

SHRI AKBAR ALI KHAN: He has accepted that his information was wrong.

(Interruptions)

THE OIL AND NATURAL GAS  
COMMISSION (AMENDMENT) BILL,  
1962

THE DEPUTY MINISTER IN THE  
MINISTRY OF MINES AND FUEL  
(SHRI R. M. HAJARNAVIS) Sir, I beg to  
move:

"That the Bill to amend the Oil  
and Natural Gas Commission Act,  
1959, as passed by the Lok Sabha,  
be taken into consideration."

This is a very simple measure which aims at extending the area and the authority of the Oil and Natural Gas Commission. By clause 2, which is the first amendment, the House will be glad to know that we are extending the operations of the Oil and Natural Gas Commission to the State of Jammu and Kashmir. By clause 3, which is the second amendment, the Oil and Natural Gas Commission will have the power to promote and form companies in accordance with the law, which will enable them to form subsidiaries, if they are so advised, with the State Governments and other undertakings. As hon. Members are aware, there is a demand from the various States that they should be associated with the commercial activities which are carried on by the Government of India undertakings in their States. Now, that is a demand which finds a sympathetic response in our heart and in a given case if we find that the participation is likely to be fruitful both to the Government of India and the State Government, we would certainly enter into collaboration with them. To enable us to do so, we are adding a new clause to the powers of the Oil and Natural Gas Commission.

By clause 4, the limit of salary of the employees of the Oil and Natural

Gas Commission, which at present is Rs. 2000 per month, is intended to be enhanced to Rs. 2250. As is well known, it is very difficult to get qualified men for our technical undertakings, and it is necessary that we should have the power so that if we find a competent man, we can immediately offer him the terms and secure his services.

Then, Sir, the very justification of an autonomous corporation is that it should have a large measure of autonomy. It has been found, for instance, that the financial autonomy that the Commission so far enjoyed was up to the level of Rs. 30 lakhs. It is insufficient. It should be increased to Rs. 50 lakhs. That power is now being enhanced up to the limit of Rs. 50 lakhs without reference to the Government.

Regarding clause 5, the power to reappropriate is now 20 per cent. of the sum which has been already granted, and the other limit of Rs. 7½ lakhs is excluded by this clause.

With these words, I commend my motion.

*The question was proposed.*

श्री ए० बी० वाजपेयी (उत्तर प्रदेश):  
उत्तरभाष्यक महोदय, जिस आयोग के संबंध में यह विधेयक प्रस्तुत किया गया है उसके अधिकारों को विस्तृत करने के संबंध में कोई विशेष मतभेद नहीं है। लेकिन आयोग की स्वायत्तता का लाभ उठाकर इन अधिकारों का, यदि मैं कहूँ, कुछ मात्रा में दुरुपयोग करने की प्रवृत्ति हो रही है तो अनुचित नहीं होगा। इस संबंध में मैं एक ही बात की ओर सदन का ध्यान दिलाना चाहता हूँ कि आइल एंड नैचुरल गैस कमिशन ने ३॥ लाख रुपये किराये के रूप में एडवॉन्स देकर नई दिल्ली में एक इमारत किराये में ली है।

SHRI R. M. HAJARNAVIS: That is not the Oil and Natural Gas Commission.

SHRI A. B. VAJPAYEE: I have tabled a question, and in reply to my question it has been stated that the building has been rented for the Oil and Natural Gas Commission.

SHRI R. M. HAJARNAVIS: I may be wrong, but I wonder whether what the hon. Member has in mind is the Indian Oil Refineries. If it is accommodation in the Link House, then the corporation which occupies it is the Indian Oil Refineries Limited. As far as I am aware, the Oil and Natural Gas Commission have got it at Dehra Dun.

SHRI BHUPESH GUPTA (West Bengal): The Minister is wrong. It does not come under the other company.

Mr. Vice-Chairman, we are not opposed to giving extensive power to the Oil and Natural Gas Commission. By and large it has done good work, and it is very essential for the development of the oil resources. Therefore, we do not grudge power being given to it. But what sometimes depresses us is that, whereas it should be developing and extending its activities, the authorities of the Ministry concerned come to an understanding with private oil concerns, specially British and American-owned, and give them the entire field which should exclusively belong to it. We are opposed to any kind of private sector being in the oil industry at all. We are undoubtedly most strongly opposed to any extension being given to private sector and to new field being opened for the foreign oil concerns, as has been done in the case of Assam. Therefore, I say that when we are extending it to Kashmir and so on, I would ask the Government to change its policy of concessions to the private elements and see that the entire thing develops now absolutely in the public sector in all its stages, exploration, production, refinement, and even distribution I say. Burmah-Shell and others control many things in our country. That should be put

an end to. Even in the field of exploration they have recently been given certain concessions to which we are totally opposed. That is why when we give powers to the Commission and monies to the Commission, we consider it our duty to call upon them to discharge their responsibility in this respect.

I may tell this House—because I always take the House into confidence even if Benches are empty—that systematically there has been pressure put on the Ministry of Oil, that particular Ministry, to yield to the private sector. As you know, some of the papers supporting the private sector, that are foreign-owned, are writing against whatever good steps the Government is taking in this matter. Now I find that there is a tendency also to yield to the pressure of these elements. I do not say that they are surrendering to them or anything like that, but there is always a tendency to accommodate them somehow or other even in matters relating to the functions of the Oil and Natural Gas Commission. This is something which we do not approve. This is something which has to be exposed because the Industrial Policy Resolution of Government lays down that it should be brought into the public sector. That is the clear position we have taken. Sardar Panikkar was here, a nominated Member you will remember, and he stressed in a speech here, in this very House, the importance of oil being entirely, in all its stages, in the public sector. We, therefore, support the activities of the Oil and Natural Gas Commission.

The second point in this connection is that they must develop their activities to a greater extent. Now, the American and French oil experts have told us that we have got so much resources. I think the Soviet oil experts also told us that the American and French or the British estimate was a gross underestimate of the oil

resources in the country. Now, others have pointed out that we have got much greater and bigger oil resources. Therefore, the task of this Commission becomes all the more important to develop and tap these resources. The sooner they do so the better. We can save a lot of money in foreign exchange, and in the Third Plan we shall be in a precarious situation if we do not develop our oil resources. This is very important from the point of view of industrial development and I think even from the point of national security. If foreign concerns control oil, they can create trouble. I will give one example. The pumping stations are now in the hands of foreigners. Suppose you have an army movement today, the foreigners will at once know that because of the fact that the pumping stations are in their hands and the pumping stations will be utilised for fuelling and so on. They will at once know that some kind of big movement, army movement is taking place. Today 6 P.M. we may not be in that condition. But you see how they come in. Therefore, in every country, the entire thing is taken over. Oil is something where foreigners are not allowed to encroach upon at all. It must be entirely in the hands of the State in the national interest. It is a most protected and safeguarded national industry. We wish good luck to the Oil and Natural Gas Commission but at the same time we impress upon them and the Ministry which is doing good work in this matter, to go ahead at a faster speed and cover the entire field, so that the entire oil industry in all its stages comes into the public sector and oil becomes a national industry in the true sense of the term.

SHRI JAI NARAIN VYAS (Rajasthan): Sir, I do not like to interfere in the debate but I am one who thinks that there is oil in his own State. But the difficulty which I myself experience is that we have no experts not only in Rajasthan but also in the whole of India. As such, the exploration or the prospecting part has to

be entrusted to experts, whether they are from Russia or from China or from France or from Germany or from any other country.

I totally agree with Mr. Bhupesh Gupta that oil and such like things should be entrusted to the public sector. But the difficulty with us, people who want socialism, is that we cannot bring about socialism all at once. Socialism means that the means of production should be monopolised by the State. But have we got the means to monopolise the means of production? That is the question. As far as oil is concerned, I think the prospecting and exploration part of oil should not be strictly entrusted to the public sector because we have not got enough staff, enough experts, to man the exploration part of oil.

The second thing which I want to express is this. My friend, Shri Vajpayee, has said that the Commission entrusted the money to the care of the 'Link' or to others. Well, some such thing can happen. But then, these public sector industries are subjected to audit by our own Auditor-General. He can take exception to such things and he can check such activities. Something may happen even after that. But then we have to put our foot down and dispose of the discrepancies.

I wanted to make only these two points.

SHRI R. M. HAJARNAVIS: Sir, I thank the hon. Members who have expressed their appreciation of the work done by the Oil and Natural Gas Commission and for the very generous support which they have given to the Bill. But must make it clear to Mr. Bhupesh Gupta that we accept no ideological limitations so far as the exploitation of our natural wealth is concerned. Our primary objective is to develop the natural resources of this country, and for that purpose, we always accept the help or aid from whatever source it comes, whether it is British or Russian.

[SHRI R M HAJARNAVIS]  
or French or Chinese, and we are grateful to all the countries which are prepared to help us. But basically, within the short time that I have been associated with this Ministry, it has been very strongly impressed upon me—and it is that impression which I want to convey to the House—that the work of oil exploration that has been carried on in this country is mostly by our own people and by our own technicians. If we want to develop this industry and if as Mr Bhupesh Gupta says it ought to be in our own hands because it is of vital importance to our security and development, then it is very necessary that our own people should be capable of running it at every stage. Whether it is exploration or distribution or refining, at every stage, our own people must be trained to take over the process.

Take for instance this question of oil exploration. It has been asked: Why are we not employing foreign experts? It is necessary for people who work here that they know Indian geology. Indian geology has got to be studied by Indians themselves; they must know it much better than people elsewhere who tell us about the techniques or the theories on the basis of which the data is to be obtained and the data is to be interpreted. For this purpose, we are training our people. We have our own young men who are being trained, and they are doing an excellent work which compares favourably with that of any of the geologists or geo-physicists, in any other country. It may be that in the developed countries there may be one or two great scientists from whom we still can learn, and we can profitably be guided by their advice. I would, on behalf of the Oil and Natural Gas Commission, invite every Member of the House to come and see the excellent theoretical work done at Dehra Dun by the Commission, how the theory is being developed, how the data is collected and how it is interpreted. And such an interpretation of the data in Indian conditions will

always be an Indian responsibility. Similarly, they can see how the work of exploration is being done in Gujarat. I will be very happy if Members acquaint themselves with the work being done by our own people. I am quite sure that when they see it, they will have a great sense of satisfaction, if not pride, about the achievement of this organisation during the short time of five years. It is creditable that within five years this country has definitely been put on the oil map of the world.

Sir, I may add that so far as Rajasthan is concerned, we shall soon be undertaking exploration with the help of a French team which has done remarkable work in tracing oil in the Sahara. Conditions are the same here, and we hope and pray that it will result in the finding of oil in Rajasthan.

I express my gratitude to the Members of the House and move that the Bill be taken into consideration.

THE VICE-CHAIRMAN (SHRI M P. BHARGAVA) The question is

“That the Bill to amend the Oil and Natural Gas Commission Act, 1959, as passed by the Lok Sabha, be taken into consideration.”

*The motion was adopted.*

THE VICE-CHAIRMAN (SHRI M P. BHARGAVA) We shall now take up the clause by clause consideration of the Bill.

*Clauses 2 to 5 were added to the Bill.*

*Clause 1, the Enacting Formula and the Title were added to the Bill.*

SHRI R M HAJARNAVIS: Sir, I move.

“That the Bill be passed.”

*The question was put and the motion was adopted.*