

तो जैसे अपर क्वाम वाले करते हैं, वैसा ही करे । कोई अपर क्वास वाला हिन्दुस्तान में इस बात का दावा नहीं कर सकता है कि कोई दूसरी जाति वाला सिर्फ इस बिना पर कि वह छोटी जाति में पैदा हुआ है, इसलिए उसको बाजा बजाने का हक नहीं है, डोली उठाने का हक नहीं है, पगड़ी बांधने का हक नहीं है । उसको घोड़ी पर चढ़ने का हक नहीं उमका हुक्मल करने का हक नहीं । सब हक मौजूद है, अगर कही कमी होगी तो हाउस में मिलवर्तन कर के हम कानून में मां तबदोला करेगे । हम इक्वैलिटी और बराबरी में विश्वास करते हैं और इसके लिये हर मुमकिन यत्न किया जायेगा कि कमी के साथ ज्यादाती न हो ।

श्री राम बिलास पासवान . हरिजन एट्रो-सिटीज पर सदन में आपने पिछली बार कहा था कि आप अपोजिशन के लोगो की आंग हरिजन एम० पी० की मीटिंग बुलायेगे, लेकिन तीन महीने हो गये है अभी तक कोई मीटिंग नहीं बुलायी गई है । आप कब तक यह मीटिंग बुलायेगे ?

गृह मंत्रालय में राज्य मंत्री (श्री यतीन्द्र मकवाना) मैंने कहा था कि मीटिंग बुलायेगे, लेकिन अभी हम ठेक फिना कर रहे है ।

15.15 hrs.

STATEMENT RE INCREASE IN PRICES OF PETROLEUM PRODUCTS.

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI VERENDRA PATIL): Mr. Deputy Speaker, Sir Hon'ble Members would kindly recall that the last general price increase for petroleum products took place on the 17th August, 1979. Hon'ble Members are doubtless aware that since then successive increases have been announced in the prices of crude oils by members of the Organisation of Petroleum Exporting Countries. Many of the increases were given effect to even retrospectively. Consequently the weighted averaged price of imported crude oil has gone up from Rs. 1255 per MT in August, 1979 to about Rs. 1943 per MT. The additional burden placed on our refineries on this account is of the order of Rs. 1048 crores per annum. Similar increases in the price of imported petroleum products have also taken place and this has added an additional burden

of about Rs. 525 crores. There are certain other incidental costs to the oil industry such as increase in ocean freight, increases in refining cost, increased cost of road transportation which has to be resorted to, to reach products to the market in time, over rail transportation etc. These incidental costs add up to Rs. 175 crores per annum. In addition, the oil industry has had to borrow funds from the banks and financial institutions to meet their increased cost to pay for the higher price of imported crude oil and petroleum products pending decision on revision of product prices. These amounts have to be paid back with interest. The total additional burden to be made good to the oil industry on account of all these factors comes therefore to Rs. 2466 crores.

Government after very careful consideration have decided to increase the prices of petroleum products with effect from 8th June, 1980. These price increases are expected to generate about Rs. 2100 crores per annum.

Increases in the prices of individual petroleum products have been decided upon after a very careful consideration of the effect these will have on various sectors of the economy. Kerosene is an article of mass consumption and is used by the weaker sections of the community. Cooking gas is largely used as domestic fuel in the urban areas by the middle classes. I am happy to say that the prices of these two products have been left untouched.

The basic prices of petrol, high speed diesel oil and light diesel oil have been increased by 65 paise per litre. The prices of lubricants of different grades have been increased by about Rs. 1.10 per litre, the exact amount varying for each grade. The price of naphtha, if used in the manufacture of fertilizers, has been increased by Rs. 475 per tonne. However the price of naphtha for other purposes has been raised by only Rs. 210 per

[Shri Veerendra Patil]

tonne because it was increased substantially in August 1979. There is no increase in the price of LSHS and fuel oil used for the production of fertilizers; however, for other purposes the increase is Rs. 650 per tonne. Bitumen price has been increased by Rs. 650 per tonne. The price rise in the case of aviation turbine fuel is Rs. 1100/- per kilo litre. Suitable increases have also been ordered in respect of a number of special products such as wax, benzene, toluene, jute batching oil, raw petroleum cake, carbon black, feed stock, phenol extract, aromex and solvents. The increases in the end prices in all these cases may be slightly higher due to sales tax, octroi and other State levies.

Even with these increases the prices are generally below the international prices. For example the price of diesel oil at Delhi is less than the imported price by at least 60 paise per litre. The new price of naphtha feed stock for fertilizer is Rs. 1075.81 as against Rs. 2805.00 per M. T. of imported naphtha and Rs. 1943 per tonne for crude oil itself.

Hon'ble Members are perhaps aware that our import bill has risen sharply in the recent past. In 1978-79 it was Rs. 1695 crores representing 30.6 per cent of our exports. During 1979-80 the foreign exchange bill may be about Rs. 3202 crores being 53.4 per cent of our exports. During the current year the foreign exchange bill may go up to about Rs. 4930 crores being 69 per cent of the export earnings based on imports of about 16 million tonnes of crude oil and about 6.5 million tonnes of petroleum products.

Every time there is an increase in the prices of petroleum products due to increase in the price of imported crude oil and products, there is a demand that the excise duties should

be brought down to give relief to the consumers rather than pass on the increased burden to the consumers. Hon'ble Members are aware that ONGC and OIL do not get the equivalent of international prices for the crude oil which they sell to the refineries. Currently, offshore crude costs Rs. 475 per tonne and onshore crude Rs. 310 per tonne to the refineries as against the average imported crude oil price of Rs. 1943 per tonne. If the crude oil produced in the country is priced on import parity basis at Rs. 1943 per tonne, the additional burden on the consumer would be nearly Rs. 2200 crores per annum. This is much higher than the amount realised from levy of excise and customs duties on petroleum products of about Rs. 1568 crores.

In other words by keeping the price of indigenous crude at a low level the consumer is already insulated to some extent against the ever increasing price of imported crude oil and products.

Hon'ble Members are probably aware that OPEC Committee of Experts on Long-Term Strategy has recently finalised its report which was discussed in the meeting of OPEC held in early May at Taif (Saudi Arabia). One of the recommendations is that there should be a minimum floor price adjusted quarterly for inflation, currency fluctuations and industrial world GNP growth. According to western experts, this would imply annual crude oil price rises in the range of 10 per cent to 15 per cent under current economic conditions. This would mean that oil could cost at least \$ 60 a barrel within 5 to 7 years as against the current average of about \$ 30 a barrel.

We are also urging in international forums that oil importing developing countries should be given priority and security of supplies because they can neither curtail consumption nor resort to conservation measures, in

the near future being already at low levels of economic development. Though OPEC may have a case for gradually increasing the prices of crude oil this will on the other hand cause serious balance of payments crises for developing countries and, therefore, they would need to be insulated against such increases. There is also a case for recycling the petro dollars which are with the developed countries, for assisting the oil importing developing countries to develop their oil resources and also alternative sources of energy. It would be our endeavour to ensure that in any international accord the case of the oil importing developing countries is equitably decided.

In the light of what has been stated above Hon'ble Members would appreciate that the price increases which have been effected are the direct result of compulsions of the world oil situation from which there is no escape. There is no knowing what escalations will take place in future. If and when they do take place there is no way we can sustain the viability of the oil industry except by passing on the burden to the consumers to the extent unavoidably necessary. This is the harsh reality of life which every citizen of the country should know.

Government is taking steps to explore more intensively for crude oil but it costs a lot of money to find and develop new oil fields. Moreover finding oil is a chancy business. To the extent we become more self-sufficient in oil, our burden on account of import will be lessened. In the long term we should realize that oil everywhere is a depletable resource and our efforts should, therefore, be to reduce our dependence on oil as a source of energy and tap other sources such as coal. But in the short term there is no escape from paying the price for the high cost which this form of energy has commanded in recent years.

SHRI JYOTIRMOY BOSU: (Diamond Harbour). I have a submission to make.

MR. DEPUTY-SPEAKER: I am not permitting you. No, no, it is not a debate. You have already given a notice of a motion. Then you can discuss it. You must cooperate. Now, Mr. Venkatasubbaiah to move the motion.

15.25 hrs.

BUSINESS ADVISORY COMMITTEE FORTH REPORT

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS AND DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI P. VENKATASUBBAIAH): I beg to move:

"That this House do agree with the Fourth Report of the Business Advisory Committee presented to the House on the 9th June, 1980."

MR. DEPUTY-SPEAKER: Motion moved:

"That this House do agree with the Fourth Report of the Business Advisory Committee presented to the House on the 9th June, 1980."

SHRI JYOTIRMOY BOSU. (Diamond Harbour): My submission is this.

MR. DEPUTY-SPEAKER: Whatever Mr. Jyotirmoy Bosu says will not go on record.

(Interruptions).*

SHRI JYOTIRMOY BOSU: Under what rules?