15 cents per barrel."

AN HON. MEMBER : What is that book ?

MR. DEPUTY CHAIRMAN : Please do not interrupt.

**SHRI K. P. SUBRAMANIA ME-
NON :** The Organisation of Petroleum
Exporting Countries have expressed the
following view :

"Production costs estimated in Venezuela at over 50 cents per barrel and in the Middle East at about 25 cents per barrel."

Mr. M. A. Adelman, a leading Petroleum Expert, mentions the following:

"The average or representative Venezuelan development costs are five times the Middle Eastern and that the Middle East development-operat-

ing costs are five to ten cents per barrel."

Here is the conclusion :

The production cost might be ten cents per barrel for the Middle East. And how much are we paying? We are paying one dollar and sixty-seven cents for a barrel of oil today.

What has the Ministry done to stop this sort of loot? This Ministry has not only done nothing to stop this loot but it has also set up its Oil and Natural Gas Commission which has become a prey and which has become a tool of the foreign oil companies, and they have stopped their work. It has stopped its work for the last three or four years. Not a drop of oil has been explored by this Commission. Not only the foreign oil companies have been selling us oil at exorbitant prices but they have also got control of the machinery which was set up here to explore indigenous sources of oil. This is the sad fact today.

Then, Sir...

MR. DEPUTY CHAIRMAN: You need not read all these extracts.

**SHRI K. P. SUBRAMANIA ME-
NON :** These are important facts.

MR. DEPUTY CHAIRMAN : Please conclude within a couple of minutes.

SHRI K. P. SUBRAMANIA ME-
NON : Now, Sir, these foreign oil
 companies have been exploiting and
 interfering in the political affairs of the
 country also. Here is what Mr. P. H.
 Frankel in "Oil and Power Politics"
 says :

"In 1960s, the oil industry's relationship to the miscellaneous oil-consuming countries outside of Western Europe was still in the Dark Ages, as it were... there was no competition at all except for that between the few established major oil companies, and this, commerce being what it is, resulted in the maintenance of profit levels and profit margins which were considerably higher than they were elsewhere—even after

allowing for the substantial cost of transport and handling incurred, coupled with the comparatively small turnover. It was said, not without some justification, that the poorer a country was, the higher were the prices it paid for its oil."

Now, again, not only do we pay a very high price for our crude, Sir, but we also pay a political price also. Here Mr. Tanzer points out :

"About the time of the Soviet crude oil offer, World loans to India equalled about \$ 0.5 billion, or almost four-fifths of India's total holdings of gold and foreign exchange. Moreover, India was then drawing up plans for her Third Five Year Plan (1961-65) which envisaged about \$ 5 billion in foreign aid from the Western countries, with the World Bank expected to play a significant role both as lender and as coordinator for the Western countries. Hence, on any such critical issue as importing Soviet crude oil, the Bank would have to be influential—at a minimum in the sense that the Indian government's knowledge of the Bank's position would be a silent but powerful operative force."

MR. DEPUTY CHAIRMAN : Please conclude now.

SHRI K. P. SUBRAMANIA MENON : Five minutes more. I have been giving facts and figures which nobody else has cited.

MR. DEPUTY CHAIRMAN : You have already taken 25 minutes. Other members have also to speak. Please conclude within a minute or two.

SHRI K. P. SUBRAMANIA MENON : The foreign oil companies, through the agency of the American Government, and the World Bank, are exerting political pressure on our country also. I have got enough facts...

MR. DEPUTY CHAIRMAN : You need not read all these.

SHRI K. P. SUBRAMANIA MENON : I will conclude now, since you are persistent...

MR. DEPUTY CHAIRMAN : You have already taken 25 minutes.

SHRI K. P. SUBRAMANIA MENON : The point is : What has this Ministry done about this ? This is a crucial question. What has been its record has been one of abject surrender to the powerful foreign oil companies and the powerful drug manufacturers, both of American origin. It is because we have to surrender, because we are still depending on American aid and American doles that we cannot defy these companies or the American Government. Whenever our Government or public opinion has risen against those oil companies or drug companies, then the American Government and the World Bank have made known their ideas about these matters and have made our Government shut their eyes. This is the sorry state of affairs. We expected that the Government would have some way of producing indigenous oil.

5 P.M

I am sorry to say that the record of the ONGC during the last five years has been most shameful. They have not been able to spot out a single drop of oil on this sub-continent. If this situation goes on with the increasing crude imports, our extra payments for crude imports alone will run to hundreds of crores every year which will be a lasting and unbearable burden on our economy. Therefore, unless the Government takes energetic steps to stop our dependence on foreign countries and take over the bulk of these foreign oil companies and imports crude oil, not from the monopolists but from small companies which are willing to sell oil at much cheaper rates we cannot improve our position but because we are dependent on the big oil companies, we cannot exploit alternative sources. Therefore I suggest that the only way-out of the situation is to nationalise all the foreign drug compa-

[Shri S. P. Subramania Menon]

nies and the foreign oil companies
That is the only way.

MR. DEPUTY CHAIRMAN : Mr
Barbora

श्री जी० बरबोरा (आसाम) उपसभापति
महोदय, बाबुभाई चिनाई जी का भाषण
और अर्जुन अरोडा जी का भाषण मैंने ध्यान
से सुना। बाबुभाई जी क्या चाहते हैं वह
हम समझ सकते हैं और जरूरत हो तो उनका
जो दृष्टिकोण है उसके खिलाफ हम लड़ भी
सकते हैं। लेकिन कांग्रेस पार्टी में जो समाज-
वादी बने हुये हैं, वे क्या चाहते हैं यह समझना
मुश्किल है।

तेल का आज दुनिया भर में बहुत बड़ा
व्यापार है और तेल के व्यापार में हिन्दुस्तान
की जगह कहा है उसके बारे में हम लोगों को
सोचना चाहिये और उसकी ज्यादा अच्छी
जगह हम कैसे बना पायें उसके लिये हमें
कोशिश करनी चाहिये। दुनिया भर में 1950
से लेकर अभी तक तेल का व्यापार बहुत
ज्यादा हो गया है। 1950 में 500 मिलियन
टन फूड का प्रोडक्शन होता था। 1960 तक
वह दो हजार मिलियन टन तक पहुँच गया
और जैसा कि लोगों ने हिसाब लगाया है
है 1980 तक उसका प्रोडक्शन 4 हजार
मिलियन टन तक पहुँचेगा। इसमें यू० एस०
ए० और यू० एस० एस० आर० का करीब
करीब बराबर का प्रोडक्शन है 4 1/2
सौ मिलियन टन का। फिर मिडिल ईस्ट
में पर्शिया (ईरान), ईराक, सौदी
अरेबिया, कुवैत में हर एक का क्रूड का
प्रोडक्शन करीब 100 मिलियन टन या इससे
ज्यादा है और कुल मिला कर 450 मिलियन
टन के करीब है। इसके ऊपर नाइजीरिया
और लीबिया में भी प्रोडक्शन हो रहा है।
नाइजीरिया में क्रूड का प्रोडक्शन 501 मिलियन
टन तक पहुँचा है। और लीबिया का डेढ़ सौ
मिलियन टन तक पहुँचा। वेनेजुला का प्रोडक्-
शन 180 मिलियन टन तक पहुँचा है और

क्रूड का जो व्यापार है उसमें गरीब देश
ही क्रूड खरीदते हैं, ज्यादातर पश्चिमी
योरुप के देश और जापान दुनिया में क्रूड खरीदते
हैं। पश्चिमी योरुप में ब्रिटेन, फ्रांस और
वेस्ट जर्मनी ने गत लड़ाई के बाद अपनी
इनर्जी पावर को फिर से रिकन्स्ट्रक्ट करने
के लिए काफी कोशिश की। उस समय उन्होंने
यह तरीका निकाला था कि पहले उन्होंने
अपनी कोल इण्डस्ट्री को डवलप किया, उस
को मैकेनाइज किया और उस से ज्यादा से
ज्यादा फायदा उठाया और साथ ही साथ
क्रूड के जो सोर्सेज हैं हर देश में उन्होंने उन
को टैप करने की कोशिश की। पश्चिमी
योरुप वालों ने जब पहले तय किया कि रूस से
भी क्रूड खरीदा जाय तो उस समय पश्चिमी
योरुप के हर देश पर अमरीका का काफी दबाव
पड़ा था, लेकिन उस के बावजूद भी, ब्रिटेन ने,
वेस्ट जर्मनी ने और फ्रांस ने रूस से क्रूड खरीदने
की कोशिश की और उन लोगों ने अपनी
अपनी रिफाइनरी बनायी और बहुत कुछ
किया और जिन को अमरीकन तेल कम्पनियों
के साथ अपना सम्पर्क रखना पड़ा वहाँ उन्होंने
ज्यादा से ज्यादा दबाव डाल कर क्रूड को कम
कीमत में खरीदने की कोशिश की और साथ
पावर इनर्जी के दूसरे सोर्सेज को डवलप करने
की कोशिश की, जैसे नेचुरल गैस है।
ब्रिटेन ने नार्थ सी में और नीदरलैंड ने काफी
सोर्सेज बनाये हैं और इस का मतलब साफ
है कि उन लोगों को ज्यादा दिन तक पावर
के लिए मिडिल ईस्ट के क्रूड पर निर्भर नहीं
करना पड़ेगा और उन्होंने काफी हद तक गैस
से काम लिया है। जापान में अपना क्रूड कुछ
नहीं है, लेकिन जापान डेढ़ सौ मिलियन टन
तक क्रूड बाहर से ले रहा है और जापान के उस
क्रूड में क्योंकि गत महायुद्ध में जापान हार
गया था, उस पर अमरीकन लोगों का दबाव
था और उन्हीं की कोशिश से वहाँ पर तेल
के उद्योग को खड़ा करने की कोशिश हुई है,
तो भी जापान अपने आयल रिसोर्सेज को
कायम करने की कोशिश कर रहा है और

जापानीज आयल कंसोर्टियम एक बना है जिस ने गल्फ आफ परशिया में अपना कूड निकाला है और उस को काफी हद तक वह इस्तेमाल करता है। साथ ही साथ रूस से 15 फी सदी कूड जापान ले रहा है। तो हिन्दुस्तान की तेल के बारे में आज क्या पालिसी है इस को समझना बड़ा मुश्किल है। तेल के व्यापार में हिन्दुस्तान की यह पोजीशन है कि हम को हिन्दुस्तान में 20 मिलियन टन कूड चाहिए जिस में यहां पैदा होता है डिगबोई में डेढ़ लाख टन आयल इंडिया में 33 मिलियन टन और ओ० एन० जी० सी० में 3.6 मिलियन टन। इतनी कूड की पैदाइश हमारे देश में है। हिन्दुस्तान की अपनी आयल पालिसी बनाने की कोशिश लैट फिफटीज में हुई थी, लेकिन वह कुछ आगे जा कर रुक गयी और उस में हम आगे नहीं बढ़ पा रहे हैं। इधर तेल का इस्तेमाल देश में बढ़ रहा है और किस ढंग से हम उस का इस्तेमाल करते हैं, कितना हम को अपने उद्योग को आगे बढ़ाने के लिए कोयला चाहिए, किस तरह से हम उस को डवलप करें, किस तरह से हम अपनी हाइड्रो इलैक्ट्रिक को डवलप करें, इस सब के लिए कोई कम्प्रेहेन्सिव प्लान हिन्दुस्तान की सरकार के पास नहीं है। मैं चाहूंगा कि जल्द से जल्द कोई ऐसा कम्प्रेहेन्सिव प्लान लाया जाय कि अगले 20 सालों में हम जान सकें कि हमारी टोटल पावर इनर्जी की रिक्वायरमेंट क्या होगी और उस को हम किन रिसोर्सों से और कैसे पूरा कर सकते हैं और फिर उस के लिए कोशिश की जाय।

ओ० एन० जी० सी० की काफी चर्चा यहां पर चली है। कांग्रेस बेचेज के लोगों का कहना है कि सोशलिस्ट पालिसी उन की है और के० डी० मालवीय एक बहुत बड़े सोशलिस्ट हैं। वह जब तेल मंत्रालय में थे तो आयल इण्डिया के साथ एक एग्रीमेंट हुआ था। आयल इण्डिया लिमिटेड के साथ 1958 में एक प्रमोशन एग्रीमेंट हुआ और उस के बाद

1961 में सेकिड सप्लीमेंटरी एग्रीमेंट बनाया गया था, जब कि के० डी० मालवीय साहब तेल मंत्रालय में थे दुनिया में कोई भी देश जो कि बाहर से तेल खरीदता है वह हर साल कुछ ऐसा नया एग्रीमेंट बनाने की कोशिश करता है जिससे कि देश का फायदा हो, कूड का दाम कम किया जाय और विदेशी कम्पनियों को अगर खत्म नहीं कर सकते हैं, तो कम से कम उनकी रोकथाम तो हो लेकिन आयल इण्डिया के बारे में हम देखते हैं कि फर्स्ट प्रमोशन एग्रीमेंट जो 1958 ई० में हुआ था उसके बाद 1961 ई० में जो सेकेड सप्लीमेंट एग्रीमेंट हुआ उसमें बमुक़ाबिले पहले के विदेशी फ़िरंगी कम्पनी को बहुत ज्यादा सुविधा दी गई है। आज डिगबोई से जो प्रोडक्शन होता है उस कूड आयल को ब्रिटिश कम्पनी को 17 रुपये 65 पैसे के हिसाब से दिया जाता है जब कि उसका वेल-हेड कास्ट 48 रुपये का है और इधर वही तेल पब्लिक सेक्टर की रिफायनरीज, को गौहाटी और बरौनी 120 रुपये के दाम में बेचा जाता है। अब यह देखिये कि महान समाजवादी के० डी० मालवीय के जमाने में विदेशी फ़िरंगी कम्पनी के साथ एक ऐसा संशोधित एग्रीमेंट हुआ जिसके जरिये यह है कि आयल इण्डिया लिमिटेड की ओर से नहरकटिया एरिया में जो कूड आयल का प्रोडक्शन होता है जिसका प्रोडक्शन कास्ट 348 रुपये पर टन है और जिसको पब्लिक सेक्टर रिफायनरीज को 120 रुपये टन में खरीदना पड़ता है वही आसाम आयल कम्पनी को आसानी से 17 रुपये 65 पैसे टन में मिल जाता है और यह आयल इण्डिया कम्पनी कौन है। आयल इण्डिया में आधा हिस्सा बर्मागेल कम्पनी का है और आधा अपनी सरकार का है।

उसी आसाम में हम देखते हैं कि ओ० एन० जी० सी० का कुछ काम होता है। काफी दिनों पीटा गया था कि ओ० एन० जी० सी० को वहां कुछ इलाके में तेल मिला है लेकिन बाद

[श्री जी० बरबोरा]

में देखा गया कि गत वर्षों में ओ० एन० जी० जी० सी० वह तेल न निकाल पाई। इसकी और भी वजह है और वह यह कि तेल का जहां पोटेंशियल इलाका आसाम में है वह लोअर पटकाइ रेंज आन दिस साइड आफ दि कन्ट्री है और पटकाइ रेंज जो बर्मा में है उधर भी तेल काफी है यह बहुत लोग समझते हैं लेकिन उस तेल को निकालने की कोई कोशिश नहीं होती है क्योंकि ओ० एन० जी० सी० के ऊपर और आयल इण्डिया के ऊपर फिरंगी तेल कम्पनी के लोग, विदेशी तेल कम्पनी के लोग बैठे हुए हैं, विदेशी तेल कम्पनी के स्वार्थ को पूरा करने के लिये ओ० एन० जी० सी० का इस्तेमाल होता है और इसीलिये ओ० एन० जी० सी० नहीं चाहता है कि आसाम में कोई तेल निकले और आयल इण्डिया की भी वही हालत है। तो कम से कम ओ० एन० जी० सी० को तो सुधारा जाय। आयल इण्डिया के बारे में गवर्नमेन्ट की कमेटी की रिपोर्ट है, लोक सभा की कमेटी की भी रिपोर्ट है कि आयल इण्डिया आसाम इलाके में कोई ज्यादा तेल निकालने में इंटरेस्टेड नहीं है। आयल इण्डिया को इसमें कोई इन्टरेस्ट नहीं है और इसीलिये मैं कहता हूं कि अगर पूरे आयल इण्डिया को सरकार के हाथ में नहीं ले सकते हैं तो कम से कम जो 1866 वर्ग मील का डुमडुमा-निगर एरिया का जो लीज मिला हुआ है वह लीज का एरिया ओ० एन० जी० सी० के जिम्मे में ले लिया जाय और उसके जरिये वहां ज्यादा तेल निकालने की कोशिश की जाय।

ओ० एन० जी० सी० के काम करने के तरीके के साथ साथ मुझको वहां मजदूरों के साथ जो दुर्व्यवहार हो रहा है उसके बारे में भी कुछ बोलना है। आज हम देख रहे हैं कि सारे हिन्दुस्तान में प्राइवेट सेक्टर से भी ज्यादा खराब हालत मजदूरों की पब्लिक सेक्टर में है। प्राइवेट सेक्टर में कुछ होता है तो हम सभी वामपन्थी पार्टियां वहां कूदती हैं, उनके ऊपर

सरकार के लेबर आफिसर, लेबर कमिश्नर और जितने एजुकेशन बोर्ड हैं सब वहां पहुंच जाते हैं और कुछ फैसला, हल निकल भी जाता है और नहीं निकलता तो हड़ताल होती है लेकिन ओ० एन० जी० सी० में हालत क्या है। ओ० एन० जी० सी० में मजदूर लोग जो संगठन बनाए हैं उस संगठन के जरिये अपनी मांग हासिल करने की कोशिश की, हड़ताल हुई, तो जिन लोगों ने हड़ताल किया था उन लोगों को आश्वासन भी दिया गया था जैसे कि देहरादून में ओ० एन० जी० सी० की हड़ताल मई, 1967 में हुई, अशोक मेहता जी तब तेल मंत्री थे और अशोक मेहता के आश्वासन से मजदूरों ने हड़ताल वापस किया और यह लिखित कण्डीशन रही, लिखित कण्डीशन अशोक मेहता साहब ने दिया था कि देयर विल बी नो विक्टि-माइजेशन। उसके बाद वहां विक्टिमाइजेशन-शुरू हुआ। श्री के० सी० जोशी वहां की मजदूर यूनियन के नेता थे, उनका विक्टिमाइजेशन किया गया। साथ ही साथ तमाम मजदूरों का विक्टिमाइजेशन किया गया। मजदूरों ने उसके बाद भी लड़ाई लड़ी। कुछ लोगों को रीडिस्टेंट भी किया, लेकिन के० सी० जोशी जो वहां के मजदूरों के प्रमुख नेता थे उनको अभी तक काम में वापस नहीं लिया गया। साथ ही साथ वहां का एक बहुत ही ईमानदार आफिसर था जिस पर देश को गर्व होना चाहिए, वह आर० पी० शर्मा चीफ इंजीनियर, मेकेनिकल, वहां रहा, तो श्री आर० पी० शर्मा को जानसन साहब की तरफ से और एक ब्रिगेडियर व्यास कोई एडमिनिस्ट्रेटिव्ह आफिसर है उनकी तरफ से बोला गया था कि किसी तरह से इनको निकालो। आर० पी० शर्मा ईमानदार आदमी था, वह सिर्फ ट्रेड यूनियन एक्टिविटीज के लिए कोई आदमी को काम से निकालना उचित नहीं समझता था इसी बात पर आर० पी० शर्मा को रेवर्ट किया गया। श्री आर० पी० शर्मा के बारे में जब वह पहले भाकड़ा नांगल में

काम करते थे तब पंजाब गवर्नमेंट की तरफ से सर्टिफिकेट मिला था कि उन्होंने देश के लिए बहुत बढ़िया सेवा की। लेकिन उनको मुपरसीड करके जूनियर आफिसर को रख दिया गया और सिर्फ इसलिए कि उन्होंने श्री के० सी० जोशी को काम से निकालने में इन्कार कर दिया हम वास्ते उनको रिवाट कर दिया।

श्री उपसभापति : आपके पन्द्रह मिनट पूरे हो गए हैं।

श्री जी० बरबोरा : मुझे आर बहुत से स्कैन्डलम के बारे में बोलना है। सी० बी० आई० की रिपोर्ट में बताया है।

"It is alleged that certain officials of a public undertaking showed undue favours to a company by purchasing from it the tea estate considered unsuitable at an exorbitant price of Rs. 24 lakhs with an additional recurring liability of employing 46 employees of this firm. The case is under investigation."

उसमें आगे कहा है :

"It is alleged that certain officials of the same undertaking acquired the drilling sites at Lakwa Tea Estate by paying compensation to the tune of Rs. 22 lakhs."

यह जिस कम्पनी का जिक्र है, यह ओ० एन० जी० सी० के इलाके में आसाम टी कम्पनी है। आसाम टी कम्पनी आसाम में ही नहीं सारे हिन्दुस्तान में सबसे पुरानी ब्रिटिश कम्पनी है। 1839 में उस कम्पनी की नींव डाली गई थी। उस कम्पनी के साथ ओ० एन० जी० सी० आफिसरों की साठगाठ हुई और एक तालिया साहब हैं जो लाक्वा चाय बागान के मालिक हैं और आप जानते होंगे हिन्दुस्तान के एक प्रमुख उद्योगपति हैं, जो कि लोक सभा में कांग्रेस एम० पी० भी रह चुके हैं, तो तालिया साहब फिरंगी चाय कम्पनी के मालिक और भ्रष्ट आफिसरों के मिलकर लाखों रुपए

मुआवजे के रूप में दिए हैं, इसके बारे में बहुत बड़ा इल्जाम है। इसके बारे में सरकार क्या कार्यवाही कर रही है और भ्रष्ट आफिसरों के खिलाफ क्या कार्यवाही की जाएगी इसके बारे में भी मैं मंत्री जी से जानना चाहूंगा।

श्री उपसभापति : अब आप बैठ जाइए। श्री अलवा।

SHRI JOACHIM ALVA : Sir, I may not have taken part at all in this debate because I was really not prepared but for the aggressive exposure on behalf of the big business made by the esteemed gentleman Shri Babubhai Chinai. He wants us to go on the side of America, he wants to bring America here. I would like to quote the great statement of Mao Tse-tung who said that they do not owe a single farthing to any country now including Russia. They started their road to freedom at the same time as we started ours. You know the Americans hated them like poison and yet their reporters in Newsweek and Time in April 1967 have commended that their country is a unified country free from poverty altogether. When these two newspapers have given such a testimony about their economic strength and absence of poverty, I want to know what is our position. Are we going to be taken in by the American suckers? America has fomented so many revolutions in South America to have their own way for oil. Here I would mention that I had the honour of meeting Mr. Keafauver, once a Presidential candidate of America. He made a terrible report about the high prices of medicines in America. Mercks Company was blacklisted in America, and this company is represented by our Sarabhai Chemicals. The Russians offered to put up a pharmaceutical plant for us so as to make this industry for medicines self-sufficient but it was sabotaged by vested interests in India. I have been for twenty years a Member of Parliament and have got a very clean record and no one has till this day accused me of lack of integrity. We want our right Patriotism is

[Shri Joachim Alva.]

our highest standard, and we shall see that our country is well stocked with good medicines. What is the state of our country in respect of oil? The industry is in a good working condition. That great man Jawaharlal Nehru was the father of Indian oil industry's development. He had a unique partner, Mr. Malaviya. I have seen Mr. Malaviya's wife. She is a poor lady, Mrs. Malaviya. I have seen her working on an acre or two of land outside Delhi running a chicken farm. Whose wife has done that? She never made money. Mr. Malaviya produced oil under the aegis of Jawaharlal Nehru. I want to know—how many wives and sisters and brothers-in-law of these bloody black-marketeers, whose dames draw a monthly salary of Rs. 5,000 and above do like that? Here is Mr. Malaviya whose wife has been running a chicken farm, selling eggs. Mr. Malaviya is one of our great patriots. We got also a very good Minister in . . .

SHRI PREM MANOHAR : But she has got an air-conditioned chicken farm.

MR. DEPUTY CHAIRMAN : Please do not interrupt.

SHRI JOACHIM ALVA : I want to know whether your wife would touch the chicken.

We have got a Minister now, a young and charming man, I hope he will be as strong as he is charming. I hope he will look into the problem. He is one of our talented Ministers coming up and I want him to take care of the results in the Oil and the Pharmaceutical Departments.

My friend said that I had been telephoning. I have a telephone at my bed-side. You can ring me up at two in the morning. I will not ask, who are you telephoning me now? I was the first man to blacklist 13 foreign companies in 1952 wherein there were not enough Indian executives on even Rs. 1,500/- p.m. Mr. Deshmukh, the then Finance Minister, said : "Keep

your hands off as we want money". I said, "No." No paper published my speech. My paper suffered. I rang up Mr. Wenzel, Managing Director of Firestone and asked why they had stopped their advertisement in my paper. But I must pay a compliment to Mr. Wenzel, foreigner. He rang me back three times. I was not in office. This I want to mention to show what courtesy the Europeans or Americans have got as against India's big, be . . . eg Businessman. When I ceased to be an MP for one year, I rang up the Indian Oil Corporation's Public Relations Officer, a *bachhu*, Mr. Ranganathan. He would not take up the phone. Taking up the phone, accessibility to phone, is the most important point. You may recall when the old ICS man took up the phone, they usually said, "I am so and so, or I am Bhat. Iyenger" etc. Sir George Abell, Private Secretary to then Viceroy Lord Wavell, was rude to me over the telephone. I gave it back to him. I never spared him thereafter. Lord Mounbatten's Press Attache, Mr. Johnson, asked me why my paper was rude to him. Sir George Abell was the brother-in-law of Lord Butler. We want many of our public relations to be settled on the phone and not through conferences as officers state when we want them on the phone. We must talk to everybody. On the telephone we must be ready to speak during 24 hours. You must speak.

Now, Sir, I would talk of fertilisers. It is a very huge business. The total money invested in that is as much as oil. It is going to be as important as the oil business. Now, Sir, I want to point out how much money the foreign pharmaceutical firms are putting into their business. The Turnover (Sales Main Income) for 1969 for Parks Davis has been Rs. 655.99 lakhs. Merck—Sharp & Dohme had Rs. 531.23 lakhs. Glaxo Laboratories had Rs. 2691.26 lakhs and Pfizer had Rs. 1589 lakhs Turnover in 1969. These four large foreign companies in India had a Total turnover in 1969 of a sum of Rs. 5467.94 lakhs. . . .

over ? Whose grandfather has got this money ? We are given only rotten medicine, dumped on our wives/children and ourselves, which medicines have been blacklisted in America. The Russians wanted to help us in setting up a pharmaceutical plant. We are grateful to the Russians for helping us to bring out oil also. They said you touch any part of the country and it will produce oil. We are grateful to the Russians and the Rumanians for exploring oil for us, not the Americans or the Australians who want to suck us dry. Australians are dependent on America for their politics and industry.

Sir I was a member of the first Business Advisory Committee of Air-India appointed by then Prime Minister, late Shri Lal Bahadur Shastri, along with late Mr. Harischandra Mathur, and sent on the Air-India to Australia and Africa.

MR. DEPUTY CHAIRMAN :
Please conclude.

SHRI JOACHIM ALVA : I have gone abroad nearly six times on my own. Four times I was sent by my Government to the U.N. and also to East European countries on the Kashmir issue. I went as the Sole Indian Delegate to the Commonwealth Parliamentary Conference from the Lok Sabha. Quite a few foreign Ambassadors have offered me trips abroad which I have refused. Mr. Lal Bahadur Shastri, the late Prime Minister, sent me with Shri Malaviya and others to East European countries on the Kashmir question. And here Shri Babubhai Chinai is making allegations against me. Big business does not want us to speak independently. They make allegations against us. This blackmailing must stop. It is for the first time in my Membership of Parliament that some one has made allegations against my integrity. Shri Chinai made allegations that I had made free foreign trips. Mr. Deputy Chairman, most of them were on my own.

Now in regard to caustic soda, I have something serious to say. A recent development has occurred in my consti-

tuency of Mysore State. A blackmarketeer has come into my constituency. North Kanara is a place where people could live on Rs. 2-3 a day, and my wife who is no more was very keen to stay there as it was indeed cheap. Now, the Thapars, who have been running the Shri Gopal Mills and later brought the Greaves and Cotton Co. and have gone elsewhere with their industrial projects, have now been given permission by the Mysore Government to run a caustic soda plant whose outlay will be over Rs. 15 crores near Karwar. The Thapars command a hundred crore assets and are within the first ten industrial grants. My paper, Forum, has bought paper from them in the old days during the war and immediately thereafter at black market rates, and they must have had a large number of customers of that type bigger than ourselves. The Forum has spent quite a few lakhs of rupees on black market paper. They will not only aggressively increase the cost of living in Karwar but also buy up the politicians there. They are also going to take up 6,000 acres of land which Government will requisition for them and thus heighten the misery of the people. This is in addition to what the Somanis have got in running up the West Coast Paper Mills from which they have made enormous moneys. They are ready to buy dairies and put up a building of several, several floors on Bombay's luxurious Back Bay. They bought up the Eve's Weekly and now they have bought up the largest press of Bombay, the Caxton Press. Where does all this money come from ? They tap vast forest lands in North Kanara. I had always opposed the entry of private sector not only in the North Kanara district but in my entire Mysore State where the industrial pioneers of Mysore headed by Shri Visweswaravva, ran big useful industries. Caustic soda should, therefore, come into the public sector because those in the private sector are appropriating huge amounts at the cost of the public. Let us take the Chinese lesson though we hate the Chinese for having invaded us. But we cannot overlook their achi-

[Shri Joachim Alva.]

cements during the last 20 years. I must refer to a very serious matter in regard to China. Their independence and our independence have simultaneously run together for twenty years. The recent statement of Mao Tse-Tung that they do not owe any money to any foreign country, specially Russia, should put us on our guard about our own affairs. Above all, Americans who have hated the Chinese, their journalists have now proclaimed to the world through Newsweek and Time in their issues of April 25, 1971 that the Chinese are a more solid race than any race in the world at present and that there is no poverty there. What do you do with your huge mounting debts? We must throw off our debts and the charity must begin at home. As a practising Catholic I would say neither the Catholic nor the Protestant Church should be allowed to receive any foreign money after one more year. Before I had sit in three years when the Prime Minister and the Home Minister Chavan were present. So also our country should not receive any money after a period of three long years.

Sir, oil is a very important part of our economy. Iran wants to help us. The Shah of Iran is in an exceptionally good mood towards us in regard to industrial co-operation with us and wants to extend as many facilities as he can in regard to oil. He wants both the British and Americans to be out of his land where oil is concerned and make Iran a self-supporting independent country in regard to its economic resources. We must also co-operate with Saudi Arabia and Kuwait for oil for our mutual benefit. They are producing huge quantities of oil which the foreign countries are exploiting. We do not want foreigners here to run anything for us. We do not want the Americans or the Britishers to run or own any oil business in this country, either exploitation or distribution. I had been to the Iraq oilfields and I have also seen the Gauhati Refinery started by the Rumanians. I have also been into the Ruma-

nian oilfields. We should copy from the British concern of Burmah Shell Refinery in Bombay, one of the best industrially managed concerns of India.

(Time being up.)

MR. DEPUTY CHAIRMAN : That will do. Please wind up.

SHRI JOACHIM ALVA : I have to go to the meeting of the Governor of Mysore just now where most of these matters will be taken up, especially Thapars Caustic Soda business.

MR. DEPUTY CHAIRMAN : Please wind up.

SHRI JOACHIM ALVA : I am grateful to you. But you always interrupt me. Shri Babubhai Chinai mentioned at the A.I.C.C. after 1967 when the Congress High Command, headed by the Prime Minister, were there that I could not get any money from the Banks when I spoke for bank nationalisation. He jeeringly said that I could not get any money from any bank. I retorted to him immediately that I had obtained considerable credit on a mere telephone call without any guarantee, clean overdrafts from the best British and Indian bankers. Shri Chinai is the same gentleman who handed over a letter to a fellow M.P., may be directly or indirectly, in the Lok Sabha during the abolition of Privy Purses Bill, which stated that he had given large donation for National Herald and then dragged the Prime Minister. Who am I? He is out to go for big fish and then gets caught! That is most ungraceful. If you give money to "National Herald", you have no business to let it be raked up in the Lok Sabha. This is most ungraceful.

MR. DEPUTY CHAIRMAN : Mr. Chitta Basu

SHRI BABUBHAI M. CHINAI : Mr. Deputy Chairman, Sir, in my encounter with Mr. Joachim Alva, I find that I had used language which no Parliament member can use to a colleague. Therefore, I would like to withdraw my observations and I express my sincere regret.

SHRI JOACHIM ALVA : Thank you very much. I withdraw my words.

SHRI A. D. MANI : Sir, the Minister may reply at 6 O'Clock. Some of us want to speak.

MR. DEPUTY CHAIRMAN : He will reply at 5-45 Mr Chitta Basu.

SHRI CHITTA BASU : Sir, at the outset let me put on record that after all the Government of India has got an Oil Policy of its own which has of late emerged and it has emerged in the teeth of opposition from the vested interests in our country in the teeth of opposition from international oil cartels, in the teeth of opposition from the Western imperialist countries. But the Oil Policy which has emerged suffers from some infirmities, weaknesses and drawbacks. While appreciating the Government of India's policy with regard to oil, it is quite necessary, and I feel it is quite imperative, for us to point out its infirmities weaknesses and drawbacks also.

Before discussing all these things in greater detail, I should say that I am quite in agreement with Mr. Balachandra Menon in particular who said that our country even to-day suffers from lack of a firm fuel policy. There may be some kind of an Oil Policy, but it is not based on a firm fuel policy. We have got some refineries in the public sector. There is an effort on the part of the Government to continue the search for crude. At the same time, there are refineries in the private sector. Now the main question is that in view of the fact that we have not yet produced more than 7 million tonnes of indigenous crude, it is quite necessary for our country to continue for a few years more to import crude from other sources. And import of crude necessarily entails a heavy drain on our foreign exchange. I have got figures, but due to paucity of time, I do not want to give much of figures. But it appears to me that right from the year 1967-68 on an average, we have spent

Rs 100 crores on the import of crude. And if we take into account our requirements for the year 1974-75, I think the import would be of the order of Rs. 220 crores. Our country cannot afford such a huge drain on foreign exchange. Now, we have not got also unlimited reserves of oil in the country, as in the Middle East, Kuwait and other parts of the world. We have got some limit to our oil reserves. As far as figures are concerned, the reserves of oil in our country are around 126 million tonnes. But the demand for oil will be continuously on the increase because of the advance in the economy, in transport and commerce. Therefore, it is quite natural on the part of the Government to see that we attain self-sufficiency in the matter of crude in the country. But merely by using petroleum or oil as our main source of energy, I think the problem cannot be solved in the proper way, in the national interest. Therefore, the Government should see whether we can have a comprehensive, integrated fuel policy indicating the share which has to be borne by other forms of energy like hydro-electric power

SHRI K. P. SUBRAMANIA MENON : Cow dung.

SHRI CHITTA BASU : My friend mentions cow dung. It is not merely the question of cow dung. There are other kinds of dung. So we have got immense possibilities of coal. We can use coal even for the purpose of energy, not only that, even for the purpose of the manufacture of fertilizers. Why should we not rely more and more on the coal-based fertilizer? Some start has been made. But I would urge upon the Government, particularly, the Minister, to see as to how we can widen our area in the matter of coal-based fertilizer. We should not always rely on petroleum as such. That being the case I would urge upon the Government really to formulate a comprehensive, integrated, fuel policy by the pursuance of which we can lessen our dependence on the imported crude oil while at the

working

chemical

[Shri Chitta Basu.]

same time expanding our own indigenous crude oil in our country.

The second point which is very intriguing for me is that the oil policy that has so far emerged has been in the teeth of opposition from oil cartels, from vested interests, of our country. I am surprised to find that the policy of capitulation on the international oil cartel has not yet been ended nor has there been any commendable effort on the part of the Government to see that our dependence on the international oil cartel is speedily ended. I would refer to the role of the private foreign oil companies in our country. My grievance against the Government is that instead of launching a more and more vigorous attack on the entrenchment of private foreign oil companies, the Government of India are allowing them concessions after concessions and they are deriving profits, they are repatriating their profits, they are expanding their capacity at the expense of the public sector oil enterprise in our country. For your information I simply want to point out certain facts. One. Despite the growth of the oil industry and refineries under the public sector, the private foreign oil companies which are the limbs of international oil cartel, are being allowed to perpetuate their strength on the oil economy of our country. This I say because I find that they are strengthening their hold on the market through direct and indirect methods. The Morarka report is nothing but a hoax played on the nation in the name of setting right the imbalances in the distribution apparatus. Under the plea of removing imbalances in the distribution apparatus we have allowed particular concessions to these private foreign oil companies to continue the distributive channel otherwise, and that also at the cost of the public sector oil industry. Secondly, in spite of the setting up of new refineries by the IOC the total production of the private foreign oil companies, the private oil refineries, has increased. It was 5.65 millions in 1961 and it reached 7.55

millions in 1966. While we have got our own public refineries, we have also allowed these private foreign oil companies to increase their capacity. Why is this so? These foreign oil companies have increased their production beyond the licensed capacity. And our Government has not got the guts to say that they should not increase the production beyond what is permissible under the licence. Again the OPEC has further strengthened the position of the private foreign oil companies. Instances there are many. I do not want to mention all those things now. But the intriguing thing is this that they have earned profits of a fabulous nature. I have got figures to show. Burma-Shell earned profits of Rs. 3,426 lakhs during the period 1954-64 ESSO Rs. 1,213 lakhs and Caltex Rs. 427 lakhs. This is the profit they have earned in our country. What is the amount of money they have repatriated? Burma Shell has already repatriated during the period of 1954-64 Rs. 35,000 lakhs, ESSO—Rs. 24,390 lakhs; and Caltex Rs. 14,106 lakhs. These are old figures. The current figures will be much more than what I have quoted.

MR. DEPUTY CHAIRMAN : Please conclude now.

SHRI CHITTA BASU : One point I want to bring to the pointed attention of the Minister. During the time of Pandit Jawaharlal Nehru a decision was taken that the Reserve Bank of India should submit periodical statements to the Prime Minister giving details of the amount of money repatriated to the international cartel. Has the Reserve Bank of India submitted any such statement of this nature or does the Government possess any information as to the amount of money which has been repatriated by these foreign private oil companies?

MR. DEPUTY CHAIRMAN : Shri Panda.

SHRI CHITTA BASU : Only one more point. As my friend Shri Arjun Arora has mentioned, time is running out and we should not lose a moment's

time for nationalising these foreign oil companies in our country. It is in the nation's interest. It is in the interest of placing our country on the road to self-sufficiency. This is in the interest of freeing ourselves from these international cartels. If the Government of India is thinking in terms of joint partnership or joint sector, that will be nothing less than betrayal of our people and the country.

MR DEPUTY CHAIRMAN : Shri Panda.

SHRI CHITTA BASU : One word about the Takru Commission.

MR. DEPUTY CHAIRMAN : This is a new point. Please conclude.

SHRI CHITTA BASU : I am one of the Members of this House who have taken pains to try to bring to the attention of the Government the irregularities which were being perpetrated in the Haldia-Barauni-Kanpur pipeline. The importance of the pipeline should be understood properly. This is an exclusively defence-oriented project and in this some international companies were involved and a gang of senior ICS bureaucrats were also involved. Therefore, a Commission has been set up. I, along with other forty-eight Members of Parliament, made a representation to the Prime Minister expressing our apprehension that unless appropriate steps to remove those involved officers from vantage positions, are taken by the Petroleum and Chemicals Ministry, this inquiry will not be fair, complete and truthful. The question was also raised sometime back when Dr. Triguna Sen was the Minister in charge of this Ministry. He is on record to say that all the papers and documents and files were in safe under PUC. There has been a battle for files in the Takru Commission and I am ashamed to say that the Petroleum and Chemicals Ministry does not want to produce all the files they require for their examination. I am told that they have produced only dummy files. Is it appropriate? I would suggest that the Government

should take appropriate steps and all precautionary measures to see that all the papers and documents necessary for the successful examination of the irregularities indulged in by big officers should be made properly available to the Commission.

MR DEPUTY CHAIRMAN : Please sit down.

SHRI CHITTA BASU : My second point, Sir, is . . .

MR. DEPUTY CHAIRMAN : No please. Mr. Panda, please.

SHRI CHITTA BASU : Sir, one minute.

MR DEPUTY CHAIRMAN : No please. I have given you the maximum latitude.

SHRI CHITTA BASU : Just one minute, Sir.

MR. DEPUTY CHAIRMAN : No, one minute. I have to call him. I have already given you enough time. Yes, Mr. Panda.

SHRI K. C. PANDA (Orissa) : Mr. Deputy Chairman, Sir, before going into the controversial matters, I have got certain suggestions to make about this particular Department and I hope the Minister will oblige me with his reply and also assurance.

Sir, drilling in the eastern coast of India, particularly in Orissa, has been suggested and agreed to by the Department and there were several discussions in this House and in the Lok Sabha also but it has never been taken up. My suggestion is that it should be taken up after the report of the Geological Survey of India is submitted. Perhaps it has already been given or taken into consideration. One thing I want to mention here. In Orissa, there is a river called the Tel and it is a tributary of the Mahanadi in whose basin the local people as well as the government officers have already found and reported to the State Government as well as to the Central Government

[Shri K. C. Panda.]

that oil is likely to be available there. So, I would request the Minister to get the investigations done. So long as crude is imported. Paradip is considered to be the best area to be utilised as it is the deepest sea port in India. If a refinery is set up there, it would be the cheapest and cost would be the cheapest and I would suggest that so long as crude is being imported and when we hope that the coastal areas of Orissa will have oil very shortly, a refinery is to be started in Paradip area in order to develop that area and also the hinterland.

Sir, Dr. Triguna Sen laid the foundation-stone of the Talcher coal-based fertilizer factory in March 1970 and we were glad to know from the experts that within two years the fertilizer factory was to work. But, till now no construction work has been started.

SHRI BABUBHAI M. CHINAI :
The foundation-stone is there.

SHRI K. C. PANDA : Yes, it is there, of course. But the great controversy between the Centre and Orissa is regarding the lands. That has also been done. The Chief Minister gave the brass sheet surrendering the lands to the Centre the same day and till now we have not heard anything except what we hear from the papers in Orissa.

Sir, have my own personal experience. Some officers are being appointed for the Fertilizer Corporation of India by ignoring the claims of the local people. I would warn the Department here that if such things go on and if cent per cent of the lower category employees drawing below Rs. 500 p.m. are not appointed from among the local people and also if a major percentage of technical and other employees in higher and middle categories are not appointed like this, then, the Centre will be responsible for the consequences, because the question of unemployment has been brought to such an acute stage that no people, no group or no section or no State will tolerate injustice if it is done to the people at

large. Sir, so far as the Talcher fertilizer factory is concerned, I would like to mention how far it is necessary and here I agree with Shri Chitta Basu who has elaborately told about the necessity of fertilizers in this country. Orissa happens to be one of the States which, in spite of droughts and cyclones, has supplied food to the neighbouring States as well as other States of India. I need not mention all these things.

Then, Paradeep was considered by experts as the only place suitable in that area for a Naptha-based fertilizer factory. But our Socialist Government, although they have suggested that a public sector undertaking should be taken up there and although some private sector people were the applicants, have not been able to lay the foundation-stone of the public sector even now . . .

SHRI ARJUN ARORA : You want a foundation-stone ?

SHRI K. C. PANDA : Then we will go on pressing just as you are doing. You know that this Government will not do anything without pressure . . .

MR. DEPUTY CHAIRMAN :
Please conclude now.

SHRI K. C. PANDA : Lastly, Sir, I would mention about another public sector undertaking, which, as the hon. Minister is perhaps aware, has applied for a nylon factory in Orissa. There is no nylon factory on the eastern side; always licences are being given on the western side only. In nylon, it is hoped that 200 per cent profit is derived. But this public sector undertaking— I.D.C. of Orissa—has not been given the licence to start a nylon factory in Orissa.

Then, I come to the ONGC scandal, which is appearing in certain dailies and weeklies of our country. This is called a scandal; I do not know what is the scandal . . .

MR. DEPUTY CHAIRMAN :
Please conclude now.

SHRI K. C. PANDA : Senior officials asked for tenders and gave an order for some barrels to be prepared. And the condition was that 70 per cent still to be supplied by Government is to be utilized for manufacture of barrels. That order was previously placed on some Bombay firm and then another Calcutta firm was asked for supply of 3 lakhs barrels. The imported steel sheets to the tune of 11,000 tonnes had been asked for by the Petroleum and Chemicals Ministry. The Industrial Development Ministry found on scrutiny that 51,000 tonnes of steel imported for barrel purposes, supplied earlier, was not utilized for the purpose. They did not supply even this 11,000 tonnes. And now we hear from the papers that this Ministry is going to pay compensation to the suppliers to the tune of 33 lakhs of rupees for not supplying the sheets . . .

(Time bell rings)

Lastly, my colleague, Mr. Panda, said in this House that in certain years the ONGC had made profits . . .

SHRI BRAHMANANDA PANDA : I am sorry. Indian Oil Company.

SHRI K. C. PANDA : All right, Indian Oil Company.

SHRI CHITTA BASU : By selling oil at what price ?

SHRI K. C. PANDA : I have to mention certain facts which are already reported. It has earned profit in distribution only. But the shortcomings reported and cited by the hon. Member, Mr. Chinai are that in certain years certain sums amounting to lakhs and crores of rupees have not been accounted for and, I presume, will never be accounted for. I presume, according to the accounting procedure, that amount which is carried on as suspense account from the expenditure has gained the profit. The expenditure has not been taken into account.

SHRI BRAHMANANDA PANDA : Mr. Panda, you are an old man. Do not support Mr. Chinai.

SHRI K. C. PANDA : I am neither supporting him nor am I supporting you. I am only speaking of certain accounting procedures so far as I know. If it is correct the Minister would give us a correct figure. If it is true then he must admit.

All these things are to be taken into consideration and I hope the Minister will correct the department with all the enthusiasm at his command. And lastly . . .

MR. DEPUTY CHAIRMAN : Please conclude now.

SHRI K. C. PANDA : Only one word, Sir, excuse me.

MR. DEPUTY CHAIRMAN : You have been saying "lastly, lastly".

SHRI K. C. PANDA : I know Mr. Malaviya has been appointed as Chairman of an inquiry Commission. Much has been said about him in this House. I know he is a very straightforward man, but with all his dirt in this oil company—dirts of oil rather—as Mr. Johnson has been sent to the Irrigation Ministry to wash out the dirts of oil by water, Mr. Malaviya is appointed as Chairman of this commission to wash out the dirts of his Ministry when he was the Minister. I hope the Government will reconsider the matter. And I also appeal—I do not know Mr. Malaviya personally—to him through you Sir and the Minister, if he is really a good socialist he should resign from the Chairmanship and stay away and see the results of the inquiry by another non-controversial man. Thank you.

MR. DEPUTY CHAIRMAN : Mr. Mani, five minutes only.

SHRI A. D. MANI : Sir, I would take only ten minutes; I will not exceed that; not one minute more. I will be very brief in my remarks.

[Shri A. D. Mani.]

Sir, the House has discussed at length the working of the Oil and Natural Gas Commission. It is true that there have been many irregularities and many scandals associated with this Commission. I am not trying to define them. In fact they speak for themselves and, in fact, this matter is being inquired into by the Takru Commission.

As one who initiated the debate on the oil policy of the Government of India for the first time seven years ago in this House, I must say that all of us must be proud of the working of the Oil and Natural Gas Commission. It is a matter of satisfaction that it is in a position to produce seven million tonnes of crude a year by this time.

A reference has been made to Mr. K. D. Malaviya. I have been one of the critics of Mr. Malaviya but it must be recognised that he is the architect of the oil policy of the Government. When the economic history of our country comes to be written, Mr. Malaviya will have a very highly honoured place—whatever may be his shortcomings. In regard to the matters which came before an Inquiry I would not like to say anything at this stage because it is his policy which has yielded all these results—seven million tonnes of crude per year. I would like to make some points for the consideration of the Minister. The Indian Oil Corporation has made a profit of Rs. 20 crores in 1969-70 and distributed 20 per cent bonus to its employees. I am very happy that 20 per cent bonus was distributed, but Rs. 20 crores is a lot of profit. You should give some benefit to the consumer also. I have not been impressed with the argument of Mr. Arora that the oil products should be priced at the same level as the products of other companies. If we have nationalised it the benefit must go to the consumer also in some form and I would like the Ministry to examine the position of reducing the prices of petroleum products and thus break the international cartel pricing system.

SHRI ARJUN ARORA : Does Mr. Mani want Indian Oil to sell the same products of petroleum cheaper than the Western oil companies ?

SHRI A. D. MANI : I want them to give the benefit to our people. Nobody would go in for costly oil. They would naturally go in for the Indian Oil and the Western Oil companies would be forced to close down. A suggestion has been made by a number of Members that the foreign companies should be nationalised. I am not against nationalisation but when we nationalise, what do we nationalise ? We nationalise the petrol pumps, the refinery equipment and all the stocks they have on hand but we cannot nationalise the sources of crude. Unless we satisfy ourselves not yet discovered alternative sources of crude available to us, it will be unwise for us to talk about nationalisation. It is very easy to throw away Rs. 50 or Rs. 60 crores, as Mr. Arora said but what are we going to nationalise ? I am not in favour of embarking on a policy of nationalisation when we have not yet discovered alternative sources of crude abroad. I am glad that the Ministry has already discovered alternative source of crude in Iran in Rustom crude but I would like the Minister to tell us why Rustom crude is not utilised by our refineries in such a large number as we expected because reports have appeared that Rustom crude is sold abroad but not sent to our refineries.

The next point is, the report mentions that the petrol pumps have been given to unemployed engineers and other graduates. I am very glad that this sort of help is being given by the Petroleum Ministry but there is one class which has been neglected, namely, the released Emergency Commissioned Officers.

A large number volunteered for service in 1965. Many of them are unemployed. Many of them write to the papers about their plight. I hope the Minister will include them also in the

category of those who will be entitled to receive concessions for running petrol pumps.

The next point is about the Drug Control Order which has been enforced by the Ministry from time to time. There has been a good deal of criticism about the manner in which the Drug Prices Control Orders have been issued. A number of mistakes have been committed by the Government in this matter and what has happened is, some essential drugs have gone out of the market. For example, anti-diabetic drug Diabinese which is manufactured by Pfizer is not available in some important towns in India. It has got to be secured in Delhi because in Delhi the stockists are always full of stocks of Diabinese because the matter will be reported to the Government but in the small towns the anti-diabetic drugs have gone underground and it those who have to suffer from this ailment know what difficulties they are put to to get these drugs. Sir, I would like the Minister to examine one point.

MR. DEPUTY CHAIRMAN :
Last point.

SHRI A. D. MANI : Only two points I will make. I won't exceed the five minutes. What I would like the Minister to examine is this. They have fixed the mark-up prices up to 100 per cent and so on. Now what has happened is the drug manufacturers have not suffered, it is the retailer who has suffered. The retailer who was getting 20 to 25 per cent commission has been forced to accept 12 per cent commission and the result is that Sahib Singh & Sons in Connaught Place which used to be open day and night has suspended the night service already or is going to suspend it shortly. Now if somebody wants in an emergency some essential drugs there is no place to go to. They say that with 12 per cent commission under the Drug Prices Control order they cannot keep it on. Sir, it is the duty of the Government to see that the retailers who are Indians

—they are not employees of the foreign manufacturers— do not suffer. They should, within the mark-up price, get their usual return of 20 to 25 per cent which will enable them to be in the trade; otherwise many of them will go out of the trade.

The other point is, why the pooled price of these drugs is much higher than what they should be. I understand that the drugs manufactured by the IDPL are costlier than the drugs manufactured by foreign firms in India. They want to hide this fact by having this formula of pooled price. It is more or less in the brochure issued by the Ministry that there have been certain deficiencies in the working of the IDPL and I would like the Minister to tell us why the IDPL products are more costly than similar products manufactured by other firms, foreign and Indian, in India. If it is so, it is a very serious matter because it is a serious reflection on the working of our pharmaceutical industry.

The last point I would like to make is, all of us are consumers of drugs in one form or other at one time or other. I would like the Minister to examine the question of setting up a Consumer's Council with persons who are affected by the drug trade . . .

SHRI ARJUN ARORA : Drug addicts you mean ?

SHRI A. D. MANI : People who take drugs or who are prescribed drugs, who are made addicts by doctors, should be represented in the Consumer's Council so that they may keep a watch on the prices of drugs which are sold in the market. I would like to tell you in Bhopal some of the essential drugs—I told the Minister also—are being sold at the old scheduled rates. So I feel that a Consumers' Council should be set up by the Government of India at the capital in which the various States can be represented and we can keep a watch over the fluctuations in drug prices.

SHRI V. B. RAJU (Andhra Pradesh) : Mr. Deputy Chairman, Sir, this Ministry plays a key role in the develop-

[Shri V. B. Raju.]

ment of the economy. It produces oil for transport, fertilizer for food and drugs for health and in fact it is creating a lot of employment potential.

[THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) in the Chair]

I should utter a word of compliment to this Organisation, ONGC, for, in a period of 15 years it has been able to develop a potential—it is actually producing—of 7 million tonnes of crude within the country, and it has developed an organisation which is capable of doing much more in a big way. But there are drawbacks. In fact, Sir, in this House the Audit Report must be the document which should have been discussed here. The Audit Organisation is the eyes and ears of Parliament and in fact we are not doing justice to ourselves by not taking proper note of what the Audit Organisation has observed with regard to the working of the various Organisations under the Ministry.

Before I go to that, I would like to say one word about the imports. Even an increase of one per cent barrel at the present level of imports would add nearly Rs. 70 lakhs to our bill. Now 14 cents have been added to the price of a barrel and it is going to be a very big amount that we have now got actually to pay. But while on the one side we find such increase is being made unilaterally by the producing companies and the supplying companies and also by the Governments outside, on the other side we find a contradiction in the approach of the Government in having entered into an agreement with the National Iranian Oil Company which supplies to Madras Refinery. The agreement is for 40 million tonnes of crude oil import at a price twenty cents higher than the price of the crude which we supply to the private refineries here. I do not know how we can get out of it. The Minister will throw some light on it. There has been some press comment on this point. The capacity of the refinery is 2.5 million tonnes. At this rate it will take at least fifteen years to fulfil the

present agreement with the high cost of imported crude. Therefore, I do not know it. While on the one side we have been pleading that these private companies are squeezing us and we are trying to see that they would not do so, on the other side I do not know why we enter into such a long-term agreement. It has been estimated by certain experts outside our country that the actual cost of producing oil may not be more than five to twenty per cent of the prices that are posted f.o.b. terminals in the Middle East. It is also said that the oil companies in America have a return of not less than sixty per cent on their operation costs. We are, in fact, squeezed and we are tied down. I do not know why we have not been making successful efforts in finding other avenues of supply. Some serious effort has to be made. Otherwise, what we have to do is that we have to depend upon a fuel which is available in the domestic sphere. I think we may have to revert to coal. Even the Railways have been very enthusiastically taking to dieselisation. I do not know what will happen if they go on with their expansion. The other day the Railway Minister was making a point that for the sake of the Railways no extra imports are necessary and that in the production of various petroleum products the diesel component was available and that, in fact, we are in surplus. That might be so, but if we make commitments in respect of petroleum products to the various sectors of our economy, there may be a day when we may be actually landed in trouble. I do not want to visualise any bad future. Petroleum and petroleum products occupy a very important place in such matters like war and we have got to be very careful. We have to conserve these things and we should not show any laxity in this respect. I would like to utter a word of caution to the Government. There should be a higher storage of these things and, if necessary, we must ration these products. We should not be very liberal in this respect.

Let me not take much time of the House because I happen to be the last

speaker, but let me draw the attention of the Minister to some important points in the Audit Report. He must have gone through the Audit Report for 1969-70. For instance, take the purchase of casing pipes. Now, the loss sustained in this has been pointed out. The Ministry have said that since the matter is being examined by the CBI—it was in August 1970—they have no comments to make at this stage. The loss sustained is Rs. 62 lakhs. Then, there is the purchase of tubings. Then come to the increase in the USSR credit. Then there is the supply of drilling equipment. Then regarding the working of the rigs they have been lying idle for three or four years. Then there was loss due to the blow-up of wells. There was a loss of Rs. 32 lakhs due to the blow-up of wells and the punishment accorded for their negligence was : Stop one increment to the officers. I would request the hon. Minister to go through it, if he has not already done so.

Another thing is very interesting, how this Organisation is working. I do not know whether it is in consultation with the Ministry or without consultation. I would point it out to the House and the House must be very careful about these things. It is about subsidiary companies which they have permitted. The Auditor-General points out that till 31st March, 1969 the Commission had advanced interest-bearing loans amounting to Rs. 23.81 crores to the Hydrocarbons India (Private) Limited. The expenditure incurred by Hydrocarbons India (Private) Limited is not subject to audit by the Comptroller and Auditor-General of India. As a subsidiary of a statutory corporation is distinct from a Government company incorporated under the Indian Companies Act it has not been possible to make an appraisal of its investment. A sum of Rs. 23.81 crores has been advanced to Hydrocarbons the working of which is not being audited by the Auditor-General. He is actually prevented from doing so. Such a state of affairs shall not continue. The Parliament has a responsibility for public finance and it must be actually audited by the Auditor-General.

There is another matter establishment of a steel foundry in U.P., promoting a company of Rs. 50 lakhs. Ultimately it had to be abandoned. Why this organisation should go in for the establishment of a steel foundry and why was it not referred to the Planning Commission? There was no approval. Huge sums are actually squandered like this. Whether the Ministry is keeping a watch or not I am not sure. I know the Minister is a capable young man. He has got a lot of dynamism and a lot of information with him. He has got an aptitude for this. The other things I need not point out like compensation paid to tea estates and so on; it is a matter which has been discussed. I do not want that such a good public sector organisation should be actually talked about in the streets and in the Parliament that things are not all right, when huge sums are involved. I have got great appreciation for its work. It has been doing very well. It is a key sector and I am happy that the public sector organisation does already enjoy a commanding position. Particularly in the refinery sector it refines nearly 11 million tonnes while the private sector does only 5 million tonnes. The commanding position that this organisation has secured is really to be encouraged. Let us not go into petty things saying that this is bad or that is bad nor indulge in exchanges about public sector and private sector. It is not very relevant. I am sorry I have taken more time than allowed. I would request that the Minister will take some trouble, if he has not gone through the Audit Report of 1969-70, to go through it and let Parliament actually know what has happened about the observations of the Auditor-General.

THE MINISTER OF PETROLEUM AND CHEMICALS

(SHRI P. C. SETHI) :

Mr. Vice-Chairman, I must thank hon. Members for the interest that they have evinced in this subject. I am also thankful to hon. Members for the very valuable suggestions and also for the criticisms that they have offered. I can only say at this stage that as far as the various suggestions and criticisms are concerned

[Shri P. C. Sethi.]

I have taken very careful note of them and I would be going through each of the points which the hon. Members have raised and it would be my endeavour to reply to each Member individually after I have examined the points raised by them.

Sir, as far as oil is concerned or the petroleum and chemical industry is concerned, it is assuming day by day an importance which is phenomenal and I would even call it as the fountainhead of the growth of industrialisation and science and technology of modern times particularly in this century. It is a fact that on account of its importance not only in our country but all over the world the task before this Ministry is very challenging, and the requirements of petroleum products and crude and the down stream products which come out of this are growing day by day. It is from this point of view that I would like to point out that as a matter of fact as far as the search for oil is concerned, although oil was being produced in India since the last so many years, real search for oil actually started since 1959 when the ONGC was constituted as a statutory body; it was only after the ONGC came into being that real search for oil had started. Shri Raju has pointed out rightly that the ONGC has done a commendable work. Shri Arora, Shri Mani, Shri Chitta Basu and many others have commended the good work done by the ONGC. And it is not in fifteen years but as a matter of fact in twelve years that the ONGC has been able to do such a commendable work. While saying this I would also like to point out that the search for oil is a very slippery and tricky business. It is not only expensive. But sometimes it is a matter of luck also. You may go on doing exploratory work, and in spite of all the exploratory work oil may not be found. Various works before the exploration have to be done by the Geophysical and the Geological Departments. After that the real exploration work starts. But it is not necessary that we may strike oil wherever exploration work is carried on. And even if the oil has

been struck it is not necessary that the oil may be commercially exploitable. I would like to quote some figures of a few of the other countries where the exploration work has been done and I would like to point out the amount of success as compared to the O.N.G.C. In the case of ONGC the total structures drilled in 1966-67 were 6. Structures proved to be oil-bearing were 2. Thirty-three per cent was the success. In 1967-68 the drilled structures were 11, structures proved to be oil-bearing were 5 and the percentage of success was 45. In 1968-69 the percentage of success was 16; in 1969-70 the percentage of success was 33; and in 1970-71, out of 20 structures drilled, 4 were found to be oil/gas bearing, with 40 per cent success. As compared to this, I would like to point out that in France, the total exploratory wells were 15, three were oil-producing and 20 per cent was the success. In Germany 42 wells were drilled in 1968, 8 were oil-producing and the success was 19 per cent. In Italy out of 31 wells explored, 23 per cent was the success and in the UK the success was 19 per cent. The total for all Europe is 22 per cent.

Then as far as Canada is concerned, the percentage of success is about 28.2. As far as USA is concerned, the percentage of success is 14.4.

Therefore, as far as oil drilling or the structural drilling or the exploration work of oil is concerned, it is a very expensive task and even after such an expenditure, it is likely that the wells may not prove to be oil-bearing because after all this exploration work has to be done on the data which the geological, the geophysical and various seismological parties collect, and on the basis of their data the exploration work starts. Sometimes wells have to be very deeply drilled and the depth has to be sometimes more than 3000 metres or 4000 metres and in some cases where now we are drilling we have to go even up to 6000 metres. Therefore it is possible that in most of the wells which we drill, one out of five may prove to be a success.

Therefore I would only like to request the hon. Members that the work of the

ONGC has to be judged from this point of view. Whatever amount of money they might have spent on the exploration work or any other type of work which is very necessary, that has to be judged from the point of view of the overall achievement that they have made. I quite agree with the hon. Members that the Oil and Natural Gas Commission has not been able to strike oil during the last two and a half years particularly and that is a matter of great anxiety not only to the Ministry but to all the country, particularly in view of the fact that the crude requirement for the country is rising. At present our consumption is 20 million tonnes. And as has been pointed out by the various study groups, according to one it could be 34 million tonnes; according to another it could be about 28 million tonnes in 1973-74. Therefore from this point of view, it is absolutely evident that the crude consumption is increasing and therefore it is absolutely necessary that exploration and drilling work have to be started in a big way. From this point of view the latest studies the world over have pointed out that exploration and drilling work not only on land but on offshore areas is very necessary because the possibilities of finding oil in the offshore areas are said to be very good. And that is why most of the countries have started offshore drilling programmes in their respective areas. Considering this, the ONGC has also started the offshore programme.

Now, we will have to admit that even when the ONGC started, we did not possess the technical knowhow of the quality needed for the work. That is why we had to take help not only from Rumania, the USSR, the USA, the UK and other countries but we also had to send some of our technical personnel to be trained in those countries, and most of them have been trained. I would particularly like to mention here that apart from the various countries that I have mentioned, massive help, both from the technological point of view and from the survey and other points of view came from the U.S.S.R. Even now one of the teams of the U.S.S.R., along with the O.N.G.C.

technicians, is conducting a study, and it is likely that by the end of September we would be able to receive their report. On the basis of that report we will be able to select some possible or probable areas where exploration could have been started.

Mr. Panda just now asked why not exploration work or drilling work be commenced in Orissa? At present as far as geo-physical, geological and Siesmic surveys are concerned, geological and geophysical survey is being conducted in almost 18 States, and after these data are available they will be interpreted. They have to be gone through by a very careful group of scientist and technologist. On the basis of this data we start seismic work. And after the completion of siesmic work if areas are found to be probable, then work will be taken up. As far as Orissa is concerned, geological and geophysical work is going on there. These data come in the monsoon period when it is not possible to carry on the drilling work. These data are interpreted. As soon as this interpretation is over, wherever it is probable work will start. We can point out that particularly from this point of view wherever the probability is more we are likely to start the operation in a big way. We will start operation in a big way in Tripura. We also want to enhance off-shore work. Off-shore drilling has been carried out in the Gulf of Cambay near Aliabet. Oil has been struck there but it has not been found commercially acceptable at present. So the site is likely to be shifted to another place where we will have to construct a platform. All these technical matters are being examined. We will try to have other portions built.

At the same time we have also finalised programme of starting off-shore work in the Bombay High. We have already contacted Messrs. Mitsubishi of Japan. From there we are getting the Jack-up platform. We have also contacted an international company of the U.S.A. for training our personnel and also for carrying out drilling. To that extent I agree with Mr. Babubhai Chinai, not with the basic policy that he enunciated here,

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that if we have to strike oil, then exploration and drilling programmes have to be commenced in a very big way not only on land but on off-shore. I do not agree with the way he has pointed out, the way that Australia has gone. Even in Australia, I am told, a rethinking has started. At a time they invited all the companies of the world when there was no possibility of finding oil. Now that oil has been struck, they are rethinking whether that was a wise policy to open up the country for all the companies to come and start simultaneous drilling at various places.

Sir, many hon'ble Members have said that there is no oil policy. I would like to say that there is an oil policy, and within the framework of that oil policy we are not inviting all the foreign companies in the manner Australia invited. Our policy is to conduct this exploration work on the ownership-based programme. Of course, wherever technological superiority is there, we will have to import technology from outside. If necessary, foreign exchange components may also have to be imported. We may also have to import certain equipment which we do not produce. But that apart, Sir, within the framework of our own policy we do want to expand the activities on off-shore areas, not only on the Bombay High but in other probable areas round about the continental shelf which is all around the country in the sea area. Now the point as to in what manner we can expand this activity so that search of oil could be increased and we can reach a point where we can move towards a point of self-sufficiency is receiving our considerable attention.

Sir, it is possible that when we carry on this exploration, we may not strike oil in ten or twenty wells. But if a big oil deposit is found in one of the off-shore areas, then all the expenditure that we have incurred and the efforts we have made on these infructuous wells, or I would call them 'wild-cat wells', would be rewarded. Therefore, the function of the ONGC has to be judged from this point of view. But at the same time, I

do agree that the work of the ONGC as far as exploration and the deployment of rigs and various other functions are concerned, was not to the satisfaction of the Ministry. That is why we considered it necessary that an expert committee should be appointed and we found that Mr. K. D. Malaviya, with the vast experience that he has got with regard to the working of the ONGC and with regard to oil in this country, would be a suitable person and we appointed him the Chairman of the Committee. There is not a single report anywhere where it has been indicated that Mr. Malaviya had anything to do with most of the things which are now being enquired into either by the CBI or by the Takru Commission. As far as Mr. Malaviya's work in the ONGC is concerned, it was very commendable. He has a depth of knowledge about the subject and the purpose of appointing this expert committee is not to go into the irregularities which are the subject matter of enquiry by the enquiry commission or the CBI. I would like to place on the Table of the House the terms of reference of the committee which I have mentioned in the other House. And the terms of reference would indicate that it is entirely for a different purpose. In the expert body that has been appointed there will be a geologist, an engineer and a cost accountant and they will study whether the structure of the ONGC should be as it is to-day or its structure has to be changed. The financial structure will be gone into to see whether the ONGC should remain as one company, one vertical company, or there should be a break-up of the ONGC into separate companies for off-shore work and inland work.

SHRI A. D. MANI : I would like to ask the Minister one thing. This point has been raised informally also. While I agree that this is a matter which should be gone into by experts, I think it may be useful if the Minister considers associating two Members of Parliament, one from this House and one from the other House, with the work of this committee.

SHRI ARJUN ARORA : One Member from the other House is there already.

SHRI A. D. MANI : After all, the public provides all the funds for the ONGC. So, he may consider the question of allowing a Member of the Rajya Sabha to be associated with the work of this committee.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : It is an expert committee.

SHRI P. C. SETHI : Sir, as far as the working of the ONGC is concerned, the Committee on Public Undertakings is there which represents both the Houses. This is an expert committee appointed for a specific purpose. If some hon. Members take an interest in the affairs of the ONGC and would like to give suggestions to this committee or to the Ministry, they are most welcome to do it. We would certainly welcome their suggestions.

Then, Sir, mention has been made here about the Takru Commission. Mr. Menon also mentioned about it. As far as the Takru Commission is concerned, I would like to point out that this Commission has nothing to do with the ONGC. This is a commission appointed for an enquiry into the Haldia-Barauni pipeline affair. This pipeline affair is not concerned with the ONGC. It is a subject matter of the Indian Oil Corporation, now a merged company of the two bodies, the Indian Refineries Limited and the other body, former Indian Oil Company. Therefore, the Takru Commission has nothing to do with this.

Now, a point has been raised that the Ministry is obstructing the proceedings of the Takru Commission or that the Ministry is not furnishing the records or files asked for by the Takru Commission. I would like once and for all to clarify that as far as the Ministry is concerned, it is they who appointed the Takru Commission and it is the desire of the Ministry that the Takru Commission should

go into these details. It is the business of the Ministry to help the Takru Commission to find out what exactly is the truth. Therefore, it would not be at any time desirable that the Ministry should obstruct the proceedings of the Commission. As far as we are concerned, whatever files were asked for by the Takru Commission have been submitted to them. The question of privilege before the Takru Commission was raised. Sir, it is provided in the law, in the Evidence Act itself, that wherever papers relating to the Cabinet or some other secret documents are concerned, privilege can be claimed. But even when privilege was raised about certain files or certain subject matter, all the papers were filed with the Takru Commission. The Takru Commission has gone into all these papers. In more than 90 per cent cases the Takru Commission has itself allowed that these are documents which could remain as privileged documents and they would not be taken out. But in certain matters they found that they are relevant to the inquiry and therefore, they could not allow the privilege, and this was only in respect of about 8 to 10 per cent documents. Therefore, it is not correct to say that the Ministry is trying to obstruct the proceedings of the Takru Commission. Whatever files they would ask for or have been asking for are being provided to them. But according to the Evidence Act or according to the Government procedure and rules if we have to claim privilege, we do claim privilege and it is up to the Commission to decide whether the privilege has to be allowed or not. And as a matter of fact, they have allowed in 90 per cent cases that the documents could be claimed as privileged documents. Even in this matter we could have preferred to go in appeal, let we did not do so for this very reason that we did not want to put up an image that we are trying to obstruct the proceedings or delay the proceedings of the Takru Commission; we have decided not to go in appeal although the basic subject-matter is a matter of contention. But at the same time I would like to point out that we want that this Takru Commission should

[Shri P. C. Sethi.]

actually start the inquiry and the sooner they come to a conclusion the better it would be because the Commission was appointed in August, 1970 and we are now coming to August, 1971 and we are still on the periphery of the inquiry. As a matter of fact, the real inquiry has yet to start. Therefore, it is our earnest desire that this inquiry should go on and should be completed as early as possible. Whatever assistance we could provide to the Takru Commission in coming to the fact finding or some conclusion, we would certainly be glad to do so. I can assure honourable Members if there is anything which they can bring either to my notice or to the notice of my Ministry, we would certainly take up that matter.

SHRI CHITTA BASU : Sir, I invite your attention. As I also mentioned during the course of my speech, some Members of Parliament made a representation to Parliament giving the names of certain officers. I do not want to give the names of those officers here because it is not a pleasure for me to mention their names. Unless they are removed from the vantage or the strategic positions they now enjoy in the Ministry, it will not be possible for the inquiry to be conducted in a very faithful, complete and thorough way. These names are here with me now. Will the honourable Minister assure the House that in the interests of a fair inquiry all those officers would be removed from the responsible positions which they are now holding? Because, it is my allegation that they are obstructing the passage of the Commission.

SHRI ARJUN ARORA : Sir, there are two things appearing in the press. One of them has been mentioned by Mr. Chitta Basu and Mr. Prem Manohar, about dummy files. I want the Minister to explain whether his Ministry maintains dummy files and whether his Ministry produced before the Takru Commission the dummy files. The second thing which is appearing in the press about this in-

quiry is on the activities of one Mr. Arun Roy Choudhuri who is described in the press as the Director of Indian Oil Corporation. Will the Minister throw some light on his activities and his role? Is he acting on behalf of the IOC or on behalf of the Ministry or on his own behalf?

SHRI A. D. MANI. What is the actual position?

SHRI P. C. SETHI : With regard to what Mr. Chitta Basu said I would like to point out that this report was made before the Commission that there was obstruction on the part of the Ministry in making files available but that was not accepted by the Commission. The Commission itself came to the conclusion that this report is not correct. Similarly, in regard to the allegation made by some gentleman and the submission by his counsel that the Minister was trying to obstruct the inquiry and shield the officers, the Commission has held that there is no justification for attaching any weight to these allegations. Therefore, as far as the allegations against the Ministry or the Ministry's officers with regard to obstruction of proceedings of the Commission and non-furnishing of documents asked for, are concerned, the Commission has itself inquired into this and given its verdict. I would like to assure honourable Members that there are various inquiries being carried out by the C.B.I. As far as action against the officers is concerned, unless the responsibility is located by the CBI inquiry, how can one take action? In some of the cases they are coming to conclusive stage and in some of them they are still carrying on. We have requested them to complete the inquiry as soon as possible. I can assure hon. Members that as soon as responsibility is located, action would certainly come and as I have said in the other House we will not spare anybody, whether high or low. As soon as responsibility is located either by the CBI inquiry or any other inquiry, we will certainly take drastic action against the officers concerned and we will not keep them in any position. But for that a

prima facie case has to be established against them. As far as the suspension of Shri Naik is concerned, the Takru Commission was asked whether there was any *prima facie* case against him and it was on the basis of their recommendation that he was suspended. As far as other officers are concerned, as soon as we are able to locate responsibility as a result of the inquiries that are being conducted...

SHRI CHITTA BASU : CBI inquiry ?

SHRI P. C. SETHI : There are various inquiries like Takru Commission, CBI inquiry and so on. I would like to give a list of various inquiries in the last part of my speech. A question has been raised about seamless pipes....

SHRI CHITTA BASU : If *prima facie* cases are established against officers other than Shri Naik, will they also be covered by Takru Commission ?

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : He has mentioned it.

SHRI P. C. SETHI : I have explained that.

With regard to the point raised by Shri Arjun Arora, I would like to say that Shri Arun Roy Choudhuri is a Director of IOC. In what capacity he has appeared before the Commission, I have no idea at the moment.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : You will look into it.

SHRI P. C. SETHI : I will find out.

SHRI ARJUN ARORA : Let the House know it. You can make a statement in the House.

SHRI P. C. SETHI : This is an open inquiry. Any person can appear before the Commission. Shri Arun Roy Choudhuri has some knowledge

and he is going before the Commission. He can do so even in his individual capacity.

SHRI ARJUN ARORA : Here the Minister is probably mis-informed. Anybody can appear as a witness. But the press, day after day, describes that Shri Arun Roy Choudhuri is assisting the Commission as if he is some Deputy Commissioner. That requires an explanation. His merely telling me the truth is not enough. The thing is being raised in the House. It appeared in the press too. He will kindly look into the matter and make a statement.

SHRI P. C. SETHI : I will look into it.

Shri Arjun Arora, Shri Panda and a few others have raised the question of nationalisation of these companies. I have said during the question hour that as far as the question of nationalisation is concerned, it has been under the consideration of the Ministry since a long time. It has been said that Dr. Triguna Sen had recommended to the Cabinet nationalisation and the Cabinet threw out his proposal and it is on that account that Dr. Triguna Sen is no more in the Ministry. As far as my information goes, this is not correct. It is always the prerogative of the Prime Minister to have whomsoever she likes in the Ministry as her colleagues. It is her prerogative and she has exercised it. It is not for this reason that the Minister has been changed. That was not his proposal either. As far as I remember, Dr. Triguna Sen had also said during the question hour that the question of nationalisation is receiving the attention of the government. Nationalisation for nationalisation's sake would not be a proper thing to do. I agree with Shri Mani. As far as nationalisation is concerned, the refinery agreements are there; the legal aspects are there; the economic aspects are there. As Shri Mani said, the important thing is to find alternative source of crude. I can assure the hon. Mem-

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bers that the search for other sources of crude is honestly on. We are at it and we are doing our best to find out wherefrom we can get alternative source of crude. I shall be grateful to Shri Subramania Menon if he could point out some of the smaller companies who are prepared to give us crude at a cheaper rate. Sir, as far as I know, all the oil-producing countries and all the major oil-producing companies have combined and it is on account of this combination that the prices of crude have gone up, not only in the Middle East countries, but also in Nigeria and Libya and many other countries. Then, the question of transportation is also there and the question of which is the nearest source of crude to us is also there. All those things will have to be examined. As pointed out, Sir, all the questions, the question of crude nationalisation or, as has been pointed out by Shri Arjun Arora, the question of equity participation, are being examined.

Sir, as far as the question of equity participation is concerned, various pros and cons are there. As pointed out, if the management question is not thrashed out properly, if the question of getting crude from their own sources is not settled, if that refinery agreement clause is not properly altered and 51% equity is offered—all these things have various pros and cons and all those things are being examined and we are trying to find out different sources, alternative sources, of crude and we are doing our best in that direction, and it would not be prudent to announce at this juncture as to what the future course will be. But they are receiving our serious attention in all aspects and we will try to come to the conclusion keeping in view the best possible national interest as far as this Ministry is concerned.

Then, Sir, a point has also been raised with regard to the termination of the services of some of the persons

who were connected with the trade union activities. Sir, I would like to point out that this question of termination has been raised by so many other hon. Members, also. Mr. Menon raised it, Mr. Barbor raised it; and even our friends from the Jan Sangh—I think it was Mr. Prem Manohar—raised it. It was said that the trade union activities are being curbed. Sir, according to Section 12 of the Act, this Commission is authorised to appoint its own employees. Subject to the provisions of Section 15, the Commission may, for the purpose of enabling it efficiently to perform its functions and exercise its powers, appoint such members of employees as it may consider necessary. Therefore, Sir, the Commission, according to the Act, is the appointing authority. Now, according to this, according to the Act which the Parliament has passed, the creation of any post the salary or honorarium of which would be more than Rs. 2250/- would come to the Ministry. Therefore, as far as the posts below Rs. 2250/- are concerned, these being autonomous bodies created under the statute of Parliament, they are authorised to appoint these persons and so, Sir, the person who is the appointing authority is also the discharging authority and .

SHRI PREM MANOHAR : All on flimsy grounds. It has been proved by the Courts that he should be appointed again.

SHRI P. C. SETHI : I would come to that.

Sir, as far as the merits of the case are concerned, if the Ministry becomes the appellate authority, then, there are 22,000 employees of the ONGC and in the steel factories there are more than a lakh of employees there and the Ministry cannot become the appellate authority. There are the Industrial Disputes Courts; there are the various tribunals; there are various Labour Courts. And, there

are methods of adjudication and there are methods of conciliation and the matter can go to the Labour Court or to an Industrial Disputes Court. They are all there. But, Sir, whenever any such thing comes to the Ministry, not only during my time, but otherwise also—most of the dismissals are of old times—many Ministers concerned here in this Ministry have examined these cases. They examined these cases on merits and they have come to the conclusion that this is a case where the Ministry should not interfere. Therefore, it becomes very difficult, when a new Minister comes, if a dismissed employee of '67 again approaches the Minister and again approaches the hon. Members of Parliament and again the same question is raised. It becomes very difficult.

As far as Mr. Varghese is concerned, I would like to point out that Mr. Varghese went to the High Court in one matter and the UP Government went to the High Court in another matter and in one case the High Court decision was in his favour, but in the other case, the sentence which the lower Court passed was upheld. Now one part of the story is told that the High Court has absolved him and the other is that he is not absolved. Therefore, it is made to appear as if the High Court has also given a favourable verdict but the other side of the case is not being considered. Therefore, I would request the hon. Members that certainly they should look into the cases of injustice, wherever they are whether they are autonomous bodies or whether they are other Government employees. But at the same time we should allow these organizations to function in a manner where their autonomy is not disturbed. But, certainly, if some more light is thrown, if some more positive facts are brought to our notice, I am prepared to look into these even on merits, although I don't think it would be a desirable procedure to adopt. But since so many hon. Members have raised this point, I am prepared to look into this matter

provided any new light is thrown or any more positive facts are given.

Now, Sir, Subramania Menon has raised the question of drugs and their prices. As far as drugs and their prices are concerned, I would only like to point out that my distinguished predecessor, Dr. Triguna Sen, did a lot of effort in this matter, and in spite of various difficulties that he had to face from the various foreign companies and other producers, the fact remains that ultimately in most of the cases he has succeeded. And it is on account of the Price Control Order that today on the total production of about Rs. 225 crores of medicines in our country, about Rs. 20 crores' benefit has accrued to the consumers. It is true, Sir, that in certain cases of drugs, the prices gone up. It is also true, as Mr. Mani has pointed out, that certain drugs have disappeared from the market. We have already requested the various Drug Controllers and State Governments to give us the correct picture so that whatever action we can take in consultation with the Health Ministry and the Drug Controllers can be taken in this matter. We want to enforce the Price Control Order which has been promulgated and to see that that Order is not flouted and then the producers or sellers do not take an undue advantage out of this ...

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Dr. Triguna Sen has really done good work.

SHRI P. C. SETHI : Thank you, Sir.

Then, Sir, Mr. Mani has suggested the setting up of Consumer advisory councils at the State and Central levels. It is a matter for examination. The Health Ministry may also be a party to it, and therefore we will have to examine this suggestion. It is a good suggestion. I agree that it is a good suggestion. But this will have to be examined in consultation with the Health Ministry. And after consulting

[Shri P. C. Sethi.]

them if we come to the conclusion that such advisory councils at the State level and the Central level could be set up, we will certainly try to move in that direction ...

SHRI K. P. SUBRAMANIA MENON: What about the prohibited drugs?

SHRI P. C. SETHI: Then, Mr. Subramania Menon has quoted long quotations from one of the publications, as far as the drug industry is concerned. That was a publication of some time ago. But as far as the present position is concerned, I would like to point out for his benefit that we are ...

SHRI K. P. SUBRAMANIA MENON: It is from the United States ...

SHRI P. C. SETHI: I know. But it may be true at that time; it may not be true now. To quote one example, as far as the import of Tetracyclin is concerned he has quoted a fabulous figure of one thousand dollars per kg. But, Sir, I see from my record that the STC is importing Tetracyclin at about Rs. 335 per kg. (landed cost). Therefore, I find a vast difference between the figures he has got and what are available now in the case of bulk Drugs. Mark-up is allowed on each formulation anything from 50 to 150. There is a fixed formula on the basis of which the ex-factory cost of a product, including the cost of raw materials, packing material etc. is calculated and for every price increase or revision the manufacturers have to come to the Ministry. The Ministry has set up a Price Review Board which goes into the applications received from the manufacturers and after a thorough examination, prices are fixed; if there is any lacuna in the procedure currently being followed, I would be certainly glad if the Members give me information. We would certainly look into them.

So I would not like to take more time of the Members. I would like only to point out in the last that so many enquiries are going on at present. Based on Public Undertaking Committee's 66th Report a one-man Commission headed by Justice J. N. Takru, retired Judge of Allahabad High Court was appointed on 25th August 1970. The procedure of hearing was decided by the Commission with the parties in March 1971 and the hearing has commenced. A Commission was appointed to enquire into the causes of water pollution of Ganges river in March 1968. The report has come and the necessary enquiry against the officers named in the report has been initiated. There is a CBI enquiry into the purchases of Nazira Estate and Lakwa Tea Estate. The enquiry has advanced very considerably and is likely to be completed soon. Two CBI enquiries against Shrimati Leela Menon were instituted. Both these enquiries are almost complete. We have just received the report and the action will be taken in the light of the report.

The CBI enquiry into the import by ONGC of easing pipes and seamless pipes was there. The case was registered in January 1971 and field enquiries are in progress.

So I would only like to point out to Members that as soon as we receive an enquiry report and responsibility is located, whether he is a high officer or a low officer or anybody else, we would certainly take action. In the last, I would like to say that after all Ministers head the Ministry as political heads. The entire work of the Ministry has to be carried out by the Civil servant and wherever there are defects, wherever there are cases of corruption they have certainly to be looked into and strict action has to be taken but if we deify the entire Civil Service as bureaucrats not dedicated to the work, then the entire work of the Ministry or of the public sector organisations will not proceed further. They would hesitate to take

decisions and it is imperative that in the industrial undertakings which are doing a lot of such nature of work, particularly the ONGC where they have to take up a lot of exploratory work which may prove to be fruitful or which may not be fruitful, it will be very difficult for any officer to take a decision on the spot. Therefore, I am really thankful to the Members who have said a good word of cheer for the ONGC and for officers who have done good work but at the same time I would like to request the Members that the entire work has to be studied and examined from this point of view.

With these words I thank you for having allowed me this time and I thank the Members and as I have said, I would certainly look into all the points raised by them.

THE VICE-CHAIRMAN (SHR! AKBAR ALI KHAN) : The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at fifty-nine minutes past six of the clock till eleven of the clock on Wednesday, the 21st July, 1971.