

MR. CHAIRMAN: The question is:

"That the Bill, as amended, be passed."

*The motion was adopted.*

14.40 hrs.

KOSANGAS COMPANY (ACQUISITION OF UNDERTAKING) BILL

AND

(PAREL INVESTMENTS AND TRADING PRIVATE LIMITED AND DOMESTIC GAS PRIVATE LIMITED (TAKING OVER OF MANAGEMENT) BILL

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA): I beg to move:\*

"That the Bill to provide for the acquisition, in the public interest, of the undertaking of the Kosangas Company and thereby to secure that the ownership and control of the means and resources for bottling, transporting, marketing and distribution of liquefied petroleum gas are so distributed as best to subserve the common good and for matters connected therewith or incidental thereto, be taken into consideration."

"That the Bill to provide for the taking over in the public interest of the management of the undertakings of the Parel Investments and Trading Private Limited and the Domestic Gas Private Limited pending acquisition of those undertakings, with a view to maintaining a service essential to the life of the community, namely, the bottling, transporting, marketing and distribution of liquefied petroleum gas, and for matters connected therewith or incidental thereto, be taken into consideration."

Madam, the main purpose of the first Bill is the acquisition in the public interest, of the undertaking of the Kosangas Company, now vested in Gocul Gas Private Limited, as sole proprietor. This company, which is privately managed, is bottling, transporting, marketing an distributing liquefied petroleum gas (cooking gas) supplied by the Hindustan Petroleum Corporation Limited from its refinery at Bombay.

The object of the second Bill is the taking over in the public interest of the management of two other privately-owned companies, namely, Parel Investments and Trading Company Private Limited and Domestic Gas Private Limited, which are bottling, transporting, marketing and distributing liquefied petroleum gas supplied by the Hindustan Petroleum Corporation from its Vizag refinery.

It is the declared policy of the Government to do away with intermediaries in the field of LPG distribution and to vest LPG marketing in the hands of the oil companies, which are in the public sector, to reach the consumers more effectively and without any hinderance. In line with this policy, it has been decided to acquire the undertaking of Kosangas, and also to take over the management of Parel Investments and Trading Private Limited and Domestic Gas Private Limited, pending acquisition of these undertakings and to vest the same in Government.

I may bring to the notice of the hon. Members that efforts were made to arrive at an amicable take over, and for that purpose negotiations were held with Kosangas. As no acceptable settlement could be arrived at, the Government has no other alternative than to acquire the undertaking in public interest. Regarding taking over the management of Parel Investments and Trading Private Limited and Domestic Gas Private Limited, efforts were

\*Moved with the recommendation of the President.

[Shri H N Bahuguna]

mande to obtain information and particulars about their respective assets and liabilities. They have not furnished the same. In the absence of this, it has not been possible to assess the financial implications of take over. In view of the foregoing it is proposed to take over for the present only the management of the undertakings carried on by these two companies.

These Bills have been before the House for about six weeks now and hon Members are conversant with the provisions of the Bills.

Sir with your permission I would now commend these two Bills to this House for consideration and acceptance.

MR CHAIRMAN Motion moved

That the Bill to provide for the acquisition in the public interest of the undertaking of the Kosangas Company and thereby to secure that the ownership and control of the means and resources for bottling, transporting, marketing and distribution of liquefied petroleum gas are so distributed as best to subserve the common good and for matters connected therewith or incidental thereto be taken into consideration."

That the Bill to provide for the taking over in the public interest, of the management of the undertakings of the Parel Investments and Trading Private Limited and the Domestic Gas Private Limited pending acquisition of those undertakings, with a view to maintaining a service essential to the life of the community, namely, the bottling, transporting, marketing and distribution of liquefied petroleum gas and for matters connected therewith or incidental thereto, be taken into consideration."

There are some amendments. I find that Shri Vinayak Prasad Yadav and Shri Ram Kishan are not present here.

SHRI VAYALAR RAVI (Chirayinkil) Madam Chairman I was expecting to be enlightened by the hon Minister about the purpose of this Bill but this speech reveals that he wants to conceal certain facts from this House.

SHRI H N BAHUGUNA It is very unfair to make such a charge.

SHRI VAYALAR RAVI Only in one sentence he has made a passing remark that he could not obtain any information regarding the assets and liabilities of a company and secondly he does not know what is the financial implication of this Bill as yet. So you are asking the hon Members of this House to pass a Bill without knowing the real financial implications of the take-over of these companies.

I very much wish to support this Bill not because of its merits but because of the person who has moved it.

Madam Chairman two Bills have been moved together. I will take the first one, about the Kosangas Company. Here in the Statement of Objects and Reasons it is stated—if I am wrong Madam Chairman I am subject to correction and the Minister can correct me—as follows:

The agreement expired on the 4th September 1977. The partnership of Kosangas Company was dissolved with effect from the close of business on the 5th September 1977."

It means, there was an agreement with the ESSO Standard which was taken over by the Hindustan Petroleum because there is a consistent policy of taking over all foreign oil companies. Here is a Company and the agreement with that foreign company has already expired. It means that after 1977 the Government have no obligation towards that Company. The Govern-

ment is not, in any way, under obligation to that Company after 4th September 1977 because the agreement already expired. Then, you can leave this Company to its own fate. Naturally, I want to ask a logical question: What is the purpose of taking over this Company with the liability which is unknown to you?

SHRI H. N. BAHUGUNA. Madam, may I reply?

MR. CHAIRMAN: When you reply at the end you can answer. You will have your chance to reply. The Minister always has the last word. Don't worry. You carry on, Mr. Ravi

SHRI VAYALAR RAVI: Madam Chairman, if you go through the Bill, you will find—and it is clearly stated in clause 4, Chapter II—that Government is taking over only two liabilities. The rest of the liabilities are not being taken over. Naturally, what is the liability, whether any court order is pending or any attachment is pending and how much effect it has got—all these should be known. I hope the Minister has gone through all the exercise. Of course, you have to find a lot of time to explain this. But I am afraid tomorrow you may come into the hands of PAC for criticism. I am glad to say that as far as the employees are concerned, you are taking care. I am really happy about it.

Then you come to clause 5(2) regarding the special provisions as to certain rights held before the appointed day. That means you are reserving your right to reject, or the Government has the right to reject certain claims when they come.

Clause 10 is regarding provident fund and other funds. It is very important. I want to know whether this Company is the defaulter in provident fund and gratuity—you are of course providing gratuity—and other benefits which are due to employees. If the Company is a defaulter, you have not mentioned about that liability in clause 4. You

have only mentioned about the provident fund which is due to the employees. I do not know whether you can enlighten me on this point. Is the taking over of this Company in public interest? This is the basic question. Taking over this Company which is doing private business of bottling, distribution and everything can be done provided you supply to them the liquified petroleum. You are supplying this liquified petroleum gas to them for bottling and transporting. The agreement expired on September 4, 1977. Now, the Government is not under any obligation to them. So, this Company is left alone. The option before the Government is to allow the Company to have its natural death because the liabilities are so many, and this is ruining the Company. Why the Government has hastened to protect this Company? Is it for the employees? If it is for them it is well and good, we welcome it. If it is not for them, for what else? On this the Minister can enlighten me. The same is the case with other Companies also about which I do not want to repeat the same points which I have already mentioned. In this connection, two items are very important. One is the cooking gas, the other is petroleum product. I find Mr. Vajpayee, the Minister for External Affairs has become the Minister for shutting. He is shutting from New Delhi to the United States. He was very fond of Iran once upon a time. You are fully aware that he can get their advice then and there. But fortunately he is not there now.

Now I find the Minister of Petroleum is shuttling between India and Libya, Tehran, Abu Dhabi etc. It is good in the interests of the country to make these tedious journeys, but I may remind him that this country had a heavy shortage of kerosene once upon a time when he was in the Congress Party, when I was a small child of 8 years, studying in school. Then we used to get ration slip for kerosene in the class, and we had to stand in the queue to get it. At that time Mr.

[Shri Vayalar Ravi]

Bahuguna might have defended the Government by saying that power had been transferred only recently, that they had to get the product from outside etc. But my contention is that today you are putting us back to 1949 in the matter of petrol. What is the reason?

You are producing about 40 per cent of the crude in Assam and Bombay High. There is also the Soviet offer of a barter deal of crude for rice. Libya is offering oil. Only there is turmoil in Tehran, but that puts this new Government out of gear. Not only men and women, but even lorries and cars stand in queue for petrol and diesel because of a small crisis in Tehran.

SHRI H. N. BAHUGUNA: Kosangas does not deal with kerosene or diesel.

SHRI VAYALAR RAVI. Why this crisis in the availability and distribution of petroleum and gas? Is it because there is no proper planning? You can explain it. The Minister can always say that it is because the Iranian Government have backed out.

MR. CHAIRMAN: He replied to it while replying to the Demands of his Ministry.

SHRI VAYALAR RAVI: Cooking gas concerns you, Madam, very much and every woman in the country.

MR CHAIRMAN: The Chair is the Chair.

SHRI VAYALAR RAVI: The Minister said that if any complaints were received regarding pilferage in cooking gas, he would take severe action. I do not know what action he has taken, because it is still going on. You have to take action, because cooking gas is an item which can be taken away easily. Many unscrupulous

people are there. You have to check them. Production may be there, I appreciate it, but it should be available in the major cities, as it is an important of consumption there. A demand has been made on the floor of the House for more availability of gas.

MR. CHAIRMAN: And lowering of prices!

SHRI VAYALAR RAVI: The price of gas has also gone up. In fact, the price of everything has gone up. So, why talk of gas alone? The Janata Government can take pride in having reverse everything that the Congress Government did including bringing down of prices, there is no doubt about it. They have calculated the wholesale price index, adopting the same tactics as the Congress Government, conveniently forgetting the retail price by which the consumer is hit. The traders are receiving political patronage from a section of the ruling party, and the sufferer is the consumer today.

So, I request him to enlighten us about the availability of gas, whether he can reduce the price of gas to a reasonable level and also when he will be able to lift rationing of kerosene.

In spite of all these criticisms, still, I stand by my offer to support the Bill.

SHRI PABITRA MOHAN PRADHAN (Deogarh): Madam, Chairman, I am glad that the Minister is very eager to nationalise the Kosangas Company and to take over the management of another company. These two companies are producing liquified petroleum gas. Gas is necessary for many purposes. One purpose is that it is used for cooking purposes. Our country got independence 31 years ago. After independence, there has been much

progress, an all-round progress in the society. At present gas is in such a bad need that one cannot describe it in words. Each and ever person, family in Delhi is approaching this or that authority, this or that Member of Parliament to recommend his case to the hon. Minister for gas connection. For the last so many years the applications have been filed and they are put in queue, but nothing has yet been done. I would make a request and a demand that the hon. Minister should take immediate steps so that the gas ovens and the gas containers are produced in a large number and the dire need and necessity is met and fulfilled. The hon. Minister might have been displeased with some of the Members of Parliament; but we are put to difficulties, because when we pass through the corridors, so many employees of this House also approach us with an application to obtain our signature recommending their case to the appropriate authority. I am glad that he has shown eagerness in bringing forward these two bills, in one case to take over the management of the sick unit and in another, to nationalise the unit. It is very good and therefore, I whole-heartedly support it.

Coming to the problem of nationalisation, at present, under the circumstances, I am not in favour of either socialisation or nationalisation. By now so many industries and businesses have been nationalised. As I said the other day in this House, which I reiterate now, out of the nationalised and socialised industries and businesses, 90 per cent are running at a loss.

15 hrs.

AN HON. MEMBER: No, no.

SHRI PABITRA MOHAN PRADHAN: Whatever the Government may say they may give the account

in this way or in that way the fact is that 90 per cent of the nationalised and socialised industries and business are running at a loss. So, let there be a halt to this. Let the Government compel the managements to show profit. The other day hon. Prime Minister has opined somewhere that, if the nationalised concerns and industries fail to show profit, then the heads of these concerns should resign. The country very gladly accepts such a demand, such an opinion, of the Prime Minister. Simply saying 'nationalise' or 'socialise' without getting the desired results will not help solve any economic problem of the society. Let these two concerns be nationalised because they have been sick, they have not functioned properly. But after taking over the management and nationalising the industries, strenuous efforts should be made so that these industries will go on producing more and more and there may not be any loss.

Once again appealing, requesting and demanding the Minister that more gas ovens and gas cylinders should be produced and the demands of the people may be compelled with, I resume my seat.

SHRI VIJAY KUMAR N. PATIL (Dhule): Madam Chairman, I rise to support the Bill. But some doubts remain in my mind which I would request the hon. Minister to clarify in his reply.

The first is about the amount of Rs. 10,000 which the Central Government shall pay "for the transfer to, and vesting in, under section 3, of the undertaking"; I want to know how this amount of Rs. 10,000 has been arrived at. 'Nominal' amount means any amount starting from rupee one. This is one thing.

Secondly, I do not agree with my hon. friend who spoke earlier when he says that the industries take over by

[Shri Vajay Kumar No. Patil]

the Government or the undertakings started by the Government invariably run at a loss. I would point out the prominent example of the sick mills taken over by the National Textile Corporation. These mills were previously run by private owners and when they became sick, the National Textile Corporation had to come in and help the employees and also in the production of textiles. Similarly the distribution of gas, bottling, etc., are essential things in day-to-day life. Therefore, taking over of the Kosanga Company and also the other companies is very much in public interest. But another point is this. Although this company is a big company, the liability that we are taking over runs into crores of rupees. It consists of vehicles etc. It is a liability. I do not know whether the Government have ascertained the number of vehicles which have become outdated for distribution because in the modern age after every five years the machinery becomes outdated. And that has to be verified.

Through this opportunity I will request the Minister that whenever any undertaking is taken over by the Government, the future employment given in that undertaking should be given to local people because it has been noticed through newspapers and also there are a lot of complaints from people and especially to Gujarat we see the Oil and Natural Gas Commission have given employment to people from Dehra Dun and other places and the local people employed there are only employed as Chaprasis or watchmen. Whenever any public undertaking is situated in a particular place, the emphasis should be given for employment of local people other things being equal. That should be borne in mind.

With that I close and I hope my doubts will be cleared by the Minister.

**SHRI AINTHU SAHOO (Bolangir):**  
Before discussing the Bill some doubts have arisen in my mind. What

*etc. Bill*

for is this public acquisition? Does it benefit the consumer? Does it benefit the State? Or do we get more revenue by acquiring this private enterprise? In the Statement of Objects and Reasons nothing has been mentioned nor do I get this answer from the reply of the Minister. We are jumping into a well without seeing what it is—whether by acquiring a company which is running at a loss, will it not burden us or by acquiring it whether we can give more connections to the consumer or whether the gas shortage in the country will be met. If we acquire it for public purpose, we must find out what for we acquire it. There must be satisfaction in our mind. The benefit which will come through the measure must be considered. It is not there in the Statement of Objects.

You will be surprised to know that the return we get from our investment on public enterprises is quite meagre. The Bureau of Public Enterprises has come out with a report which is published in the newspapers that 28 public sector enterprises are running at a loss. Under the Ministry of Petroleum & Chemicals there are some fertiliser units which are running at a loss. In yesterday's paper, there is a letter written by the Prime Minister to the Finance Minister asking if these public sector units are running on losses, what will happen and what can be done? The investment is about Rs. 12000 crores and if we do not get any return what will happen? We will be paying more taxes. We pay the highest income tax in the world. For an income of about Rs. 50,000 we have to pay Rs. 11000 whereas the English people pay only Rs. 7000, the Americans pay only Rs. 4000 and the Japanese pay only Rs. 850. We invest crores and crores of rupees but we get nothing in return and at the same time we are taxed more. If the Public sector companies are running on losses, we are taxed more. That way what benefit do we get if we nationalise those which do not add to the income of the

*etc. Bill*

State? Do we nationalise only for a luxury sake? If we do not make any profit, then the purpose of nationalisation will be defeated. I remember Dr. Lohia when he was alive, was telling, 'Take all the sick industries, nationalise them and make profit so that the persons who are employed in the industries will not be unemployed.' I may tell him that it will not be difficult for us to get gas connections if only we are able to complete the Mathura Refinery in correct time. If this is done, then the Delhi people will get the gas through a direct pipeline. And every house will get the gas connection as has been done in Baroda. I am told because I had been there that there is some conspiracy and, as a result, this project will not be completed in time. They have written in the report of the Ministry of Petroleum and Chemicals that it was to be completed in 1978-79. Mechanically it will be completed in 1980. If you really want to solve the problem of gas, you must get this refinery completed and not by acquisition of gas companies only. I am glad that he is going to take over the Kosangas Company. But, at the same time, we must see to it that our money is not misused by such taking over of that company.

I welcome again the Minister that he is jumping into the well without seeing what it contains. I wish him well and God will save him.

I wish that by nationalisation he will make this country self-sufficient in providing gas connections.

**SHRI K. MAYATHEVAR** (Dindigul): Madam, Chairman, as Shri Ravi correctly said, although I too do not want to support this Bill, still I am extending my cooperation and support to this Bill for this reason that this hon. Minister had the best performance to his credit when he was in the Congress Party as also when he was the leader of the Students Organisation.

I want to say this without suppressing anything. What is the objective

behind this Bill? What are the liabilities we are going to bear by taking over of these two managements of the companies? There is nothing pointed out in this Bill. The Bill does not speak about the assets and profits, if any, available or left behind by these two managements. Our Government now-a-days are coming forward to safeguard and rescue the companies which are very badly sick. Government does not bother about knowing the reason behind their falling sick. What is the action taken by them for the recovery of heavy losses incurred by these two companies?

I am told—I am subject to correction—that this Government is going to pay about Rs. 5 crore of money into the pocket of the British. By 'pocket' I mean that the money is that of the people and that is going to be paid to these companies by way of taking over of these two managements by the Government of India.

We are for nationalisation. But, some hon. Member was pleading against it on the ground that all the public sector undertakings are running into losses. What is the reason for their incurring losses? I say that it is due to inefficient administration by the officers as also due to impotency of the Government which is managing the factories and public sectors. But, so far as this Minister is concerned, he is becoming younger and younger in age. Ten years before I had seen him in Madras when he was addressing a meeting in Mambalam—T Nagar—when he was looking older and elder. But, now he is looking younger. In spite of his becoming younger in age in so many stages, he is not nationalising this on merits which he should have done in this case. This is the conduct or character of this Minister. I would request him to nationalise not only this kind of sick industry but also other petroleum companies which are owned by the private business people.

[Shri K. Mayathevar]

Gas companies and most of the industries of this type are owned by the foreigners. After thirty years of Independence, now we should not hesitate to nationalise all the foreign-owned industries in India. Why I say this is that all our gold and silver and other wealth of the people of India had been robbed or plundered and taken away by the Britishers to their country from the Indian soil. Even after thirty years of Independence we are still allowing the foreigners to do the same which cannot be tolerated by the people of India.

Mr Chairman, as has been correctly pointed out by Mr. Vavalar Ravi, for the last one month we are not getting sufficient supply of petrol, gas and kerosene. Prices have also risen very high. It is not a healthy atmosphere with which we are dealing.

MR. CHAIRMAN: Please conclude.

SHRI K. MAYATHEVAR: I hope the hon'ble Minister has got a representation from Tamil Nadu Government and also from the MPs from Tamil Nadu to the effect that the middle class people and the workers have to stand in long queues in the hot sun to get supply of kerosene. Recently I toured my constituency for ten days and found in many villages there is no kerosene. I would like to request the hon'ble Minister to look into the matter and make adequate arrangements for the supply of sufficient quantity of kerosene to Tamil Nadu to satisfy the demands of the Tamil Nadu people.

Lastly, a word about the right to be given for distribution. Now, you are giving it to Ummadiar, who is a multimillionaire. Then you are giving it to Mafatali who is no less than Tata and Birla. Then Mr. Krishnan—Tennis Krishnan—is being given distribution rights. I do not object to his being given the distribution

rights but, I am told, he will be reaping a profit of Rs. 9 lakhs by getting this kind of agency for himself and his family members. Since we are marching towards socialism an individual should not be allowed to accumulate such a huge amount.

Before I conclude, I would like to say, Mr. Chairman, that nothing has been said as to what is the real and material object of taking over these two managements. It has not been pointed out as to how many employees or labourers are going to be affected if the government were not to come forward and take over the managements. This should be spelt out by the hon'ble Minister in his reply.

Then, Sir, subject to correction I am told the reason as to why he could not import more petrol and kerosene from USSR is that two shiploads were despatched from USSR to India but as some minister was going to China and sitting with Chinese leaders the same were retracted. It is all because of wrong policy being followed both internally and externally. I once again appeal to the Hon'ble Minister to meet the urgent demand of the Tamil Nadu people who are badly in need of kerosene. With these words I conclude.

श्री रीतलाल प्रसाद वर्मा (कोडरमा) :  
यो तो मैं इस बिल का समर्थन करने के लिए खड़ा हुआ हूँ। गैस आरज के सग में बहुत आवश्यक है। गृहस्थिक, वाणिज्यिक और औद्योगिक उद्देश्यों के लिए इसकी भारी कमी के कारण सारे देश में लोगों को कतारों में खड़े रहना पड़ता है। इस दिशा में मनी महोदय ने जो इस कम्पनी के उपक्रम के अधिग्रहण का प्रयास किया है वह भरावनीय है। लेकिन सन्देह पैदा होता है कि यह कम्पनी जो बहुत दिनों तक चली और सिक हो गई और बहुत दिनों तक एम्सो स्टैंडर्ड इंस्ट्रुमेंट्स इन्कॉर्पोरेटेड के साथ भी संबंध रखने किया बादलिंग, परिवहन, विपणन और वितरण का और रहा भी नहीं चल सकी और फिर बाद में पाँच सितम्बर 1977 को कारबार बन्द होने पर लिक्विड हो गई तथा गोकुल गैस प्राइवेट लिमिटेड तक से कोमनवैस कम्पनी के एकमात्र स्वतन्त्र



के रूप में कारबार चला रही है, यह लाभ में क्या लगेगी? बहुतन हिनाय के उद्देश्य को लेकर, सामूहिक लाभ को सामने रखते हुए इन उपक्रम के अधिग्रहण का आपने प्रयास किया है, यह प्रशंसनीय है। लेकिन मैं चाहता हूँ कि मंत्री महोदय बताएं कि इस कम्पनी के वे कर्मचारी जिनके चलते यह बीमारी हुई, इनको फिर से नए ढंग से चलाने के लिए वह कौन-कौन से उपाय सोच रहे हैं और दोषी कर्मचारियों के विरुद्ध कौन सी कार्रवाई करने जा रहे हैं? कम्पनी के जितने दायित्व हैं, लायबिलिटीज हैं वे सब सरकार पर आ जाती हैं। घाटे के जो उपक्रम हैं उनको भारत सरकार चलाती रहेगी तो इसका बोझ जनता पर ही पड़ेगा, जनता को पाकेट से ही पैसा जाएगा और जनता के पैसे से ही क्षतिपूर्ति करनी होगी। मेरा अनुमान है कि इस के बारे में भी मंत्री महोदय लज्ज होंगे। लेकिन दोषी व्यक्तियों को बड़ा में हटा करके 'फर' में इन कम्पनी में नई जान फूँकने का प्रयास भी उनकी तरफ से होना चाहिये।

मैं यह भी कहना चाहता हूँ कि बहुत सी जो गड़बड़ियाँ होनी हैं उनको दूर करने के भी उपाय आपका करने चाहिये। उनके लिए आप क्या करने जा रहे हैं इनको आपने उद्देश्यों और कारणों में स्पष्ट नहीं किया है। अधिग्रहण जो आप करते उसका लिए आपको क्षतिपूर्ति करनी होगी। हिस्सेदारों या भागीदारों का जितना भी दायित्व है वह सरकार को लेना पड़ेगा। यह सब बोझ सरकार पर पड़ेगा। मैं चाहता हूँ कि इस कम्पनी के संचालन के लिए, इसकी व्यवस्था को ठीक करने के लिए सरकार को तरफ से कारगर कार्रवाई हो अन्यथा यह बीमार उपक्रम बीमार ही रह जाएगा और उसी तरह से रह जाएगा जिस तरह से बहुत से और उपक्रम हैं जिनका अधिग्रहण किया गया था और उनमें लाभ नहीं हुआ है। इन दिशा में सरकार लज्ज हो और जो दोषी अधिकारी हैं अधिग्रहण के बाद उनको हटाया जाए, इस और आपका विशेष ध्यान जाना चाहिये। इन लोगों को जो जोर दखाओ होते हैं, वे मानुस होते हैं और उनके द्वारा इस प्रकार से गड़बड़ियाँ पैदा की जाती हैं, उनका बहुत से लोगों से लगाव रहता है जो अबाधनीय लक्ष्य होते हैं, उनसे लगाव रहता है। इस बाबत ऐसे लोगों को हटाना बहुत आवश्यक होगा।

इन्हीं शब्दों के साथ मैं इस विषयक का समापन करता हूँ।

SHRI P. RAJAGOPAL NAIDU: (Chittoor): Madam, the Government is coming forward with a new phraseology regarding paying compensation. Really the compensation which is being paid is Rs. 477.70 lakhs. I want to know from the hon. Minister whether it is not true. It is said

here that you are giving Rs. 10,000 as compensation and then you show Rs. 477.60 lakhs as liabilities. In Clause 4 you say about the liability of the undertaking arising in respect of certain things; you say deposits collected from consumers.

Government has not given the amount which has been collected in the form of deposits. Unless all the details are given, it is not possible for us to believe that the liabilities are so much that the Government has to bear. The other thing is with regard to gas cylinders, pressure regulators, agents etc. Now, what is the money paid by the agents? Whether the Government has received those deposits and what is the other thing that the agents paid? I want to know these things ordinarily, they pay deposit amount and what is the other thing that they pay. In sub-clause (ii) of Clause 2, it has been stated as follows:

"(2)(i) provision for gratuity to officers and employees employed in or in connection with the undertakings,"

I think in regard to gratuity—when we took over or acquired the company—it is the responsibility of the company to pay it upto that date. It is said that we have to pay all the gratuities. I do not know from which date the gratuity accrues and who has to pay the gratuity. Therefore, that also must be explained. Doubts are created on these points. Unless all these points are explained in detail, it is not possible for us to believe that these are the liabilities which the Government has to bear.

Now, in regard to the distribution, the Government is taking over the distribution work. As my friend has already said, a policy must be evolved with regard to distribution also. It must benefit as many people as possible. It is known to all of us that we have educated unemployed and

[Shri Rajagopal Nadu]

the Government has to provide employment to millions of people. Therefore in the revised policy of distribution Government should keep in mind that the distribution work is given to the poor people and also to educated unemployed. Moreover in regard to distribution between cities and rural areas, I have to say one thing. Now in the rural areas gas is not supplied. It was being supplied previously. But now it has been stopped. I would request the hon. Minister to restore the distribution of gas to the rural areas also.

I want to suggest another thing. If it is not possible for the Government to supply cooking gas, it is not possible for the Government to establish biogas plants in rural areas so that gas could be supplied to them. I think it is quite possible to do so. When I toured the Northern part of India I saw that there was an enormous quantity of cow dung and that can be used for biogas plants. Therefore I would like to know from the hon. Minister whether there is any scheme of establishing biogas plants in rural areas because we are in deficit of petroleum products. It is quite possible and it is quite easy for the Government to establish biogas plants in the rural areas so that the rural people could get gas.

SHRI SAUGATA ROY (Barrackpore) Madam, I agree with the initial reaction of Mr. Ravi when it is said that the Bill is for taking over of a particular company by the Government and when it is moved by a person like Mr. Bahuguna everyone wants to support it. But may I state specifically that on going through the Bill I have a very serious reservation about the provisions of the Bill and I think that there are many matters in the Bill which needs to be completely clarified. And pending clarification of those points we oppose it in totality.

Now with regard to Chapter III—Payment of Amount—it is stated as—

"8. For the transfer to and vesting in, the Central Government,

under section 3, of the undertaking, the Central Government shall pay to Gocul Gas Private Limited an amount of rupees ten thousand."

Now this amount of Rs 10,000/- looks very innocuous and a small amount is being paid to Gocul Gas Private Limited. But before Clause 8 Clause 7(2) says as follows:

"7. (2) When the right, title and interest and the liabilities in relation to the undertaking vest in a Government company under subsection (1) all the rights and liabilities of the Central Government in relation to the undertaking shall on and from the date of such vesting be deemed to have become the rights and liabilities respectively of the Government company."

What is the liability of this company? The liabilities of the company are stated in Financial Memorandum in para 2 and it states:

Under clause 4(2) of the Bill the liabilities of the undertakings in respect of deposits collected from consumers for use of gas cylinders and pressure regulators and from agents, provision for gratuity to officers and employees and the current liabilities relating to sundry creditors and accrued expenses of the undertakings (estimated at Rs 477.60 lakhs) become the liabilities of the Central Government in the first instance.

For taking over a small gas company the actual liability that is accruing to the Government is of the order of 477.60 lakhs which is a huge liability. When the Caltex with its refinery and installations was taken over by the Government the total compensation paid was Rs 13 crores and that too was paid in five instalments. Why should a small company like this get such a large compensation? That is the question. Certain things will be required to satisfy ourselves about the whole thing. First is the balance sheets of Kosangas Company for the preced-

ing three years before dissolution and the balance; second is the balance sheets of the Gocul Gas Private Ltd. Then, there is one question which looms large. The Esso Company was taken over in 1977. The partnership between this and the Esso company was dissolved from 5th September, 1977, why did it take two years to bring this Bill? Why this delay? And after it became known that the Government was going to take over Kosangas Company, why was it allowed to sell its total assets to a company like Gocul Gas Private Ltd. to whom we have to pay? That is why we need a copy of the deed of dissolution of Kosangas Company and a copy of the agreement between Gocul Gas Private Ltd and the Kosangas Company. Are the liabilities of Gocul Gas Private Ltd. same as those of Kosangas Company? The question is that the Government intends to take over a company and suddenly the whole assets and liabilities are transferred to another company and the Government takes it from that other company and pay for all the liabilities and the sundry creditors. This raises a very vital question. To satisfy us on these points, the Minister should either give us the full facts or keep this Bill pending and refer to a Select Committee of the House.

There is another thing. I would agree to this payment of the liabilities provided there is a clause added to 4(a), saying that:

"Provided that the undertaking has transferred to the Government, assets equal to liabilities taken by the Government."

The Government is not getting any assets out of this, but the whole liability is being transferred to the Government. After all, what are the assets of a gas company? This is a company which markets liquefied petroleum gas and other gases and their assets are gas cylinders only. The gas cylinders do have a certain value, but if you see the income-tax returns of this company, it will be clear that their value has been written off five-

six years back and the company may not have been paying any income-tax for the last five-six years because the whole gas cylinder value has been written off by the company. This becomes very doubtful why this company is to be taken over. I can understand the Minister's anxiety in acquiring this company especially when we are suffering from shortage of liquefied petroleum gas; there is so much demand of LPG in the Bombay market. And this is a Bill to provide for the acquisition, in the public interest, of the undertaking of the Kosangas Company and thereby to secure that the ownership and control of the means and resources for bottling, transporting, marketing and distribution of LPG are so distributed as best to subserve the common good. Everybody would agree with the Minister to do this in the public interest, when there is a great pressure for for the LPG. But is it worth taking this liability? With five crores, we can set up a new company manufacturing this liquefied petroleum gas. It is only a distribution agent with some gas cylinders; it does not manufacture LPG. All these doubts need to be clarified. In public interest we pass so many small Bills in the Parliament.

Last session, we passed a Bill on the Merchant Navy. Mr. Chand Ram had brought it. We thought that it was nothing, and we passed it. Then we found that the whole Merchant Navy sea-men and officers were on strike against that Bill, which we had casually passed in Parliament, without recording our opposition. So let me record my very strong opposition to the passage of such a Bill. Whether this Bill will be passed, in spite of that, or not, depends on the Government. I also hope that the Minister will clarify all these points, so that we are satisfied in our conscience that we are doing the right thing in supporting such a Bill.

**MR. CHAIRMAN:** Before the Minister replies, the Home Minister will make a statement.