

693 *Call. Attention Closure of Barauni, Guwahati and Bongaigaon oil Refineries as a* BHADRA 7, 1912 (SAKA) *result of oil blockade agitation in Assam* 694

The Lok Sabha reassembled after Lunch at five minutes past Fourteen of the Clock

[MR. DEPUTY SPEAKER in the Chair]

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE
CONTD

Closure of Barauni, Guwahati and Bongaigaon oil refineries as a result of oil blockade agitation in Assam—Contd.

[English]

MR. DEPUTY SPEAKER: Shri Ajit Panja.

SHRI AJIT PANJA (Calcutta North East): The statement that has been made by the hon. Minister raises hundreds of questions. I will try to remain within the permissible limits allowed to me. If you see the Statement on the Calling Attention, you will find that the steps taken by the Government in regard there to have not been mentioned.

My first question is that in the second paragraph, the hon. Minister has stated that:

"The Sibsagar District Students Union which is a unit of AASU had also called for a total ONGC Bundh from 7th August, 1990 which has been extended from time to time and is still continuing."

Nothing has been mentioned about what action has been taken by the Government. Not a single thing. That is my first question.

Secondly, is it only the oil problem which is now endangering the whole country?

In the last paragraph of the Statement, it is stated that the Minister was pleased to visit and meet the Chief Minister on 25th August, 1990.

The agitation was launched long ago and it is simmering for a long time. I fact, it started from 15th August, 1990.

I have collected some news items. For the last three months, warnings have been given by the press and by whoever came from Assam and by all the newspapers from all over India. I am sure, the hon. Minister has not lost sight of them. He must have been informed.

'The Patriot' reported long time ago "Ominous Assam scene."

'The Hindustan Time' reported "Assam Ordeal" in its editorial.

Thirdly, 'The Statesmen' reported "Danger in Assam".

Fourthly, the Telegraph, Calcutta reports "The price of idulgence."

Fifthly, the 'Deccan Chronicle' reports "Dubious reprieve."

Sixthly, 'The Times of India' again repeatedly reported in clear terms in its editorial "Time to act."

If they do not hear us from the opposition, at least the media should be taken into consideration.

'The Patriot' reports "Tyranny of Bundhs oppresses Assam"

Then there is a report "Assam heading for instability."

All newspapers have reported in the same tenor.

The agitation started on 15th August, 1990. The hon. Minister and whoever went to Assam along with the hon. Minister could choose the time on 25th August, 1990 because by that time, the loss as indicated by the hon. Minister is Rs. 7, 280 crores at the current price.

The point is not exactly whether it is oil or something else. My question is destabilisation factors are taking place. There is a Ministry although it is a minority government.

[Sh Ajit Panja]

How could the agitation by the young students be withdrawn immediately? Will the hon Minister explain this position? How did the only Cabinet Minister from that State resign? Under what circumstances did he resign? There was not a single word stated in this regard That has created a terrible destabilisation move again I want to know under what circumstances he resigned He was present when the dialogue took place I think their points were met They all came back as soon as the agitation was withdrawn and the people are now feeling a little bit relief But the Minister Shri Dinesh Goswami himself resigned I do not know the correct position The hon Minister may reply to it Is there any Minister in this Government including the Prime Minister who has not resigned and withdrawn again? What is happening now? Why does the Government add fuel to the fire by creating destabilisation move? If the Cabinet Minister resigns keeping an eye on the December elections in Assam and wants to resign and create destabilisation there who is responsible for this? I want a clear answer for this because the Minister took part in the dialogue From the newspaper reports, we came to know that he took a moderate approach also and that very hon Minister Shri Dinesh Goswami has resigned and went away We find no reason, no statement made by him in this regard I find from the newspaper reports that he has gone back to his constituency (*Interruptions*) We find from the newspapers that the day he resigned, he went back to Guwahati I do not know whether he has come back or not

AH HON MEMBER He has come back

SHRI AJIT PANJA All right, he has come back But what is the reason? We always know when the Minister resigns he comes and makes a statement

Sir, now I want to put some pointed questions to the hon Minister. It is not only the question of internal blockade but also outside blockade that add to the problem

Our Calling Attention must not be limited to any one particular place located in Assam It is not only the whole of India is suffering but also our entire economy suffers As I understand, initially it had been estimated that the country would require over 60 million tonnes of crude oil and petroleum products during the current financial year 1990-91 But given the extreme shortage of foreign exchange with which petroleum has to be brought, the Government decided to clamp down on consumption and hiked the prices of petroleum products by 15 per cent in this year's Budget But if the situation in the Gulf continues to be as bad as it is and, most important, if the blockade of Iraq continues and the prices of a barrel of oil touches the doomsday level of US \$ 40 a barrel, what are the steps already envisaged by this Government in this regard? What is the Government going to do in this matter? As I find, the total amount of products which include naphtha, gas, diesel and petrol etc is procured through a variety of means i.e through direct imports and by refining crude oil acquired both from domestic sources and through imports Matters are further complicated because India cannot refine all the crude it produces There is no use saying that since there is this blockade, that is why we are suffering India cannot refine all the crude that it produces I find from the records that it has to export this crude oil I hope the hon Minister will answer to this point

SHRI M S GURUPADASWAMY

Please don't go on a different track We have not got enough crude We have got our refining capacity to refine our available crude here, so also the imported crude It is not correct to say that we are exporting our crude We are not exporting our crude Our capacity is sufficient to refine the available crude produced in the country Also, we are importing crude and that is also being refined

SHRI AJIT PANJA I leave it to the Minister The Minister can answer to my point at the end I find that this year's total domestic production of crude oil would touch 35.9 million tonnes and we still require to

import about 18.5 million tonnes of crude because there is no sufficient capacity to refine it. I am giving the actual data. Apart from the crude oil, India needs to import an additional of 12 million tonnes of refined products. The Minister may answer later on.

Traditionally, India secures about 80 per cent of its crude oil supplies under contractual terms from selected countries. The remaining amount is purchased from the spot market where prices have generally been ruling below the OPEC prices. The Minister would kindly know that this year India has planned it is true or not to import about 14.5 million tonnes of crude from seven countries: Soviet Union, 4.5 million tonnes, Saudi Arabia 3 million tonnes, Iraq 2.25 million tonnes, Kuwait 1.5 million tonnes, United Arab Emirates 1 million tonnes and Malaysia 0.5 million tonnes. The barrel cost of imported crude till the Iraq crisis was about US dollar 14. However, the Government's analysts had predicted a hardening in world oil prices and had suggested that the Finance Ministry should be prepared to buy crude at an average of US dollar 18 during 1990. It has gone up. This suggestion had been accepted by your Department and a total outlay of Rs. 6,440 crores in foreign exchange had been marked for this oil import. We want to know whether it is correct or not.

Of this 14.5 million tonnes of crude contracted by you, more than 8 million tonnes including the supplies from the Soviet Union was to have come through Iraq and Kuwait which are disturbed ones. Till the end of July, your own Department report would say that about 3.5 million tonnes of oil was fortunately lifted. But what is going to happen to the remaining five million tonnes is not known. And all the experts of the Government and the Advisors to the Prime Minister seem to be completely in disarray to find out this and are only praying to God that trouble in the Kuwait area subsides as quickly as possible.

The last point is, the problem so far is not the supply but the price. For every US

one dollar increase in the per barrel price of crude, the Finance Ministry estimates that the country will have to fork out an additional Rs. 400 crores in foreign exchange. Therefore we want to know that are the steps taken by the Government to these questions. I have got the best regard for Mr. Gurupadaswamy for his long experience. We have asked for the answer from the Petroleum Department. But it has passed on the buck partly to the Home Department and the Finance Ministry. This is not the answer for the calling attention.

Therefore at today's prices, which are about 11 dollars more than the anticipated price of US dollar 18, the tax-payer will have to pay through his nose a total of Rs. 4,400 extra. Is that correct or not, we want to know from the hon. Minister? This clearly would be an impossible burden for the country and the Government had earmarked a total of Rs. 6,440 crores for total petroleum imports. How could the Department under the hon. Minister would be able to contain it? These are the questions I put to the hon. Minister.

[Translation]

SHRI TEJ NARAYAN SINGH (Buxar)
Mr. Deputy Speaker Sir, I have gone through the statement made by the hon. Minister. In this statement only this much has been stated that the agitators have not only been threatening and manhandling ONGC personnel but also preventing them from working and in some cases have been tampering with oil and gas production wells. However, it has nowhere been mentioned as to what action was taken against those people involved in such activities and took law in their hands. From the statement given by the Minister, it appears that the agitators attracted action under the provisions of I.P.C. It should have also been stated in the reply given by the hon. Minister about the cases registered against the agitators under various sections of I.P.C. No mention has been made regarding this. Although the Minister has made a mention of the fact that due to the blockade of supply of oil government has suffered substantial losses. However, it has been

[Sh. Tejnarayan Singh]

mentioned in para four of the statement that Digboi refinery has mercifully escaped any major loss of processing and these losses are estimated to be valued at about Rs. 70 to 80 crores at current international prices. This implies that the Government has suffered a loss of approximately Rs. 70 to 80 crores, but from the reply given by the hon. Minister it does not seem that any action was taken against the agitators or any case was registered against them. In the concluding para of the statement, it has been mentioned that oil blockade has been lifted but it has nowhere been mentioned that the government is determined not to allow such oil blockade in future, come what may. Due to oil blockade the prices of oil shot up. In order to check reference of a situation like this, no mention has been made about the steps to be taken by the Government. Therefore, I am not satisfied with this statement. I want the hon. Minister to give a written assurance in this House that supply of oil would not be allowed to be disrepute due to any such agitation in Assam. If the hon. Minister does not give this sort of an assurance in the House then it will be considered some sort of weakness on the part of the Government in taking legal action against the agitators. This does not sound a happy note on the part of the Government. It is the duty of the Government to enforce the laws of the land with the help of Government machinery at its disposal and people who violate those laws should be prosecuted under various sections of I.P.C. and Cr. P.C. and evidences should be gathered against them under the Evidence Act. Therefore, I would like to reiterate that steps should be taken to check recurrence of such incident that took place in Assam and legal action should be taken. Unless it is done, neither we nor the people of this country can repose faith in the Government. It has been stated that one of the Union Cabinet Ministers belonging to that Party has resigned under pressure put by them. It is also understood that his resignation has not been accepted. It clearly indicates that the agitation is still continuing in Assam. Therefore, I want the Central Government to take stern action in

the matter. The Government should take legal action against the agitators who are indulged in such activities which are harming the people of the country or which caused hike in prices of oils. As regards the prevailing sense of in security among the employees, arrangements to provide them full security should be made. As we deploy army to protect the borders of our country, on similar lines we should deploy army, if necessary, at such places from where we get oil so that the agitators could be death with firmly. With these words, I conclude.

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SHRI RAMASHRAY PRASAD SINGH
(Jahanabad): MR. Deputy Speaker, Sir, the hon. Members while expressing their apprehensions, have raised certain points with reference to hon. Minister's statement made in regard to Calling Attention about the oil blockade agitation in Assam. The hon. Minister is well aware of the country's concern over the gulf situation which has taken a serious turn now. I would like to know the steps being taken by the Government to maintain the oil supply in the country. We shall have to pay attention towards increased supply of crude oils to our Refineries and thereby increasing the production of oil within the country. If it is not done, the country's economic condition will be adversely affected and thus, situation will go from bad to worse. So, the Government should clarify its position about this in the House. Secondly, I would like to know the steps to be taken by the Government to check the agitational attitude developing among the country-men particularly blocking movement of goods from one state to other as it is posing a danger to the unity of the country. This attitude is very dangerous and it cannot be controlled by using Police and Army force alone. You should not overlook the fact that this attitude is gaining ground day by day. If this attitude continues, the industries in Jamshedpur and Bokaro in Bihar may also face closure one day. So, the Government should initiate dialogue with the agitators and solve their problems.

Just now, an hon. Member who happened to be a Minister also, has rightly said

that the present Government is a minority Government. But at the same time, the question arises as to why this agitation was intensified during the tenure of Seventh Lok Sabha when there was a majority Government in the country? What are the reasons for such agitation after all? The main reason, as I think, is that the agitators have been feeling themselves alienated from the nation's main stream because they have all along been neglected due to wrong policy adopted for the last 40 years in the country by the Congress Government. It is true that a danger is looming large over the country which is facing scarcity of oil also. Even then the hon. Minister should let us know as to how the Government is going to check rise of such attitude in the country? He should not be just happy over the present withdrawal of agitation by the agitators. Rather, an effort should be made to step up the pace of the country's development after initiating dialogue with them. Let it be cleared now whether the Government still wishes to treat them animal like?

SHRI SURYA NARAYAN SINGH (Balial): Mr. Deputy Speaker, Sir, the hon. Minister in his reply has stated that the crude oil is being supplied now after lifting the blockade which resulted in colossal loss to the country. But he has not divulged this fact that the blockade has been lifted after the Prime Minister's assurance to agitators that the surplus crudeoil would not be supplied outside Assam. Sir, there will be a disastrous effect of it in the country. I am much concerned about it because for the last 12 years from 1977-78 to 1988-89, only 28.67 millions metric tonnes crude oil against its target of 36 millions metric tonnes have been supplied to the Refinery located in my state which is the second oldest Refinery under the public sector in the country. Recently, the hon. Minister, while replying to a question about the Petro-chemicals complex to be setup there, said that it would not be set up due to the scarcity of the raw-materials.

But this is a fact that without opening of the petro-chemicals complex the industries cannot develop in the area even the raw-

materials will not be supplied to the existing factories. As for example, all the 41 existing factories will be closed if additional crude oil is not supplied because slack wax will not be available to the units engaged in production of wax candles. These units are on the verge of closure and are likely to become sick. It is so because the 12 per cent of the total production, which is provided to those factories is too less to meet their demands and rest 88 per cent of the production is sent outside. Likewise, only one out of the 5 proposed factories of calcyning petroleum coak, could have so far been constructed. That factory has also been lying closed due to non-availability of raw-materials. Due to scarcity of raw materials capacities of remaining factories are also under utilized as they get only 12 per cent R.P.C. there. I regret to say that the capacity of Barauni Refinery has not been increased. Thousand acres of land was acquired for setting up the refinery there. As many as 500 families were displaced. The capacity of the refineries set up after Barauni refinery, such as Gujarat Refinery increased from four millions tonnes to nine millions tonnes and that of Mathura Refinery from six to in millions tonnes and so is the case with the Haldia Refinery whose capacity was also increased but not of the Barauni Refinery. So, I would like to know from the hon. Minister whether he is willing to expand the Barauni Refinery or not, if yes, what alternative arrangement for the crude-supply he has made? Bihar would be the worst affected state from the closure of the additional crude supply from Assam. There will be immediate repercussion of it. Then you will say that there is 'goonda' raj in Bihar.

[English]

PROF. K. V. THOMAS (Ernakulam): Mr. Deputy Speaker Sir, the violence that arose by ULFA, the Bodo agitation and the incitement in AASU and AGP have resulted in the resignation of one of the Union Cabinet Ministers. These are the distressing signals coming from the North-Eastern region of the country. A similar signal came in 1978 when the Janata Party was in power. This shows, i.e., all such distressing signals which take

[Prof. K.V. Thomas]

place in different parts show that the Central Government is weak. Sir, the hon. Minister should take note to the recent developments in Assam. Our Home Minister, Shri Mufti Mohd. Sayeed was not allowed to speak at a public meeting in the capital of Assam. Mr. Dinesh Goswami was gheraoed by his own party men. There is a strong incitement in the AGP Government. This is the time for the Central Government to face a lot of political instability in Assam. Is the Government doing anything in this direction? Secondly, it has been clearly stated in the answer given by the hon. Minister that the present loss due to the oil blockade itself is Rs. 70 to Rs. 80 crores. The ONGC bandh is going on and the Central Government institutions are not functioning properly because of the insecurity created by the recent kidnapping of the General Manager of the Guwahati Refinery alongwith his son.

So, the entire situation in Assam is slightly going out of order. It has been reported recently that there are discoveries of oil in different parts of Assam. One of clauses of the Assam Accord says that there will be a new oil refinery to refine whatever quantity of oil that can be available in Assam. I would like to know whether or not any steps have been taken in this direction.

Then, Sir, coming to the political instability, one of the clauses in the Accord was that the Government will take appropriate measures for the economic development of Assam and in that it was also stated that in the short time something will be done by the Government of India to have an IIT there. Something will be done to rehabilitate the Ashok Paper Mill. So, by this time, what concrete steps have been taken by the Government?

These are some of the problems which ponder the minds of the Assamees. Similarly, an important assurance was given and that was that the cultural integrity of Assam will be protected. But on this particular clause the AGP Government itself is asking a

constitutional amendment for a special status to Assam. This is a very dangerous trend. We have a federal system and every State in our country is contributing its mite to the nation and in turn nation is giving its own contribution to the development of the State. The trend which is developing in Assam is that we will blockade oil and we will not allow oil refinery to function if such and such things are not given to our State. If similar trend starts in other parts of the country, what will be the position of the country? All these things should be looked into.

SHRI M. S. GURUPADASWAMY: Mr. Deputy Speaker, Sir, at the outset, I thank all the hon. Members who participated in this brief discussion. Discussion may be brief but the matter was very vital, not only for a particular State of Assam but for the whole country. The initiator of this Calling Attention, my friend Shri A. K. Panja has not only raised specific issued regarding oil blockade in Assam but also tried to traverse a wide ground and thereby raising many other vital issues concerning the oil scenario as a whole.

About the scenario, may I tell him and other friends here that this Government regards oil as a prime fuel and a very important vital sector not only to the life of the people but to the economy of the country as a whole. I am approaching this problem from this angle.

Oil pervades all sector domestic, agricultural, industrial, commercial and Government sector. Anything that happens to oil sector affect the whole economy. More than 40 per cent consist of oil in the commercial energy consumption. Therefore, it is very vital. Sir, he quoted certain figures and wanted me to tell whether they are true or not. Last year we spent about Rs. 6,440 crores for import of oil and oil products.

Last year, the overall growth in payment for the whole range of oil products, including crude, was in the neighborhood of 8 per cent. On petrol alone the growth in demand was 14.2 percent which was more compared to previous year.

It is true that there is a widening gap between crude production in India and requirement of crude for refining. We have touched about 33 million tonnes of crude production in India. We forecast that by the end of this year, the crude production in the country may reach 35 million tonnes, approximately. But, the requirement of crude oil has been increasing. Last year, the requirement was in the neighborhood of 53 million tonnes. I am speaking from my memory, I am not giving fractions. By the end of this year, the demand for crude may be in the neighbourhood of 58 million tonnes. So, the demand and supply gap for crude oil has been increasing all the time. Even, if we improve our production here, we will not be self-sufficient. As on today, our self-sufficiency in crude is about 58 per cent or so. In the Sixth Plan, it touched 70 per cent and now it has come down. It may come down further in course of time because the demand for crude and petroleum products will be increasing all the time. So, we are not self-sufficient in crude production. It is not true that because we are importing it, we are not at all doing anything. We have built up the refining capacity to take care of not only of our own crude but also of imported crude. In the Eighth Plan, we are trying to expand our capacity and also build up new capacities. Therefore, let there not be any fear on that account. Our capacity is sufficient. We have enough capacity. But our crude is not adequate to meet the growing demands of the nation and the people here.

Then, he raised the issue regarding prices and said that we are paying more for the crude which is being imported. I must take the House into confidence and say that the Government has taken timely steps to import, to purchase crude in the spot market when the prevailing price was low. We have purchased crude at the rate of 15 dollars or 16 dollars per barrel when the price was low, as a result of that we have saved nearly Rs. 340 crores. We have taken steps in this regard. We also tied up with various foreign Governments and agencies for crude supply, for the whole year. That is the part of our arrangement, that is being done. Therefore,

let there not be an doubt or fear in the minds of our friends here that we have not done anything to tie-up our imports with foreign countries and agencies. He has raised the issue of disruption of crude supply from abroad, as a result of the Middle East conflict. That is true. Nobody anticipated that there would be tension or conflict in the Middle East as a result of which supplies of crude and oil products would be disrupted. We had contracted nearly 8 million tonnes with Kuwait, Iraq and Russia. We have got other contracts as well, with other countries; but these three countries, under the arrangement, had committed to supply us 8 million tonnes, out of which from the tow, more or less we have imported so far nearly 3.5 million tonnes.

We are not sure whether we can import the rest of the quantities from these countries. Even if we want to, there is a bar, there is an economic sanction applied by the United Nations. Therefore, we may not be able to get this quantity from these countries. So, we are trying to get supply from elsewhere. I have already sent two delegations to some countries. One delegation went to Malaysia and Indonesia; it has returned. Another delegation has left for Moscow, and the third delegation perhaps will be leaving today or tomorrow, to the Middle Eastern countries. Signals are positive. Malaysia has come forward to help us somewhat. Perhaps there are positive signs from Russia too. In the case of Russia, it has to supply us crude which Russia would get from Iraq. Russia, in other words, was supplying Iraqi crude to us. Now Russia would not get Iraqi crude. Therefore, we are trying to persuade Russia to see whether she can give us some other crude; and we are trying. Perhaps we may succeed there also.

The third delegation has gone. Previously, two of our colleagues, Mr. I. K. Gujral, the Minister for External Affairs went to some countries, viz. to Russia and other Middle East countries, Shri Arif Mohammad Khan had also gone there. They met their counterparts. There are positive signals, but I must say that the picture is not very clear. It will be

[Sh. M.S. Gurupadaswamy]

our endeavour to see that our people and the country do not suffer for lack of oil. But there are other factors.

SHRI BHOGENDRA JHA: May I just seek a minor clarification?

SHRIM. S. GURUPADASWAMY: After I finish; otherwise, I will lose the trend.

SHRIBHOGENDRAJHA: I am wondering whether we have begun direct trade relations with the Russian Federation; or we are still trading with the Soviet Union—because the Minister has repeatedly said, 'Russia'. So, I want to know; or, is he speaking of the future?

MR. DEPUTY SPEAKER: The country is recognized as Soviet Union, and not as Russia.

SHRI M. S. GURUPADASWAMY: Soviet Union; all right, I stand corrected, if you want that. I will use the word Soviet Union.

I was on this point, viz. that we are trying our best to import crude from other sources. We are trying for alternative sources for that. But there are three factors which are complicating the situation in the oil sector in the world. One is, as I said, the disruption caused by the Middle East conflict.

The second point is, as I have stated, lack of availability of crude in India itself. Our production is not sufficient to meet our requirements. (3) The international prices of crude are rising high. OPEC countries some time past fixed up 21 dollars per barrel; they are not sticking to that price also now; they are trying to raise this price further. Today, in the international market, the crude prices are varying between 26-30 dollars per barrel. It is very very volatile, fluctuating. So, this is another factor which complicates the situation. The fourth factor, a very big factor, so far as we are concerned, is that we are not having sufficient foreign exchange. Our for-

ign exchange resources are limited. The Finance Minister, my colleague, has asked me to limit myself to Rs. 6,440 crores. That was the figure of last year. If I have to adhere to that, then there will be no positive growth at all. I said, the growth in demand is about 8 per cent for all the petroleum products; and if Rs. 6,440 crores is the amount given to me, then there would be a negative growth of 1 per cent, not positive growth of 8 per cent. This has got to be appreciated by all of us. Therefore, I am persuading the Finance Minister to provide me with more resources. I am aware that he has got his own problems and he has to meet various competing demands for foreign exchange. But I am doing my best. It will be my effort, my endeavour to see that more foreign exchange is made available to me so that I keep the distribution network intact as far as possible; and this is a continuous exercise which is going on in the Central Government. But members have to appreciate how we are placed; and the country is going to face a serious situation in the field of oil. I do not want to create any panic any scare in the mind of the public; that is not my intention, because it will be my endeavour to see that oil and oil products are supplied in adequate quantities. I am only saying that all the superfluous consumption and wasteful consumption should be avoided; and there should be a reasonable cut in every sector. I know the minds of the many hon. members. Government and the government sectors consume a large quantity of petroleum products. Therefore, we apply curbs to all the government sectors. We are also applying curb on the public. But care is being taken, as far as possible, to see that the wheels of industry should move on smoothly without much hindrance, obstacles, difficulties because of lack of oil. It is a very difficult exercise. I do require the support of the House here in this regard. Perhaps we may have to think of certain more measures in this direction. It is a continuous exercise.

Coming to the present moment, now at this juncture Assam gave a jolt to us. When the country is facing such an acute crisis in the field of oil, AASU and its organisations in

Sibsagar resorted to a *bandh* and blockade, as a result of which I have given the figures we have lost the production of oil and the supply of oil has been affected. I have given the money value of these products roughly, or approximately what we have lost.

It is not true that we have not done much to persuade the students and youths in Assam to stop the agitation. And it is also not true that we are waking up rather late. We know the situation in Assam. We have also been reading papers as my friend also is reading. We also read the papers, we know the situation. We also, watch the situation, study the situation; officials are sent there frequently to assess the situation, to know the situation in Assam. But it is unfortunate, it is very sad that the youths have resorted to direct action. As a result of it our productive apparatus is very much adversely affected. The supply has been disrupted. The refineries have been stopped. Barauni and Bongaigaon refineries were stopped. Guwahati Refinery was also stopped, not because of this but because it needed repairs and for maintenance. They were stopped. We have lost heavily when the country needed oil. When I was in Assam last time, I met the representatives of AASU. I met the Chief Minister all the Ministers and also the officials. I gave a presentation of the oil scene I convinced them. I thought that I convinced them. They said that the Minister was very very reasonable. There was no comment at all. But again, demands were raised, to my shock; My problem is how to make those people believe what we say, how to make the non-believers believe. They refuse to believe. How to make them believe? And I have used all my skill whatever limited skill I had to tell them, that the development of Assam is as dear to us as to them.

Perhaps, the hon. Members are aware, in my sector alone, I have committed to an investment of Rs. 8,000 crores in the Eighth Five Year Plan in Assam. Eight thousand crores of rupees investment in Assam; I am committed to it. But there are other investments in Assam. We are fulfilling the conditions of the Accord signed by the previous

Government with Assam. We are taking all steps. But they refuse to co-operate.

Recently, I was there and I attended the meeting of the North-Eastern Council. My colleagues also were there. Prof. Madhu Dandavate, Mufti Saheb, the Law Minister, all of them were there.

15.00 hrs.

I was very frank and very friendly with them. I had informed them our attitude and our approach to the problem. I told them very firmly that the path chosen by the agitators is suicidal.

Sir, they want more and more investment in Assam for development. When they want investment for development, when they want development of Assam, then the minimum thing that is required is, there should be normalcy, law and order, peace, and a sense of security for the people who work there. This is the minimum that is required. If that is not there, who will invest in Assam? I had asked this question there also. Who will invest in Assam when there is not sense of security? When there is no possibility of earning money, there, working the factories and installations, who will establish any undertaking there? It is the basic question. So, I appealed to the Chief Minister of Assam and other Ministers that their primary responsibility is to see that the law and order is restored. Unless that is restored, unless the climate of security is created, development may not go on, it will be jeopardised. Therefore, I agree with the honourable member. We know the situation in Assam. It is a developing situation. It is not a situation, which has come up overnight. It has been there. We all know it. I do not, as a citizen of India, agree to the concept that those precious materials or minerals which are found in a particular State should not be taken out of the State. I do not agree with that concept. Nobody would agree with that concept. But at the same time, all the local development should be taken care of. In the name of national development, development of a State should not be sacrificed. Both have to

[Sh. M.S. Gurupadaswamy]

be balanced. We subscribe to that theory. I think, this House support that theory.

Assam is as much important to us as any other State in the country. I said openly, 'Assam lives in India, India lives in Assam'. That is the concept, to which everybody is subscribing to.

Sir, I hope and trust that better sense will prevail in Assam and AASU will cooperate in their own interest. I appeal to them to cooperate.

One or two things have been raised here. I am saying about Barauni. Barauni refinery has got the capacity of 3.3 million tonnes. We are maintaining that capacity. We are working that refinery. Assam oil is coming to the refinery so long. There is no question of shutting out that refinery. That will be maintained. Other refineries will be.....(*Interruptions*)

[*Translation*]

SHRI SURYA NARAYAN SINGH: Mr. Deputy Speaker, Sir, the hon. Minister has stated that the capacity of 3.3 million tonnes of Barauni Refinery has all along been maintained. It is a totally wrong statement. During the last 12 years, supply of crude oils to its optimum capacity was made twice only. During the remaining years, supply has never been to its optimum capacity. I want clarification from the hon. Minister on this point.

[*English*]

SHRI M. S. GURUPADASWAMY: The capacity is 3.3 million tonnes. We are working that capacity. therefore, our endeavour has always been to supply crude for utilising that capacity. There is no question of

(*Interruptions*)

SHRI INDRAJIT GUPTA (Midnapore):
Is whole of it from Assam?

SHRI M. S. GURUPADASWAMY:
Whole of it is from Assam.

We are getting from Assam only. Assam need not be worried that their crude will be taken away. We have already decided to set up a new refinery of three million tonne capacity in the Eighth Plan. And the oil that will be found in Assam will be sufficient for all the refineries including Barauni. It is not the intention to starve refineries in Assam. We want to develop Assam refineries. We are expanding BRPL, Digboi and Gauhati refineries. In addition, we are establishing a new refinery of three million tonnes. Where is the question of starving Assam?

[*Translation*]

SHRI SURYA NARAYAN SINGH: What has the hon. Minister to say about the exposing of Barauni Refinery?

[*English*]

SHRI M. S. GURUPADASWAMY: Barauni refinery will not be closed at all. Its capacity will remain the same. Barauni Refinery is as much dear to us as Assam refineries.

About what steps we have taken to see that normalcy and security is established. We are taking all measures. We are in constant touch with the State Government there. We have been in touch with our officials because they are most important to us. If any demoralisation comes in, everything will collapse. Therefore, we are in touch with our officials and giving them necessary support. It is a difficult situation. We are trying our best to see that our installations, undertakings and refineries work smoothly.