

SHRI BHUPESH GUPTA: Sir, in view of the fact that it has created very great resentment not only among the camps but also among the families of the people and the public, and since it has also created very grave misgivings about the Territorial Army, because people think that they might be used for blackleg purposes, may I know whether the hon. Minister would like to go into the existing rules and make certain necessary modifications therein?

MR, CHAIRMAN: Next question.

\*279. [Postponed to the 23rd August, 1960.]

**IMPORT OF OIL FROM RUSSIA**

f SHRI NIRANJAN SINGHJ: •280. ■f  
SHRI DAHYABHAI V. I PATEL:

Will the Minister of STEEL, MINES AND FUEL be pleased to state:

(a) whether it is a fact that Government have decided to purchase oil on commercial basis from the Union of Soviet Socialist Republics during the Third Five Year Plan; and

(b) if so, what is the approximate quantity of oil proposed to be imported from the Union of Soviet Socialist Republics and at what rate?

THE MINISTER OF STEEL, MINES AND FUEL (SARDAR SWARAN SINGH): (a) and (b). Negotiations with the U.S.S.R. Oil Export Organisation have resulted in a contract being signed with them on 15th July, 1960 by the wholly Government-owned Distribution Organisation, the Indian Oil Company Limited, for imports of deficit petroleum products over an initial period of four years. This is a commercial contract and, therefore, it would not be in the public interest to disclose full details. But it can be stated that the quantity involved will

†The question was actually asked on the floor of the House by Shri Niranjan Singh.

exceed one million tons—and that the bulk will consist of Kerosene apart from High Speed Diesel and Aviation Turbine Fuel. Payments for these imports will be in non-convertible rupees under the Indo-Soviet Trade Agreement.

SHRI NIRANJAN SINGH: May I know, Sir, whether the contract has been entered into on a Government-to-Government basis or between the Government and a private firm?

SARDAR SWARAN SINGH: I have covered that in the main reply. I said that this contract was between the U.S.S.R. Oil Export Organisation and the Indian Oil Company Limited, which is a wholly Government-owned organisation.

SHRI BIREN ROY: In view of the fact that India imports today more than Rs. 73 crores worth of petroleum, crude oil and other products, and in view of the acute foreign exchange position, will the Government try to find means of changing the contract with the existing refineries, so that we can pay at least 50 per cent., if not full, in rupee currency or change over to the import of oil from countries which accept rupee currency?

SARDAR SWARAN SLNGH: This question does not relate to the import of crude oil. That is a separate issue altogether and on that point my colleague, Shri K. D. Malaviya, made the position clear that the existing Oil Companies have got their own sources of supply and that it was suggested to them that they might use Russian crude oil, but they did not agree.

SHRI DAHYABHAI V. PATEL: How does the rate of the oil that is to be imported from Russia under this contract compare with the rate at which the existing American refineries are importing oil into this country?

SARDAR SWARAN SLNGH: I think the terms are quite favourable.

SHRI BHUPESH GUPTA: May I know, Sir, the reason why the foreign oil concerns here have refused to refine crude oil imported from the Soviet Union and why the Government did not compel them, following the example of Fidel Castro, Prime Minister of Cuba?

SARDAR SWARAN SINGH: We decided not to follow the example of another country.

SHRI T. S. AVINASHILINGAM CHETTIAR: May I take it that this will result in reducing the prices of these oils in India?

SARDAR SWARAN SINGH: Not necessarily.

SHRI JASWANT SINGH: I would like to know whether the oil which you will be importing from Russia will be refined or unrefined? If unrefined, then where will it be refined, since the other refineries have refused to refine it?

SARDAR SWARAN SINGH: These are refined products and I have indicated them, namely, kerosene, high speed diesel and aviation turbine fuel.

SHRI BIREN ROY: Is it a fact that the foreign companies, which have set up the refineries, have already agreed to a reduction of nearly 11 per cent, in their rates and, if so, why should not means be found to change the contract, so that at least half of the foreign exchange that we allow them to import this oil should be paid in rupee currency?

SARDAR SWARAN SINGH: It is true that the Refineries, which have been set up here by American and British firms, have agreed to reduce the price of imported crude oil. I forget the exact percentage—whether it is 11 per cent, or so—but there has been reduction of that order. With regard to the second part of the question, we have to remember that in the ultimate analysis, even if it is rupee payment—

there may be ways and means accommodation—there is very little saving by way of foreign exchange, because those rupee payments have to be honoured by exports which earn foreign exchange.

SHRI FARIDUL HAQ ANSARI: Is it a fact that the purchase of Soviet oil has been postponed by the Government, and, if so, why?

SARDAR SWARAN SINGH: No, Sir, it has not been postponed. I have said that we have entered into an agreement to import refined products.

#### LAW AND ORDER SITUATION IN CONNAUGHT PLACE

SHRI M. P. BHARGAVA

DR. A. SUBBA RAO

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether Government have received any representation from the traders of Connaught Place regarding the law and order situation in that area;

(b) what steps have been taken to restore the shaken confidence of these traders;

(c) whether it is a fact that crimes in that area shot up in the months of April and May 1960; if so, what are the details thereof; and

(d) whether the culprits in these crimes were arrested by the police on the spot?

THE MINISTER OF HOME AFFAIRS (SHRI GOVIND BALLABH PANT): (a) and (b). Yes. Connaught Place is being extensively patrolled by the police throughout the day and night. The police also maintain vigilance near bus stops, cinema houses etc.

†The question was actually asked on the floor of the House by Dr. A. Sabha Rao.