

Commission have also held discussions with representatives of well over 400 Unions/Associations/Federations of Government employees by the end of December, 1971. They are now engaged in having discussions with official witnesses, including Secretaries to Govt. of India, Heads of Departments, etc. Thereafter the Commission intend having discussions with representatives of the State Governments also. The Commission will require some time to finalise their study of all this voluminous material before drawing up their recommendations.

The Commission are making every effort to complete their work as early as possible.

Concentration of Audit Work in the Hands of a Few Big Firms

562. DR. RANEN SEN: Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether the audit work of both public and private sectors is concentrated in the hands of a few big firms;

(b) whether Government propose to take measures to break the concentration in audit; and

(c) if so, what are the measures Government propose to take in this regard ?

THE MINISTER OF COMPANY AFFAIRS (SHRI RAGHUNATHA REDDY :

(a) It has been brought to the notice of Government that a small number of firms of Chartered Accountants have secured the major portion of the audit work in the corporate sector.

(b) and (c). The matter is under consideration.

Reduction in Imports of Crude Oil by Foreign Oil Companies

563. DR. RANEN SEN : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether foreign Oil Companies have decided to reduce import of crude oil from their sources;

(b) the reasons given by them therefor; and

(c) its effect on production of Petroleum in India ?

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM AND CHEMICALS (SHRI H. R. GOKHALE) : (a) and

(b). The price of crude oil is posted in terms of Dollars. Soon after the devaluation of the dollar, the Organisation of Petroleum Exporting Countries asked the oil companies to increase the "posted" prices of crude oil to the extent of the devaluation. After protracted negotiations an agreement was reached between OPEC and the oil companies whereunder the "posted" prices of crude oil have been increased by 8·49%. The Oil Companies have intimated that their crude oil suppliers have consequently increased crude prices by 11·6 to 11·7 cents per barrel effective from 26th January, 1972 as these amounts represent the actual increases in the tax realisations of the oil producing countries. The Government have not accepted this increase, and are releasing foreign exchange to the three foreign oil companies on the basis of the earlier price. However, the oil companies are importing lesser quantity of crude by charging the higher price.

(c) This will result in the reduction of production of petroleum products which is being made good by imports.

Faulty Design of Barauni Oil Refinery

565. SHRI R. P. YADAV : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether the base or plinth of Barauni Oil Refinery is so low that flood waters entered the Refinery last year causing stoppage of production;

(b) whether it was due to any defect in the design of the Factory; and

(c) if so, whether remedial measures have been taken in the matter ?