

with me if I say that the only way to stop these nefarious transactions is to impose agricultural income-tax on large holdings? Would the Government agree with my contention?

SHRI K. C. PANT : Well, if agricultural income-tax were added on to the normal income-tax, it would certainly discourage any evasion of this kind.

SHRI A. D. MANI: Madam, may I ask the Minister—apart from the question of the States expressing their views—has any work study been conducted by the Planning Commission or the Ministry of Finance regarding the potential yield from agricultural income-tax, if suppose, the proposal of the Planning Commission is accepted by all States? You must have some rough idea as to how much money would be available.

SHRI K. C. PANT : At the moment nine States levy agricultural income-tax, but the rates are different in different cases. There must be some agreement between the Planning Commission and the States on the amount to be levied. It can only be studied after the States have agreed to certain principles for the levy.

SHRI KRISHAN KANT : Here is the main question and the question is that as of now about a thousand crores of rupees have been generated in the agricultural sector this year because of good harvests. What steps is the Government going to take to mop up that income so that it could be utilised for developmental purposes? Has the Government thought of this problem in this context?

SHRI K. C. PANT : Well, among other steps Government hopes that the increased production of articles needed by agriculturists will be purchased by them, and this will be one of the means through which this income will be directed in the direction which will lead to greater agricultural production.

THE DEPUTY CHAIRMAN: Next question.

SECOND REFINERY IN ASSAM

*327. SHRI A. D. MANI :—

SHRI CHITTA BASU :

SHRI C. ACHUTHA MENON :

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

†The question was actually asked on the floor of the House by Shri A. D. Mani.

(a) whether the Government of Assam have indicated their unwillingness to give a mining lease to the Oil and Natural Gas Commission till such time as the question of the setting up of a second oil refinery in Assam is finally settled;

(b) if so, whether there has been any correspondence on the subject between the Government of India and the Government of Assam; and

(c) whether any decision in the matter has been taken by Government and if so what?

THE MINISTER OF PETROLEUM AND CHEMICALS AND SOCIAL WELFARE (SHRI ASOKA MEHTA) : (a) Yes, Madam.

(b) and (c) Yes, Madam. The economics of increasing the present refinery capacity in Assam has been communicated to the State Government and the matter is under further discussion with that Government.

SHRI A. D. MANI : Madam, may I ask the Minister how many mining leases have been asked for by the Oil and Natural Gas Commission and what is the acreage involved in them? And is it a fact that even though the Central Government have asked for the mining leases from the Government of Assam for national projects, the Government of Assam have asked for an undertaking from the Government of India and said that they would not consider these mining leases unless a second refinery is set up in Assam, and may I know whether Government have expressed their disapproval of such parochial and rigid attitude on the part of the Government of Assam?

SHRI ASOKA MEHTA: Madam, mining leases have not been issued but mining permits have been issued, and as these matters are being considered I think it is not fair that any reflection should be cast upon any State Government.

THE DEPUTY CHAIRMAN: Mr. Chitta Basu.

SHRI A. D. MANI: I have one more question to ask.

THE DEPUTY CHAIRMAN: I will come back to you after Mr. Chitta Basu.

SHRI CHITTA BASU: Madam, at the present moment the existing Gauhati and Barauni refineries process the Assam

crude oil which was discovered in the year 1956—something like that. After that certain more oil fields have also been discovered in Assam—perhaps after 1960—namely the fields at Rudrasagar, Teok, Lakwa and Geleki. May I know from the hon. Minister in view of this fact that there is additional quantity of Assam crude oil, what is the Government's scheme in the matter of processing this additional Assam crude oil? And if there is any scheme at the present moment, what are the details thereof?

SHRI K. RAGHURAMAIAH: Taking into account the production of Oil India Limited, which is of the order of three million tons, an estimate has been made that the total production of Assam crude by the year 1970-71 would be around 4.25 million tonnes per annum. The capacity of the Barauni refinery is expected to increase to three million tons per annum. Then there is also a proposal now under examination to increase the capacity of the Gauhati refinery from 0.75 million tonnes per annum to 1.1 million tonnes per annum. Now, between these two refineries and Assam Oil Company's Digboi refinery the entire Assam crude will be fully used up. This is the position by 1970-71.

SHRI A. D. MANI : May I ask the Minister whether the Government of Assam have also stipulated informally that a certain percentage of jobs in the refinery to be set up or the mining leases to be exploited, should be reserved for persons of Assamese origin and whether the Government of India have indicated their willingness to accommodate the Government of Assam on this matter?

SHRI ASOKA MEHTA : Compared to most other States Assam is industrially backward, and it is only natural that the people and the Government of Assam should desire to have some larger share in the few industrial enterprises that they have in their own State. But we have pointed out to the Assam Government that the employment potential in refineries is very small. Even if there is a 2½ tonne, 2½ million tonne refinery the employment potential is only 450.

SHRI C. ACHUTHA MENON: In view of the fact that the costs of production will comparatively be less if the crude is refined at the place of production, what possible objection can the Government of India have in seeing that, as far as it is possible, the Government of Assam's

proposal for a second refinery is agreed to?

SHRI K. RAGHURAMAIAH: The production is more than the local requirements with the result that we have to send it somewhere else, which means under recoveries of railway freight. The present policy is, therefore, to see whether we should not have the refinery at the place of consumption, i. e. at the place where there is the demand.

श्री जी० बरबोरा : क्या मंत्री महोदय यह जानते हैं कि आसाम में दूसरी रिफाइनरी के लिये आसाम की सभी राजनैतिक पार्टियों ने और मरचेन्ट एसोसियेशन वगैरह ने, सब कोई ने, मिल कर आगामी 23 अगस्त को एक आम हड़ताल का कॉल दिया है।

SHRI K. RAGHURAMAIAH: We are aware of the anxiety of the Assam Government and the people but then we have to look to the various other aspects also, mainly the economics of it.

SHRI ARJUN ARORA: May I know if the Government will concede that the present trend in petroleum industry is to locate refineries at the points of consumption and not at the point where the crude is discovered because it is more economical to pump crude into the pipeline and bring it to the place of consumption and refine it there and if the Government will concede that may I know if this economic principle will get the highest priority in the Government arriving at a decision on this matter?

SHRI K. RAGHURAMAIAH: I have already indicated that this is the present line of thinking.

INCOME-TAX ASSESSEES

*328. **SHRI ARJUN ARORA†:**

SHRI GULAM NABI UNTOO :

Will the Minister of FINANCE be pleased to refer to the reply to Unstarred Question No. 1083 given in the Rajya Sabha on the 13th December, 1967 and state :

(a) the names of the assesseees in whose cases income-tax arrears of more than rupees one lakh were written off; and

(b) the reasons therefor?

†The question was actually asked on the floor of the House by Shri Arjun Arora.