

the Audited Accounts and the comments of the Comptroller and Auditor General thereon.

[Placed in Library. See No. LT-163/77].

12.14 hrs.

FINANCIAL COMMITTEES (1976-77)—A REVIEW

SECRETARY-GENERAL: I beg to lay on the Table a copy of 'Financial Committees (1976-77)—A Review' (Hindi and English versions).

PARLIAMENTARY COMMITTEES—SUMMARY OF WORK

SECRETARY-GENERAL: I beg to lay on the Table a copy of the 'Parliamentary Committees—Summary of Work' (Hindi and English versions) pertaining to the period 1st June, 1976 to 18th January, 1977.

12.15 hrs.

**CALTEX [ACQUISITION OF SHARES OF CALTEX OIL REFINING (INDIA) LIMITED AND OF THE UNDERTAKINGS IN INDIA OF CALTEX (INDIA) LIMITED] BILL—
contd.**

MR. SPEAKER: We will now take up Item No. 15 for consideration.

SHRI O. V. ALAGESAN (Arkonam): Sir, I welcome this Bill brought by the Minister for Petroleum Shri Bahugunaji. It concerns an area in our economy which is both crucial and strategic. This is the culmination of a process that began quite some time ago. Over the years, there has been a demand in this House and also among the public that the three foreign refineries should be nationalised. The two bigger ones of the three refineries have already been

nationalised and now the proposal is to take over the management and ownership of the Caltex Refinery.

12.16 hrs.

[KUMARI ABHA MAITI *in the Chair*].

Now, these refineries were established in the early 1950s and there was an agreement that these refineries should not be nationalised before the expiry of 25 years. Now, it is because of that that an agreement had to be entered into for the take-over of the three foreign refineries. What the previous Government has done is being continued and, in this connection, I would like to say that when these foreign people were invited to establish refineries in India, the country had absolutely no oil technology and so we invited them to come here and set up their refineries. But now we have developed our technology, we have increased production and we have increased our refining capacity—which is more than even the consumption requirements of the people today.

This is not a small achievement. It is not a small achievement, in a period of 25 years, to be in a position to say good-bye to the foreign refinery owners and to have acquired the position where our technologists are in a position to go to other countries and establish refineries and offer technological assistance. It has to be admitted that this is not a mean achievement. When I say that this is the achievement of the Congress Party, I do not deny the part that the Prime Minister has played in our Party. It is unfortunate that the Finance Minister should have disowned everything that had been done before and denied the economic advantages that have accrued to him at the time of his taking over. He might have done it out of pique or pettiness, but from the national point of view, it was short-sighted. I would like to cite an opinion from a reputed magazine. *The Economist* of London; it is neither for the Congress Party

nor against the Janata Party. This is what it has to say on the inheritance of the Janata Government in the economic field—this issue is dated March 26, 1977:

“For all its inbuilt political conflicts, the Janata Party has far fewer economic constraints to worry about than previous governments. The foodgrain buffer stock stands at 18 m. tonnes and foreign exchange reserves at more than three billion dollars. Thus the two biggest hurdles to development have been overcome. Shortages of raw materials, transport and power have also largely disappeared. Exports are rising by 30 per cent and industrial growth by 10 per cent this year. It is a good inheritance. If properly managed, it could be the basis for a successful assault on poverty and unemployment.”

This is what a neutral magazine has said about the inheritance of the present Government, as to what the previous Government has achieved.

The story of Bombay High is a miracle story, and I wish that the present Minister, who is known for his dynamism, pushes forward the progress that has already been achieved and tries to produce more and more of crude, both on and off-shore, because, we are in a very tight position with regard to supply of crude. The import bill of crude which was less than Rs. 200 crores some years ago, owing to the rise in prices of crude, in these years has gone up to about Rs. 1,200 crores. So, we have to hasten exploration of oil, the search for oil, both on and off-shore, and see that this deficiency is made up as quickly as possible. I hope, under the present Minister, we will achieve self-sufficiency in crude production, so that we need not depend on others. It is a large out-go of foreign exchange—to the tune of Rs. 1,200 crores—which this country cannot afford.

Because of the five-fold increase in crude prices, the prices of petroleum products here in this country have gone up. Several Committees have gone into this question. I would appeal to the hon. Minister to see whether the prices of these petroleum products like kerosene, petrol, diesel and also cooking gas can be brought down by any means. I know the difficulty. This is because the prices of crude are going up and are threatening to go up further. Under these circumstances, it will be a tall order to ask the Minister to reduce the prices to any considerable extent, but still I would request him to pay his attention to this aspect and see if it would be possible for him to reduce the prices especially of kerosene which is used by the poor people of this country.

We have a programme for expansion of refining capacity. We have undertaken to establish a second refinery in Assam at Bongaigaon; we are going to almost double the capacity of the Koyali refinery and we propose to establish a new refinery at Mathura. As far as the expansion at Koyali is concerned and the second refinery in Assam is concerned, I have nothing to say, but I would like the Minister to consider my suggestion that it will be more profitable to have refineries on our coasts than inland. In fact, the crude that is proposed to be taken to Mathura would be landed at some place in Saurashtra and would be taken through the pipeline. I would like the Minister to examine my suggestion whether it will be more economical and useful from various points of view to have coastal refineries instead of inland refineries. In that connection, I would like to plead that since you are taking over Caltex Refinery in Visakhapatnam on the east-coast expansion of that may be considered. You have to plan more and more refineries in the country to meet the growing demand. Now the demand has been artificially contained because of the high prices of crude and

[Shri O. V. Alagesan]

petroleum products. I think, last year the rise in demand is about less than 2 per cent. If you allow consumption, if proper price levels are maintained, prices are reduced, the consumption would go up by not less than 5 per cent, every year. You have to plan for more refineries and there I would appeal to you to plan refineries on the coasts. Shri Biju Patnaik, who is sitting by the side of Shri Bahuguna, is a very dynamic person and he brought into existence the Port of Paradeep. But for his perseverance and dogged action that Port would not have been brought into existence. I would suggest a new refinery in that place and another refinery in Tuticorin which is fast developing into an important industrial centre. You will certainly expand the existing coastal refineries in Madras and Cochin and if you think of the refineries on the West Coast barring the two refineries in Bombay which have already been taken over, you may think of Goa as a very suitable location. It is necessary that the refining capacity should be increased and that way we should have the necessary crude for feeding these indigenous refineries. That will help us to reduce the import bill; not only that, it will reduce our dependence on other countries which may vary their policy in times of crisis. It is absolutely necessary that we go in for more energetic and more intensive exploration of oil. Several regions like off-shore Cauvery, Orissa Off-shore region and Off-shore Kutch region have been leased out to foreign companies. For the present, the hon. Minister is engaged more in politicking. If he diverts part of his attention to these things, he will achieve miracles.

So I would once again appeal to the Minister to look into these matters. I know he has just taken over, but, during the next session of Parliament. I hope he will come with a more comprehensive statement of

policy and action that he proposes to pursue.

I welcome this Bill and give my support to it.

SHRI DINEN BHATTACHARYA (Serampore): I could not welcome this Bill fully. It is a backlog imposed by the previous government on the present government. Why don't you call it a negotiated purchase? It is neither nationalisation nor takeover. You will be astonished to know how long the negotiations continued. I have heard Mr. Malaviya spoke here on so many occasions and everytime coming and saying, 'We are taking active measures to take over all the oil companies including the Caltex, both refining and marketing.' After all it is good that as soon as this new government took up the responsibility, it has come forward with the Bill and Mr. Bahuguna, able no doubt he is, has brought it in this session. But I will request him to at least look into this Bill and its full implication.

Why have you decided to pay compensation to a company which has looted our country so long and so much? You are paying Rs. 13 crores as compensation....

AN HON. MEMBER: More than that.

SHRI DINEN BHATTACHARYA: then you are also taking up the responsibility of paying their taxes. Why? My question to the Minister is: Why? Why cannot you take it over and tell these people, 'You have taken enough money. What was your total investment and how much money you have repatriated to your own country by way of exploitation which was allowed by the previous government during its last 30 years rule?' I do not know on what basis the compensation was assessed. Mr. Malaviya took so many years to calculate and find out as to what are the assets of these companies. How do you arrive at

this figure? Why do you take up the responsibility of paying the taxes due by these companies to the government including income-tax and wealth tax? Why? That is my question to the Minister, to at least satisfy not this House alone, but the whole country also.

The whole country looks to you that you will at least initiate a new policy in this matter. We want to be self-reliant so far as the petroleum products are concerned. My friend, Mr. Alagesan, was telling as to why the prices of petroleum products have gone up. Don't you know the actual price of crude and the refining costs? And what are the taxes you are levying? I know because I have some connection with some automobile industries. I know the condition of the automobile factories. Why are our cars not being sold in the market? It is because of the increase in the petrol prices. And then our poor villagers are suffering for the abnormal increase in kerosene prices. Madam Chairman, you come from West Bengal. Do you know the actual production cost of one litre of petrol? If you calculate, it will be Rs. 1.20. But what is the price in the market? It is Rs. 1.40 in cities.

THE MINISTER OF STEEL AND MINES (SHRI BIJU PATNAIK):
That is the posted price.

SHRI DINEN BHATTACHARYA:
What is the amount of taxes you are levying? If you reduce the taxes, automatically, the price will come down. I would request the Government to at least look into this matter.

The Members on the Opposite side are laughing. They wanted to reap the harvest. Now, Mr. Barua comes and laughs at it and says please reduce the cost. When we were previously asking him in this regard, everytime the then Government came up with a statement that they could not do that. I have been in the Lok

Sabha since 1962. Mr. Chavan is also sitting by his side. He was the Finance Minister at one time. He also took the steps to impose abnormal rate of excise duty.

My second question is regarding the employees. I know thousands of employees in Caltex were retrenched when the computerisation was introduced by this foreign company. In Calcutta itself, from their Head Office, hundreds of employees—clerks and others—were retrenched and they have not been provided with any alternative job. Many of these employees are still without a job. They are not getting any alternative job anywhere. Their cases may kindly be considered sympathetically. It will be better if you can provide them with job in these taken over companies.

I have already mentioned about the higher rate of profits earned by Caltex. In the past they had already repatriated crores of rupees. Still they will be a hang-over on you, on this new Government. After all the total amount may be taken into consideration. What are their total assets? I do not get any hint either from your Financial Memorandum nor from the Statement of Objects and Reasons. I know that this is the fault of the previous Congress Government who have been boasting about ushering in a big socialist State. I say the calculations for knowing the assets of the company could not be made for the last so many years. The whole matter is most surprising.

Shri Alagesan has mentioned that for crude we have to depend on the foreign suppliers. I wonder why? Why did their Government (Censors) take up measures promptly so far as off-shore drilling and other exploration works are concerned? So far as West Bengal is concerned, you abandoned the idea of off-shore exploration. Some experiments were made over there spending lakhs of rupees.

[Shri Dinen Bhattacharya]

I do not know the result. We have not been informed about that so far.

I would appeal to you to kindly look to this matter at the earliest so that we may be relieved of the exploitation by this foreign big oil monopolist even for on-shore and off-shore exploitation.

I know that if you make a serious attempt you will succeed. You will get all cooperation not only from us, but from the people of the whole country. Lastly, I request you to look into the tax-structure of the petroleum products and the kerosene products so that the people could get these things at cheaper rates.

PROF. R. K. AMIN (Surendranagar): I have moved an amendment to omit the words 'free of income-tax'. Was this Bill prepared by the previous Government, before this Government came into power? Has this been kept without any change by the present Minister? How is it that this clause has been allowed? Is it by some contrivance? I say this because civil servants in their negotiation include such things though it may not be the policy of the Government. When you say 8 per cent income-tax free, the effective rate becomes 13 per cent. Is there any loan raised by Government of India in regard to which interest is paid at 13 per cent. If not, then this is inconsistent with the Government policy. So, this should be examined and enquired into as to who did this?

SHRI CHITTA BASU (Barasat): This Bill provides for cent-per-cent acquisition of Caltex India Ltd. So far as the proposition of taking over of the assets is concerned it is a welcome move. But it is surprising to know that this take over measure is not in keeping with the professed ideas of the Minister concerned. Caltex is one of the three big foreign oil companies functioning in this country for a long time. This foreign oil company in this country did not really

allow us to develop our own national economy petroleum. Petroleum industry occupies a very strategic position in the national economy of our country. It is related to the developmental projects of our country. It is also vitally related to the defence of the country. Self-reliance in the petroleum industry can hardly be over-emphasised. That being the case, the previous Government, during the long period of thirty years, have not really paid proper attention for the attainment of self-reliance in this respect. The foreign companies were allowed to repatriate huge sums of money from this country by way of loot and plunder of our national economy. It was in the fitness of things that the present Government should reverse that process.

As far as the attitude of the previous Government goes, they were to woo the foreign private companies' investment in this country. They widely opened the floodgates for the multinationals in this country. Their policy was not to restrict the foreign investment in the country. The policy of the previous Government was also not to attain self-reliance in this country. (Interruptions) Sir, it is amazing to note that the present Government is also following in the footsteps of the predecessor Government. I know that it is a *fait accompli* for the hon. Minister. Negotiations were not conducted by Shri Bahuguna. And the agreement was also not finalised by him. The agreement was entered into by the previous Government and he is just following it up.

Madam Chairman, while making this comment I also want to know from the hon. Minister whether he is examining the economics of the Caltex to know what was the actual investment of the Caltex in India and what was the total amount repatriated by them during these years. So far as the economics of the foreign company as well as its performance is concerned, it would be evident from

the fact that their repatriation has been already of a big order. I have got with me the figures in my possession to show that in the year 1963, these three foreign oil companies had repatriated a sum of Rs. 100 crores annually. That being the case, the general pattern of the foreign oil company, Caltex cannot be an exception.

So far as Burmah-Shell is concerned, I have got my figures to show that they have made an investment of Rs. 67 crores. They have repatriated about Rs. 30 crores. This is the general pattern of exploitation or loot of the foreign oil companies that are operating in India. Therefore, I strongly disapprove of the idea of paying such a huge amount of money of about Rs. 14 crores by way of purchasing their assets. It would only mean the negation of the national policy. It is not justified.

Therefore, even at this stage, I ask the Government of India to reconsider this proposal. In this connection, I would only refer to Dr. Tansar, a well-known petroleum expert as to what he says namely, that India should not malign all foreign oil refineries and pay no compensation. He further says that considering the enormous profits they have made, these companies deserve no compensation. May I draw the attention of Shri Bahuguna to the example set by the Chilean Government with regard to the International Copper Company? It is in the fitness of things that the Janta Party should also follow the example set by the Chilean Government in the matter of nationalisation of the International Copper Company in Chile. It was the expectation of the people, the desire and expectation of the country as also this House. And during the past few years, we had always collaborated and surrendered ourselves to the interests of the foreign investment in our country. Is it not the time for you to rise up and say that India belongs to the people of India and we want to build

a national self-reliant economy and India will not remain an arena of exploitation by the oil cartels.

Madam Chairman, in Clause 11 the Government proposes to reserve the right of altering the condition of work and service of the present employees. It might be necessary to bring about further changes but that should not be to worsen the condition but for betterment of the life of workers already employed there. May I seek an assurance from the hon. Minister that if alterations are necessary they will not be to the disadvantage of the workers who are already working under Caltex India Ltd.? May I also have another assurance to the effect that the government will improve upon the condition of the workers there?

SHRIMATI PARVATHI KRISHNAN (Coimbatore): Madam Chairman. I welcome the Bill to take over this foreign concern particularly in the petroleum industry which is extremely important for our national economy. At the same time, I have my reservations and I would like to say that the amount of compensation that is being paid is very high as here is a foreign company which has derived tremendous profits by exploiting our country. Earlier also I have maintained that the compensation amounts that are being doled out to the foreign companies in this country should certainly not reach phenomenal proportions.

I am quite aware that the Minister himself does agree with me on this point. All I would like to request him is that when Parliament thought fit to amend the Constitution and give further rights to Parliament in the matter of compensation to foreign companies please take that out of the cold storage and see that you make full use of it. In this connection, may I also point out that in the process you may not throw the baby out with the bath water. Keep what is good. There were good legislations in the past 30 years and there have been

[Shrimati Parvathi Krishnan]

many wrong also. My submission is: Throw the dirty water but keep the baby.

Then Madam Chairman, I would also like to join with Mr. Dinen Bhattacharya in requesting that the prices of Petroleum products be brought down but he forgot one important fact, namely, for a long time on the Floor of the House and outside house-wives have been agitating against raising the price of cooking gas. As far as working women are concerned cooking gas is a modern thing that is of great use for them but its price is going up. While the production cost of cooking gas is only Rs. 8 or Rs. 9 per cylinder after the various duties that have been imposed, the actual cost of the cooking gas is in the region of Rs. 28 or Rs. 32 per cylinder. I would request the Minister that he should examine this matter and see how much relief he can give to the housewife. When we want to raise our country's standard and take the country forward, it is not enough to say: Well after all we believe in our traditions. We believe in our great heritage and, as such, why not go back to cow-dung cake. That is the reply which is often given, and that you will agree with me on this. Therefore, I take this opportunity to say that when you are taking a further step forward to see that the petroleum industry comes more and more under Indian management and you are going to build up self-reliance, you have to build up the whole structure of it and be in a position to enable our people to benefit from this both in terms of the availability and in terms of the ability of the people to purchase this.

Madam, one more point. I do not want to repeat many of the points that Mr. Chitta Basu raised. I have also noted them, and I would support him in much that he has said.

One point I would like to say is that I would like to take this opportu-

nity of saying that when these concerns are being taken over and being nationalised, you can take your trade unions into confidence also because we in the trade unions, since we have to examine the balance sheets year after year when discussing bonus, since we have to examine the balance sheets when we are discussing our wage relations and so on, we are also in a position to have our points of view and stick to them in regard to compensation because I think we would be able to tell you very much of the manner in which the money is being channelled away through pipelines either going abroad or through the perquisites that are given to the higher officers or the higher echelons of these companies. This has been a sore point throughout the country and that is why you will find very often that our public sector has required technicians and good officers. They can be weaned away by these foreign companies because of these perquisites and therefore, we in the trade unions should be given an opportunity to state our point of view so that on the basis of that you can assess what is rightful and what is not and take the good points because that would be exactly establishing democratic norms not only as far as Parliament is concerned, not only as far as political power is concerned, but democratic norms throughout the structure and the basis of our country as a whole in all spheres of life and in all spheres of activity, and I hope the Minister who is renowned for being a dynamic person, who is renowned also for cherishing such democratic norms will show the way and blaze the trail for establishing such democratic norms at least within the limits of his own Ministry.

SHRI M. RAM GOPAL REDDY (Nizamabad): Madam Chairman, now this is a very welcome move by this Government. The previous government has earned over Rs. 300 crores of foreign exchange and built up the reserve. Now, I want to know what is the basis of paying this Rs. 13 crores and odd in foreign exchange in

several years to come and paying a very high rate of interest. What I want is that the Minister should negotiate with this Caltex Company and reduce that amount from Rs. 13 crores to Rs. 5 crores or Rs. 6 crores and pay the lumpsum and get rid of this. I think the Minister will accept my suggestion.

There are some flats which were previously on lease with the Caltex Company and some of the officers have purchased those flats and they have paid their own money and they have made several improvements. But some engineer or officer in the Ministry somehow or the other wants to acquire these quarters also and I want to know what is the basis. This would be mere appropriation of the private people's property. I want to know, is there not any basis for acquiring these flats. I request the Minister to go into these details. These flats which were purchased by the individual officers of the Company must not be taken over and they should be with those people. They were having the registered deeds with them, they have paid their own money and the Caltex Company has renounced its lease deed also. Then there is no basis for the Government to acquire these flats and it would be great injustice to do so. It will be a great injustice to the officers who have purchased these flats. About the Staff, the minister should see that they now work with much more interest, because so long they were working for a foreign company. Now they will be working for the government and for the people of this country. So, they will have to give of their best so that the concern may run profitably and bring prosperity to the country.

13.00 hrs.

THE MINISTER OF PETROLEUM AND CHEMICALS AND FERTILIZERS (SHRI H. N. BAHUGUNA): Madam Chairman, I propose that we proceed with the Bill without adjourning for lunch, because there is a heavy business before the House.

MR. CHAIRMAN: Is it the sense of the House that we continue to sit during lunch hour also?

HON. MEMBERS: Yes.

MR. CHAIRMAN: So, the House agrees to this proposal.

SHRI VINODBHAI B. SHETH (Jamnagar): Madam Chairman, this is not a controversial Bill. Some of the members have criticised the take-over and some have supported it. Those who have supported it think that it is part of the nationalisation of oil refineries and oil companies. I hope all hon. members who have supported this Bill will in future support the take-over of some of the companies in which investments have been made by the communist countries also.

This Bill is a legacy of the former government. The benefits given to the company include tax exemption along with the interest. I do not know whether section 15 of the Income-tax Act needs amendment to exempt the interest. Besides Rs. 13 crores being given for the capital, there is the tax on capital gains amounting to Rs. 4.29 crores which the government is going to undertake. The interest comes to Rs. 1,05,35,883. If all these are added up, we are handing over nearly Rs. 20 crores to this company. This was negotiated by the former government. I hope our dynamic minister will look into the matter of tax-free interest and capital gains tax and see whether the company should bear it. Tax includes penalty. So, if the income-tax department finds that some penalty is to be imposed under section 271 (1) (a) or 271 (1) (c), will the government pay the penalty also? These questions arise in my mind and I hope in the minds of other hon. Members also.

How was the figure of Rs. 13 crores arrived at? Is it the market value? We do not know the break-up of the shares of the company. We do not know which method has been adopted for arriving at this figure.

[Shri Vinodbhai B. Sheth]

The House is ignorant about that. I would request the Minister to tell the House how this figure of 13 crores has been arrived at.

There is another clause which relates to take over by the Government the premises of the employees of the Caltex company. This clause is legally unenforceable, morally unjustifiable and socially callous. We cannot take over the premises of the employees who come from the middle class families. The Government has no right to interfere with the contractual agreement between the company and the employees. The employees have not purchased these flats from the company. They have purchased it from the landlords. The company have not even given loans to the employees. They have taken loan from outside and paid interest on that. Some have purchased these premises in the name of their wives. In case of divorce, there will be difficulty for the Government in allotting the premises. Therefore, I would request the hon. Minister that this section 72 should be omitted or deleted from the statute. I think all the cases should be looked into. There should not be any discrimination among the employees of three companies, ESSO, Burmah Shell and Caltex, and they should be given justice.

SHRI VAYALAR RAVI (Chirayinkil): Madam, Chairman, I welcome this Bill. This is the baby of the old Government which Mr. Bahuguna is carrying. I do not want to discuss the policy but I am sorry the ruling party members still have anti-Congress feelings in their minds. I wish to tell my friends on the treasury benches that the Congress Government never ignored the petroleum industry. Everyone knows that the previous Government had a definite policy on petroleum. When the US experts came in 50s and gave their opinion that oil could not be found here, the

then Government of India refused to accept their advice and they went back. I agree that Soviet experts did find oil in Assam.

In 1961 the production of indigenous crude was 0.45 million tonnes, it has gone up to 6.8 million tonnes in 1971-72 and to 7.5 million tonnes in 1974-75. Mr. Chitti Babu will understand this.

AN HON. MEMBER: What about imports?

SHRI VAYALAR RAVI: We imported 7 million tonnes in 1974-75. But the share of these two foreign companies—Caltex and Burmah Shell—had been reduced considerably. Against their import of 2.9 and 1.1 million tonnes, it has considerably gone down in 1974-75 to 1.2 and 0.48 million tonnes. So, the Government was able to reduce the import of crude oil by these foreign companies in 1974-75. It is true that we have to depend upon foreign crude because our indigenous production is not enough, and we have to spend Rs. 1200 crores in foreign exchange.

If you look at the statistics, you will find that in 1971-72 it was only Rs. 192 crores in foreign exchange. It was in 1971-72 that the previous government came to parliament. In 1974-75 it is Rs. 1200 crores. If the OPEC countries in Geneva have done something, why do you blame the previous government for it? As a result of this attack on the economy, not only India but all the developing countries had to suffer. I am not defending the OPEC countries' decision. I am sorry for the decision of the OPEC to help capitalist countries. That decision did not help the developing countries in Asia and Latin America. The money earned by the OPEC was put in American banks. Unfortunately it was their decision.

Therefore, don't abuse the previous government saying that it had no policy. It had a policy. We have found oil in Bombay High. I hope Mr. Bahuguna will continue the process. I am sure he has no all-communist mania.

Now about the employment and distribution policies. Some refineries are producing crude and petroleum products and selling them to the IOC. The IOC employees are getting all the benefits like bonus, while the producing units are not getting any benefit at all. For example, I will cite the case of the Cochin refinery to the Minister. That refinery does not have a distribution agency. The agency is the IOC—The issue of paying bonus arose. The Cochin refinery employees could not get a single paisa as bonus in 1974-75, because they were told that losses were being incurred. Meanwhile the distribution agency employees, *viz.* those of the IOC got a bonus of 20 per cent because of the pricing policy. The hon. Minister should look into the pricing and distribution policies.

We have petrol bunks under the name of Hindusthan and Bharat. But the distribution is made only from the production of the Cochin refinery. The names are different. The companies have gone. Why can't we have a single distribution agency? Let all the petrol bunks be put up by the IOC. Let the refineries exist as producing units; and let there be another distribution agency. It will help us better. The Cochin refinery makes the supply to all the petrol bunks in Kerala and Tamil Nadu. The refinery workers will then be benefited. In this connection, I would urge upon the Minister not to fall into the trap of some of the notes put up. When an idea was mooted to increase the capacity of the Cochin refinery, a proposal was made for the super tanker to come to the Cochin port. When this idea was mooted by the Petroleum Ministry, it was said that they

can have a pipeline from Bombay to Cochin. This was a funny idea. It sabotaged the whole programme of the government. I hope the Minister will be careful about this funny idea.

I am pointing out this because the people of Kerala are sore that the super-tanker berth has been denied to the Cochin Refinery. The capacity of the Cochin Refinery has already increased and it can refine more crude. I think the total capacity of the State sector refineries is 20.1 million tonnes. It can be increased if the Cochin Refinery can be expanded, and that can be done if you help to establish a super-tanker berth at Cochin. If you allow a super-tanker berth to come up in Cochin, the entire south will be supplied by the Cochin Refinery.

The employees should be completely protected. Government have taken a wise decision to cut down the salaries of the high-paid officials from Rs. 10,000 to Rs. 5,000. It is a very good decision. You must fix a ceiling on the salaries of high-paid employees of the refineries, be it the Managing Director or anybody. There should be a uniform policy regarding the salary for the managerial and other cadres and the disparity should be reduced between the ordinary worker and the highest paid employee.

I agree with the view expressed here regarding compensation. Even though I belong to the previous Government, I am not able to appreciate the agreement under which the Government decided to pay a high compensation and write-off tax arrears. I do not know whether this Government can do anything about it. Perhaps, they have to honour the commitments of the previous Government. Otherwise, Government will lose their credibility. I am very sorry that the previous government agreed to such a high compensation and I want to express my regret for it.

[Shri Vayalar Ravi]

Shri Ram Gopal Reddy made a suggestion that we can pay the compensation in one lump sum rather than in five instalments. Since our foreign exchange reserve position is very good, we can pay it in a lump sum and thus save the interest payment.

While wishing the hon. Minister every success in this Ministry, which is a very complicated one on account of the foreign exchange involved, I wish to say that the hon. Minister has to look to the interests of all the regions of the country. For instance, Shri Alagesan referred to the Madras Refinery and I have referred to the Cochin Refinery.

SHRI O. V. ALAGESAN: I have also referred to the Cochin Refinery.

SHRI VAYALAR RAVI: The hon. Minister comes from UP and the Mathura Refinery is still in difficulties. I hope that along with the Mathura Refinery, the Madras and Cochin Refineries will also flourish. I hope he will give equal importance to all the three refineries.

I congratulate the hon. Minister and support the Bill.

SHRI H. N. BAHUGUNA: Madam Chairman, I am beholden to the hon. Members who have given their very valuable suggestions while discussing this Bill on the floor of this House. My hon. friend, Shri Alagesan, with his vast experience of the actual working of this Ministry, has given many suggestions.

I can assure him that the location of refineries has got to be inter-connected with the availability of crude and the prospecting of crude which is going on both in the Bay of Bengal as well as in the Kutch area. We are not at the journey's end so as to indicate where we propose to put up our new refineries. Obviously, they will have to be put up at particular points where crude can be made available. It has been suggested that

it should be put up only at the coast. But the whole complexion of the country is such that regional imbalance and many other considerations have to be taken into account.

The consumption point has also to be kept in view. Whether we carry crude or petroleum products is a question ultimately of economics and we have to see what is more economic in the over-all interests. I can assure you that no other consideration will weigh with this Government, with me, except the wellbeing of the people of this country, providing them with the cheapest possible fuel or energy and the location will, therefore, be decided on that basis.

Another point has been raised by almost every speaker about compensation. It is not really compensation. The word "compensation" has its own meaning and, therefore, I do not want to use it. I am merely saying that an amount in consideration of the take-over is being paid. As you know, this is an international, foreign company, and for good reasons or for reasons best known to the predecessor Government and their negotiating team, all this has been agreed upon by the Government of India.

I am not one who would say that there has been no petroleum policy, if I may say so. If there is anything which can be said to the utmost credit of the last 20 years of Congress rule in India, it is this particular field where India has gone ahead at a speed and in a manner which I would say remains a matter of pride for this or any developing nation.

It is another point that mistakes might have been committed here and there. Shrimati Parvathi Krishnan was quite right. One should never throw out the baby with the bathwater. The bathwater is there, I am only trying to isolate the baby from the bathwater. There have been mistakes here and there which have got to be

taken care of, avoided, but fundamentally in the sector of petroleum and petroleum products it has been to a large extent a policy of self-reliance and public or State ownership of the means of production.

It was asked how we arrived at this Rs. 13 crores. I do not want unnecessarily to present the case as a defence counsel would do—I am not saying everything that I should be expected to say—but the written down value of the assets of Caltex and all those undertakings which are taken over in their books of accounts would be reasonably such as to make us accept this amount as a fair price for the take-over.

My eminent and hon. friend who is a leading advocate has raised the question about income-tax and the reason for exempting them from payment of income-tax. He has asked what would happen to penalties to be imposed on Caltex, if any, for the past years or the current year. So far as the liability of Caltex on many accounts, whether it be income-tax or other taxes or duties which are in dispute, is concerned, we have to see that we do not give away the entire amount all at once. So, we are keeping some amount behind so that over three or four years when their liabilities vis-a-vis the Government with regard to income-tax and other matters are cleared up, we have an amount from which we can make the deductions necessary.

That is why, we are doing it in instalments and it would not be possible if we are really to give the entire sum to them. I quite agree with the calculations of my hon. friend with regard to Vinod Seth. His calculations are not wrong by and large; they are just a little here and there, but they are near the point so much approximating to the actual amount. But the point is that so far as capital gains tax is concerned, it is to be done in rupee basis. We have

helped them with money and they gave back that money to the Government. It is true that they take away Rs. 13 crores; it is not Rs. 13—4.29 crores. Then there would be about Rs. 8.71 crores. Obviously, it is not intended to reduce the take over price, or the take over cost or money in consideration of take over. The net is 13, that is, you see somewhere or other, if the hon. Members should like to say: I do not want to make it part of the records of the House, because we have got still an oil company and I do not want to get involved with them on the pattern, this particular pattern. I will have to keep in my mind the various views expressed here. But, right now, if we are to put and present the case in support of all that this Bill contains, perhaps it may not be in the national interest. Therefore, I want to tell the Members here and assure them that we do not want to give any amount more than necessary and I wish we could withhold this. But the thing has gone to a length where the country's commitment has gone rather far or is irrevocable, unless we are to come down upon a policy of expropriation or a policy declaring that we shall not pay anybody anything.

Shrimati Parvathi Krishnan is quite right in pointing out about 31D regarding the Constitution Amendment Bill which this House had the privilege to pass in the 5th Lok Sabha with regard to compensation. As far as 31D is concerned, it is quite right. But the point is that unfortunately the predecessor Government never used it for a day, never used it for a moment. I assure here that we do propose to take it out of the cold storage and make use of it as much as possible and as far as possible. Unfortunately, we cannot deal with either thing one way or the other.

My hon. friend was talking about the question of Soviet investment. I do not know much about that. So far as Soviets are concerned, the basic

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help has been in the public sector. We have already taken the public sector with us. There is no question of taking over Russian interests except where they are in private companies or I do not know how far they are. The point is that socialist bloc came in this country and helped in the basic field in the public sector. Others came in various other fields. I am not going into controversy. But we take over on the same ground or whosoever runs that particular industry irrespective of colour.

A point has been raised about the employees and there are two parts of it. As far as this particular clause about changing the terms and conditions of the employment to which some of my hon. friends felt disturbed is concerned, I can assure them that there is no intention on the part of the Government to change any of the terms and conditions of the employment of workmen. Instead I give full assurance for the workmen that we do not want to change them but not for those people who are in that category, who are not workmen, who are supervisory staff and other covenanted officers and those who have perks and salary which are not in tune with our total wage policy. Rs. 8000 including perks or excluding perks is not a salary which I can give to anyone. Either that man has got to come down to our terms within our wage structure or I cannot create a special field for this type of people. There is no question of hurting or harming any other set of employees.

So far as the employees who were retrenched by the Caltex earlier are concerned, if any of them is of any use to us, in our new refineries or in our new organisation, certainly, he will be considered and I will be there to consider them. But in these refineries or in these particular place where there is no possibility of having computerised work, there is no possibility of bringing them back in those very

places. I am sorry, I have to say, with regret, no on that score.

There has been a lot of talk about pricing policy. We are not talking now on this. But with a goodwill on all sides and a good wish on all sides for reducing the prices, something can be done. But how do we go about? I welcome the suggestion made by Mrs. Parvathi Krishnan of asking the trade unions how to go about it. I am requesting her right now, through you, Madam, that she may kindly make a working paper for a reduction of oil prices or petrol prices or, for that matter, any price and I am willing to sit with them to work on that economics. The trade unions do know more than what many of us do. I have knowledge of them because I myself have been one of them.

My point is that someone has to make a start and do something about it. I am quite willing to go into the whole question along with them if they can tell me how to go about that matter. There are certain things which are inevitable in the context of rising oil prices all the world over. That has to be kept in mind and, I am sure, we cannot give unnecessary hope to the people that something is going to happen when we know that the journey has not come to an end in the matter of self-sufficiency in petroleum or its derivatives.

Something was said about the rate of interest, why 8 per cent. Again, I say, it is part of the bargain. That is not something which unilaterally the Government has done. There has been a bargain struck between the Government and the Caltex. Everything is a byproduct of that bargain. Some people will say, "Why not the Janata Party Government overthrow that bargain and have a new one?". These are not the things which are done by a great nation of ours. The continuity of Government and the continuity of the commitment or, for that matter, the credibility of the

Government is a matter of great importance and we should do nothing which may in the international world create a scare against the Indian economic system or against the various sort of things that are connected with our economy.

Now, though I very much dislike it, there are many multi-nationals in this country. They are already here. They are in the field of drugs; they are in many other fields and in very strategic fields. Yet, I cannot do much about it in 7 or 10 days. After all, if somebody has crept in here for the last 50 years or 40 years or 30 years or 20 years, one will have to think what to do about it at least for many months. We cannot with one shot say, "Look, you take Re.1/- and go back home". The Constitution says that. Under the Constitution, I will be entitled to take away any industry for Re. 1/-. No court can challenge that in view of the Constitution Amendment. But that will create a situation in which perhaps our society, as constituted today, is not willing to go nor we are ready for that absolutely new type of thing which involves many considerations.

I cannot create socialism in the Petroleum Ministry. Obviously, that is not a byproduct of petroleum. If it were so, I would have done it. Socialism is not a derivative of petroleum. But I can assure the hon. Members one thing. Everybody knows my views. I am a socialist. I do believe in socialism; I do believe in public ownership of the means of production. We should have more and more of it. But I do also believe that we have a democratic way of life. We have to proceed in a particular manner. We have to do many things. But democracy is equally important. Therefore, we have got to see that we don't do things in haste.

One thing more that as was said was about cowdung. I would appeal to the whole nation to save cowdung. We don't want it to be wasted. Apart from other uses, the farm and field needs it is a basic inorganic fertilizer.

In fact, cowdung is more precious to me than many other things, but today we are wasting a lot of it. We have to develop a cowdung technology which involves the gas system of cooking for the rural areas. It is not the housewives in the towns and cities who really matter in this connection. I don't say that they don't matter; they do matter in the economy of the country but the vast number of mothers and sisters of the rural areas are dealing with cooking more than anyone else is doing, and it is they who have to be told how to save it. Therefore, the technology of using cowdung gas for producing food and yet saving cowdung for the farms as inorganic manure has to be pursued more and more, for which we need the assistance of the Hon. Members as well as a deliberate policy on the part of the government to pursue that line and to assist and help those putting up this type of plants.

Now, Mr. Alagesan was quite right when he said that when the refinery was put up there was an agreement made in 1950 that for twentyfive years there shall be no takeover. This, in fact, is therefore a continuation of the terms of the agreement made at the time of the factory or refinery or particular organisation being brought into this country. But I can assure you that it is not a bad bargain. In spite of the fact that one can say that there could be still less payment, to say that they have taken away hundreds of crores of rupees is also not physically correct. But I don't want to enlarge on this as I have to deal with one more company in this particular field and many more in the field of drugs and fertilizers. But I would say that what has been done has been done in good faith and I smell no rat in it. In fact, the whole thing was processed under an Ordinance and that Ordinance was public property.

Now, regarding the employees, some Hon. Members raised a point about some premises. Some flats in

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Bombay—about 29 or 30 of them—and some perhaps in Delhi were rented by Caltex and Caltex then gave them over to the officers as perquisites. When we announced our policy in 1974 ('we' means the Government of India—and it is a continuing thing, whoever may be there) they passed over these flats to the senior employees, who purchased them out of their hard-earned money, and a number of them—twelve to my knowledge—are occupying these flats even today as owners; and Caltex was to surrender the lease. I may say that the whole thing was processed even before I became the Minister of petroleum. As the Prime Minister said the other day, we have been here only a few days and the whole trouble is that it has to pass through so many stages by reason of the requirements of law. So, even before I became the Minister the Bill had been processed at all levels and I signed it later on as my baby. I accept it; I don't say that there is anything wrong about the whole thing. But as for 7(2), there is really an element of mischief in it. When the discussion comes up on that particular thing, at that point I will make my observations, but I can assure you at this juncture about one thing—that it is not our intention to throw out those who have purchased these houses from the flats. We are very sorry that Caltex should have done such a thing and put these people in a quandary.

Suppose those officers do not want to serve. Where do I put my new officers? In which premises? I have no house. I have to provide a house. Therefore, I am between the Devil and the Deep Sea. Nevertheless, we shall try to find some method by which we can reduce the mischief in this. The mischief is we were taking over the rights of the employees without providing for any payment

thereon. It is true, Constitutionally and legally there is the difficulty; I admit that. Suppose we say that we pay them some money in consideration of this particular thing contained in Cl. 7(2) or so. But I can assure you that, by and large, the policy would be not to disturb them, even if we are put to some inconvenience. If the law is needed to be changed to that extent, I have to go back to my colleagues; I cannot do it unilaterally. The thing came up only a day before; some people came to me only a day before, in the night at about 9.00 p.m. I did not really have the time. I have to consult my colleagues. It has to go to the Cabinet. Therefore, right now, I would plead patience with the friends who have any difficulty in this, and I can assure them that, so long as I am at the helm of affairs, I make this commitment that I do not propose to disturb these people who have purchased these flats and whose ownership has already been established before the introduction of this Bill. If something is done today or yesterday, I am not going to bother. The mischief in the law is there. But that will be attracted only if I were to interfere with the rights of that particular person, and I say that we do not propose to interfere with those rights; we do not want to trouble anybody; it is not our business to do that. I am sorry, Caltex had played ducks and drakes with us. It was not a correct thing for a company of the standing of Caltex to put us against our own Indian brethren and make this Government face them—Caltex taking all the praise saying 'we gave you this'. We know that this has happened. The company was going. They knew that they did not have to surrender any right. They had no business to surrender any right. On that very point, I have to talk to Caltex since they have done it. They have also to tell me how they propose to do and what they propose to do in the matter. I only hope that they are no more doing that. What-

ever has happened has happened. It is only 12 quarters. But if you go on extending this favour surreptitiously, it is not a correct thing to do, it is not a correct behaviour.

In the end I would say that I am again grateful to my friends who have suggested many things beyond the scope of this Bill, with regard to larger policy frame of petroleum, crude, its production, and so on. I would only say that I need the goodwill of the whole House and the people. Government will have to have the luck to find more oil. In respect of oil, it is luck and pluck both. Millions and billions of rupees have been spent round many countries, but they have not been able to strike a single well. Therefore, I am only praying, hoping and expecting that we will strike more oil. I am more than sure that India's destiny is linked up with energy, and energy we shall have.

DR. HENRY AUSTIN (Erankulam): The hon. Minister has said that he would try to find more oil. Will he give an assurance—or at least say that he will look into it—that the remaining places where prospecting was proposed to be taken up will be taken up. I have particularly in view my constituency, off the coast of my constituency, Ernakulam in Kerala, where some surveys have already been undertaken. Throughout Kerala, people are waiting for some such encouragement. I hope, under the Minister's dynamic leadership, the areas in Kerala will be taken up.

SHRI H. N. BAHUGUNA: We are at the moment on Caltex. I cannot make a random speech. I can assure him that, wherever oil is available, off-shore or on-shore, it will be our endeavour to bring that oil up.

SHRI VAYALAR RAVI: Regarding Caltex take-over, about employees, will the Minister announce that there will be labour participation in the management?

SHRI H. N. BAHUGUNA: The policy in this respect has not been changed by this Government, but I would say that to the question of participation of labour in management, we have to give a careful thought and at the appropriate time we would come to that. But as I said, the basic policy of the Government in this regard has not been changed by us.

SHRI M. S. SANJEEVI RAO (Kakinada): As you know, the foreign companies who had taken lease on the East Coast are not going ahead at all. What action is being taken?

SHRI H. N. BAHUGUNA: They had tried one well, but found it barren and they are not doing their job. But right now it does not arise in relation to this Bill.

SHRI ANNASAHEB GOTKHINDE (Sangli): The hon. Minister has said that he would protect those transactions which the Caltex had entered into in respect of some premises. We would like to know whether that protection would be afforded to the transactions entered into before the introduction of this Bill or before the appointed day.

SHRI H. N. BAHUGUNA: I have already said that those that have come within the purview of this Bill are supposed to be between 1974 to 1976. That is the period governed by Section 7(2). Whatever is covered by that, I am talking of that only.

MR. CHAIRMAN: The question is:

“That the Bill to provide, in the public interest for the acquisition of the shares of Caltex Oil Refining (India) Limited and for the acquisition and transfer of the right, title and interest of Caltex (India) Limited in relation to its undertakings in India and thereby to secure that the ownership and control of the petroleum products pro-

[Mr. Chairman]

duced by the Caltex Oil Refining (India) Limited, and marketed and distributed by the said undertakings, in India, are so distributed as best to subserve the common good, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN: Now, we will take up clause by clause consideration of the Bill. There are no amendments to clauses 2 to 6. The question is:

"That clauses 2 to 6 stand part of the Bill."

The motion was adopted.

Clauses 2 to 6 were added to the Bill.

Clause 7— [*Special provisions as to certain rights and interests held by Caltex (India) before the appointed day*].

SHRI RAM JETHMALANI (Bombay North West): I beg to move:

Page 5,—

after line 5 insert—

"Provided further that nothing in this sub-section shall apply to any transaction involving the delivery of possession actual or constructive of residential premises by Caltex (India) before the appointed day, either upon transfer, surrender or relinquishment or otherwise of a right or interest therein in favour of the owner or a person who is or was an employee of Caltex (India) or a spouse or child of such an employee, or the Joint Hindu Family of which such employee was a member."(1)

SHRI VINODBHAI B. SHETH: I beg to move:

Pages 4 and 5,—

omit lines 34 to 46 and 1 and 2 respectively' (11)

Page 5, line 6,—

for "(3)" substitute "(2)" (12)

Page 5, line 7,—

omit "or sub-section (2)"(13)

SHRI RAM JETHMALANI: Madam Chairman, now that the principle of the Bill has been accepted in full, I only want to make one observation. While I fully accept the dynamic socialism of the hon. Minister as well as the central core of the Marxist teaching which I hear on the other side. I must make it clear that one of the copious causes of injury to our national interest in the matter of development of our industry and economy has been our thoughtless criticism of foreign capital, foreign investment and the role of foreign companies. I think, our economy needs them and I hope, we shall continue to attract foreign capital on terms not of exploitation, but of partnership. Our Indian companies are flourishing in foreign lands and if all the time we keep on saying that these foreigners come here and make investments and exploit this country, there is no reason why others should not say so about Indian companies which are making fairly good profits in other countries. I take it, therefore, that the policy of this Government is not going to be to shy away foreign capital out of this country.

Coming now to Section 7(2), I wish to make clear my own view as a lawyer that Section 7(2) is wholly unconstitutional and void. It is indefensible even under the provisions of the Constitution as they exist after the 42nd Amendment. You cannot validate Section 7(2), but since the hon. Minister is in some difficulty, we do not wish to embarrass him and we would allow Section 7(2) to go on record with the assurance that he shall protect all those who have validly acquired titles to the properties in which they were living until the date of their retirement from Caltex.

Let me, however, say this, that perhaps the hon. Minister is not very fair to Caltex because Caltex might not have really played ducks and drakes with us as he said but it is the old policy of this company and I know it. It is a policy which existed prior to 1974 that whenever their senior employees retired, they tried to provide accommodation for them by releasing accommodation in their favour and surrendering their own in rights in the apartments which they held. Therefore, it is not something which they have done after 1974 or tried to do something underhand. They have also been guided by humanitarian motives, in favour of their own employees and they have tried to see that nobody is uprooted after his retirement. Therefore, I do not know whether this criticism is really justified and I am sure the hon. Minister will look into this and rectify it if this criticism causes any underserved damage or hurts to anybody.

If the hon. Minister has accepted that he is not going to disturb those who are in occupation, I believe he will have no difficulty whatever in accepting the amendment that I have moved, namely, the addition of a proviso to clause 7(2) on the assumption that clause 7(2) will continue to be a part of the law. All that we have said here is that nothing in this section shall affect the right of those employees who have received residential premises from Caltex on surrender of their own tenancy rights. This proviso you should have no difficulty in accepting at all. This is without any embarrassment to anybody. I do not want anybody to be left to the tender mercies of an assurance given when the legal titles will be wholly displaced. Consider Madam, what will happen? How will these people defend themselves against trespassers in a court of law? Suppose a trespasser comes and says 'Your title is extinguished under Sec. 7(2). You are not the owner at all',

what is the remedy for them? Therefore, to protect them, you must accept at least this limited proviso which I have moved and Mr. Sheth has already allowed you to retain Section 7(2).

That is all I want to submit. You should make it secure for these people to live in their premises.

SHRI VINODBHAI B. SHETH (Jamnagar): I heard some of the explanations given by the hon. Minister and when the assurance is given, if the proviso of Mr. Ram Jethmalani is accepted, I do not mind withdrawing my amendments.

Secondly, if you say the compensation is equal to the written down value, it is a bit contradictory. When the price negotiated is Rs. 13 crores, then there is a capital gain of Rs. 4.29 crores. If the written down value is accepted as the amount for compensation, then the question of capital gains does not arise at all... (Interruptions). Yes, it is a question of book entry.

We are going to pay compensation as per clause 10(3). So far as the credibility of this nation is concerned, the provision 'free of income-tax' may be kept.

SHRI H. N. BAHUGUNA: I am grateful to Shri Vinodbhai for agreeing to this 8 per cent.

Regarding the question raised by him with regard to capital gains which amounts to Rs. 4.29 crores, I am again saying that it is part of the bargain and it is not a question of something. In any case, it is a book entry. We pay them and they pay it back to us. They do not take it home. Nobody is allowed to take it home. We are not reducing it from Rs. 13 crores because that is a commitment and a bargain.

So far as the point raised by hon. Member, Shri Ram Jethmalani is

[Shri H. N. Bahuguna]

concerned, I am completely in agreement with him. My difficulty is, as I said and also indicated, the matter has to be considered by the Cabinet. When I said that, I meant that it was considered by the Cabinet even before I came to the Petroleum Ministry....

SHRI RAM JETHMALANI: We will protect you against your Cabinet.

SHRI H. N. BAHUGUNA: I am not seeking protection. I am saying about the propriety. Something which we charged the previous government with, I am not going to commit the same mistake. If it is necessary to provide it by law—Mr. Jethmalani says that it should be provided by law, but I am going a step further—if it is necessary and perhaps it may be necessary to do so, then we may think of removing the entire clause. We might have to do that. Therefore, I appeal that the question of accepting the proviso should not be insisted upon.

SHRI RAM JETHMALANI: I am not pressing Amendment No. 1 to Clause 7 of the Bill. I seek leave of the House to withdraw it.

*Amendment No. 1 was, by leave,
withdrawn.*

SHRI VINODBHAI B. SHETH: I am not pressing Amendments No. 11, 12 & 13 to Clause 7 of the Bill. I seek leave of the House to withdraw them.

*Amendments Nos. 11 to 13 were,
by leave, withdrawn.*

MR. CHAIRMAN: The question is:

"That Clause 7 stand part of the Bill."

The motion was adopted.

Clause 7 was added to the Bill.

Clause 8—(Removal of doubts)

SHRI ANNASAHEB GOTKHINGDE
(Sangli): I beg to move:

Page 5, line 27,—

for "an" substitute "a reasonable"
(6).

The amendment is very simple and I hope there should be no difficulty for the Government to accept it. Before referring to Clause 8, I would draw the attention of the Hon. Minister to Clause 15 of the Bill on which this particular amendment is based. It requires the contract to continue unless terminated by the Central Government.

Please refer to page 8, last proviso:

"Provided that the Central Government shall not terminate any contract of make any alteration or modification therein except after giving to the parties to the contract, a reasonable opportunity of being heard...."

Clause 8 is for removal of doubts.

8(2) "If any question arises as to whether any property appertained,, the question shall be referred to the Central Government which shall after giving an opportunity of being heard to the persons interested in the matter, decide it in such manner as it may think fit."

Government has already taken the stand that opportunity should be given. There has to be and should be a reasonable opportunity. Why is not my amendment being accepted?

SHRI H. N. BAHUGUNA: I do not mind accepting if the word 'reasonable' is put.

MR. CHAIRMAN: The question is:

Page 5, line 27,—

for "an" substitute "a reasonable"
(6)

The motion was adopted.

MR. CHAIRMAN: The question is:

"That Clause 8, as amended, stand part of the Bill."

The motion was adopted.

Clause 8, as amended, was added to the Bill.

14.00 hrs.

Clause 9—*(Power of Central Government to direct vesting of the undertakings of Caltex (India) in a Government Company)*

SHRI ANNASAHEB GOTKHINDE:
 Sir, I beg to move amendments Nos. 7, 8 and 9.

Page 5, line 31,—

omit ", or has complied,"(7)

Page 5, line 36,—

omit "such earlier or"(8)

Page 5, line 37,—

omit "(not being a date earlier than the appointed day)"(9)

श्री हेमवती नंदन बहुगुणा : मैंने एक अर्जेंट प्रेस का मान लिया । इसको भी प्रेस कर रहे हैं ।

SHRI ANNASAHEB GOTKHINDE:
 In deference to the wishes of the hon. Minister I will not press these amendments.

I seek leave of the House to withdraw these amendments.

Amendments Nos. 7 to 9 were, by leave, withdrawn.

MR. CHAIRMAN: The question is:

"That Clause 9 stand part of the Bill."

The motion was adopted.

Clause 9 was added to the Bill.

Clause 10—*[Payment of amount to Caltex Petroleum and Caltex (India)]*

श्री हुस्मदेव नारायण यादव (मधुबनी):
 सभापति महोदय, मैं इस धारा 10 की उपधारा (2) में अपना संशोधन पेश करूंगा । पहला जो है धारा 10 की उपधारा (1) में उस को मैं मूव नहीं करूंगा ।

I beg to move:*

Page 6, line 9,—

add at the end—

"and this amount shall be spent by the company on the development of small scale industries in India." (3)

धारा 10 की उपधारा (2) में जो मेरा संशोधन है वह यह है कि कर मुक्त व्याज लगेगा, यह हटा दिया जाय । उस के संबंध में मुझे यही कहना है कि कानूनी आधार इस का क्या होगा मैं वह नहीं जानता, मैं केवल इतना ही जानता हूँ कि संविधान को जहाँ तक मैं जानता हूँ उस में लिखा हुआ है कि हिन्दुस्तान में सभी लोगों को एक समान न्याय मिलेगा और एक समान रखा जायगा । तो जब दूसरे लोगों से इतनी आमदनी पर टैक्स लिया जा सकता है तो इस कम्पनी को क्यों छोड़ा जा रहा है, यह बात मेरी समझ में नहीं आई । हमारा जो जनता पार्टी का चुनाव घोषणा पत्र है उस में यह लिखा हुआ है कि दस हजार तक की आमदनी को हम आयकर से मुक्त मानेंगे । अब मेरी समझ में यह बात नहीं आती कि यहाँ कम्पनी को 11 लाख डालर सूद में दिया जा रहा है, इतना रुपया जब कम्पनी को सूद में दिया जा रहा है तो उस को आयकर से मुक्त किया जा रहा है और दूसरी तरफ हमारे चुनाव घोषणापत्र में यह कहा गया है कि दस हजार से ज्यादा जो रहेगा उस में दस हजार तक ही कर मुक्त रहेगा ।

*Moved with the recommendation of the Vice-President acting as President.

सभापति महोदय : आप कौन से नम्बर का अमेंडमेंट मूव कर रहे हैं ?

श्री हुक्मदेव नारायण यादव : यह धारा 10 की उपधारा (2) पर है ।

सभापति महोदय : लेकिन अमेंडमेंट नं० कौन सा है आप का ?

श्री हुक्म देव नारायण यादव : अमेंडमेंट नम्बर इस में जो दिया गया है वह तो है 3 ।

मुझे ज्यादा नहीं कहना है । केवल इतना ही कहना है कि जनता पार्टी ने जो चुनाव घोषणा पत्र में जनता से कहा है उाँ और इस विधेयक में मुझे अन्तर्विरोध नजर आया इसीलिए मैं मंत्री जी का ध्यान इस तरफ आकृष्ट करना चाहा कि हिन्दुस्तान में सभी लोगों को दस हजार तक ही आप छूट दे सकते हैं तो इस कम्पनी को 11 लाख डालर जो आप दे रहे हैं उस पर आप कहते हैं कि आयकर नहीं लगेगा इसके पीछे क्या रहस्य है, मैं देहात का रहने वाला एक साधारण आदमी हूँ, किसान हूँ, लोक सभा में प्रतिनिधि बनकर आया हूँ, तो इन सब बातों में मुझे बहुत ज्यादा गड़बड़ भालूम पड़ती है । दो तरह की दृष्टि जब बनेगी, वह विदेशी हो या देसी हो या यह भी हो सकता है कि पीछे की सरकार ने जो वार्ता की हो उस के फलस्वरूप हो या यह अमेरिकन कम्पनी है, यह भी इस में पता लगता है तो उस अमेरिकन कम्पनी का पीछे की सरकार पर इतना दबाव रहा हो कि जिस सरकार ने उस कम्पनी से वार्ता की उस ने अमेरिकन सरकार के दबाव में आकर ऐसा किया हो या जो विश्व में साम्यवादी और पूंजीवादी खेपों के नाम पर दो दृष्टि चलती रही है उस से कहीं प्रभावित होकर तत्कालीन सरकार ने इतनी बड़ी राशि आयकर मुक्त कर के देना का तय कर लिया हो तो अब जो जनता की सरकार है उस को सोचना चाहिए ।

मंत्री जी ने विचार के प्रस्ताव के समय कहा कि चूँकि एक सरकार वादा कर चुकी है तो उसको कैसे तोड़ें । अगर एक सरकार ने

वादा किया मारुति कम्पनी को आर्डर देने का तो उसको हम कैसे छीन सकते हैं — मैं समझता हूँ इस तर्क में कोई दम नहीं है । पिछली सरकार ने कम्पनी से वादा किया है और कोई एग््रीमेन्ट हुआ लेकिन अब इस सरकार का काम है कि वह उस वादे पर फिर से विचार करे और इस बात को देखे कि इस कम्पनी को जो आयकर मुक्त सूद दिया जा रहा है उसको देना देश के लिए ठीक होगा या नहीं, वह जनहित में होगा या नहीं । इस बात को देखना इस सरकार के लिए परमावश्यक है । आयकर मुक्त इतने लाख डालर की इतनी बड़ी राशि अगर आप किसी कम्पनी को देते हैं तो मैं नहीं समझता वह समाजवाद या प्रगतिशीलता का दृष्टिकोण होगा । अगर समाजवाद सही मानने में कुछ अर्थ रखता है तो इस बिल को समाजवादी बिल नहीं कहा जा सकता । जो मेरा अगला संशोधन है उसपर जब मैं बात करूँगा तो आगे की बात ताऊंगा लेकिन अभी तो मैं यही कहना चाहता हूँ कि संविधान में सभी नागरिक बराबर हैं और न्याय के आधार पर सभी को समानाधिकार मिलना चाहिए । जनता पार्टी ने लिखा है अपने चुनाव घोषणा पत्र में कि 10 हजार तक की आमदनी हम आयकर मुक्त मानेंगे । फिर यह जो बिल आया है जिसमें इतनी राशि करमुक्त कर दी है यह एक अन्तर्विरोध है और जनता को दिए गए आश्वासन के प्रतिकूल है ।

चूँकि मैं जनता से चुनकर इस संसद में आया हूँ तो हमारी पार्टी ने जनता के सामने जो आश्वासन दिए हैं और वादे किये हैं उनको भी देखना मेरा फर्ज हो जाता है । मैंने जीवन भर विरोधी दल की राजनीति की लेकिन वहाँ और अब यहाँ मुझे सरकारी पक्ष में बैठना पड़ा । चूँकि सरकार इस विधेयक को लाई है और मैं जानता हूँ किसी न किसी तरह मुझे इसका साथ देना पड़ेगा फिर भी मैं मंत्री महोदय से चाहूँगा कि वे इसपर विचार कर क्यों इसमें अन्तर्विरोध है और यह हमारी पार्टी के घोषणपत्र के विरुद्ध जाता है

श्री हेमवती नन्धन बहुगुणा : : सभापति महोदय, माननीय सदस्य हुकमदेव नारायण यादव जी ने जिस भावना के अन्दर और जिस समझदारी के अन्दर बात कही है उससे कोई झगड़ा नहीं है। प्रश्न सिर्फ यह है, जैसा मैं ने पहले भी कहा कि कालटेक्स के साथ एक सौदा पक्का हुआ, इस सौदे का हिस्सा है कि हम उनको आयक से मुक्त कर रहे हैं, उस सौदे को तोड़ना कहां तक उचित होगा। यहां पर श्री जेठमलानी जी कह रहे थे कि बाहर के देशों को पैसा जा रहा है तो हमारे देश में भी आये। मैं नहीं जानता सरकार की क्या नीति रहेगी, किन शर्तों के साथ रहेगी लेकिन प्रश्न यह है कि विदेशी कम्पनी को विदा करते समय हमने वचन दिया है उसको अगर तोड़ दें तो उससे अन्तर्राष्ट्रीय कठिनाई पैदा होगी और इसी कारण इस बात को मंजूर करना पड़ रहा है। इसी कारण 13 करोड़ रूपए रखे गए हैं। अगर हम एक करोड़ 5 लाख रुपये पर इनकम टैक्स लें तो कालटेक्स वाले यह भी कह सकते थे कि 13 करोड़ में हम नहीं मानते। मैं पुनः कहना चाहता हूँ कि सौदे की मार्फत यह कम्पनी ली जा रही है, संविधान में जो एको अधिकार है स्वतः लेने का उसके अन्तर्गत नहीं लिया जा रहा है। इस सौदे को हम बिगाड़ नहीं सकते हैं, इस कठिनाई को हुकमदेव जी को देखना चाहिए।

लेकिन एक बात आज मालूम हो गई है—माननीय सदस्य जिस दल से खड़े होने हैं वही जीतता है और सरकार बनाता है। इसलिए सब को यह मान लेना चाहिए कि माननीय सदस्य जिवर से खड़े हो रहे हैं,

उसी दल की सरकार बनती चली जायगी। इस खुशी की सूचना के लिए, जिसे उन्होंने दिया है, मैं उनको धन्यवाद देना चाहता हूँ।

MR. CHAIRMAN: I shall now put amendment No. 3 to the vote of the House.

Amendment No. 3 was put and negatived.

MR. CHAIRMAN: The question is:

"That Clause 10 stand part of the Bill."

The motion was adopted.

Clause 10 was added to the Bill.

Clause 11—[Transfer of service of existing employees of Caltex (India), etc.]

SHRI ANNASHEB GOTKHINDE: I beg to move:

Page 7, line 14,—

for "an" substitute "a reasonable" (10)

As the hon. Minister has already accepted my similar amendment, I request that this may also be accepted.

SHRI H. N. BAHUGUNA: I accept it for his satisfaction. At one place the word 'reasonable' is there. So, for similarity I accept his amendment.

MR. CHAIRMAN: The question is:

"Page 7, line 14,—

for "an" substitute "a reasonable" (10)

The motion was adopted.

MR. CHAIRMAN: The question is:

"That Clause 11, as amended, stand part of the Bill."

The motion was adopted.

Clause 11, as amended, was added to the Bill.

Clause 12—(Provident, superannuation, welfare fund, etc.)

SHRI HUKMDEO NARAIN YADAV:
I beg to move*:

Page 8.—

after line 4, insert—

“(5) There shall be a Board of Directors. to manage the affairs of the company which shall consist of—

- (i) one representative of the Reserve Bank of India;
- (ii) one representative of the Government of India;
- (iii) two representatives of trade unions;
- (iv) two representatives of consumers;
- (v) two representatives of farmers;
- (vi) one jurist to be nominated by the above representatives; and

the representative of the Bank shall be the Chairman and the representative of the Government shall be the Secretary of the Board of Directors.” (5)

सभापति महोदया, मैंने जो संशोधन दिया है—उस के पीछे एक दृष्टिकोण है। इस समय हम जिस विधेयक पर विचार कर रहे हैं, उस के सम्बन्ध में हम यह मान कर चल रहे हैं कि यह पहले की सरकार द्वारा बनाया हुआ है। लेकिन जहाँ तक राष्ट्रीयकरण का सवाल है—हम लोग जो राष्ट्रीयकरण के पक्षवाले हैं, हमारी यह धारणा रही है कि वास्तव में राष्ट्रीयकरण हो। राष्ट्रीयकरण और सरकारीकरण इन दोनों में

बहुत बड़ा फर्क है। यह कहा जा सकता है कि यह विधेयक राष्ट्रीयकरण वाला है, लेकिन मेरी दृष्टि में यह राष्ट्रीयकरण नहीं है, बल्कि सरकारीकरण है। एक निजी विदेशी कम्पनी जो हमारे देश में कारोबार कर रही थी, उस के काम को सरकार ने अपने हाथ में ले लिया, लेकिन इस का जो प्रबन्ध है, वह उसी पद्धति से चलेगा जिस पद्धति से यह आज तक चलता आया है। एक डायरेक्टर और चपरासी में जो अन्तर आज तक चलता आया है, वह आगे भी चलेगा। जो बड़े अफसर हैं, उन के रहन-सहन का जो ढंग है, उन की शाना-शौकत, बंगला, कोठी, मोटरकार—ये सब उसी तरह से संचालित रहेंगे जैसे कम्पनी के मातहत थे। सरकार के अपने हाथ में लेने से उन की कार्य-पद्धति में कोई अन्तर नहीं आएगा। फर्क सिर्फ इतना पड़ेगा कि पहले उन को कालटैक्स कम्पनी के जरिये वेतन मिलता था, अब उस का भुगतान भारत सरकार के जरिये होगा। राष्ट्रीयकरण में तब मानता जब एक चपरासी और इस कम्पनी में काम करनेवाले सब से बड़े अफसर दोनों के वेतन और भत्ते में जो भयकर असमानता है, उस को दूर करने का कोई कार्यक्रम इस में होता। इस में उस असमानता को दूर करने का कोई प्रयास नहीं किया गया है। छोटे छोटे कर्मचारियों का जो शोषण अफसरों द्वारा होता है, उन पर जो उन का नियंत्रण होता है, उन का पंजा हमेशा उन के ऊपर कसा रहता है और वे उन को दबाने में लगे रहते हैं, उन बड़े अफसरों का पंजा उन के ऊपर कम हो और छोटे कर्मचारियों को व दबा न सके, इस के सम्बन्ध में इस बिल में कुछ नहीं है। इस में केवल इतना ही होगा कि पहले जहाँ अमेरिकन कम्पनी द्वारा उन को वेतन मिलता था, अब वह वेतन भारत सरकार दिया केंगी। इस का मतलब यह हुआ कि रेलगाड़ी की पटरी बड़ी है, इंजन वही है

लेकिन जो पहले डिब्बा लगा हुआ था, उस डिब्बे को बदल दिया गया है। इंजन वहाँ चल रहा है और सम्पूर्ण कोषार वही चल रहा है। मैं किसानों का प्रतिनिधि हूँ लेकिन इस में किसानों के प्रतिनिधित्व की, उपभोक्ताओं के प्रतिनिधित्व की कोई बात नहीं कही गई है। जनता पार्टी ने अपने चुनाव घोषणा पत्र में कहा था कि उस के द्वारा मजदूरों का हित होगा और किसानों का हित होगा। जनता पार्टी की सरकार का यह प्रथम राष्ट्रीयकरण का विधेयक संसद में पेश हुआ है, तो मैं सरकार से पूछना चाहूँगा कि इस में मजदूरों की साक्षीदारी का सवाल क्यों नहीं रखा गया है।

सभापति जी, मैं एक बुनियादी सवाल उठाना चाहता हूँ और वह यह है कि सरकार द्वारा यह कम्पनी ली जा रही है। मैं आप को बताना चाहता हूँ कि जब खेती के लिये हाई डायल की आवश्यकता पड़ती थी पम्पिंग सेट चलाने के लिये, तो मैं जानता हूँ, क्योंकि मैं एक किसान हूँ और भुक्तभोगी हूँ, कि हमें कितनी कठिनाइयों का सामना करना पड़ता था और वह हम को नहीं मिलता था। जब सरकार ने इस तेल कम्पनी को अपने हाथ में ले लिया है तो किसानों का एक प्रतिनिधि इस के संचालन मंडल में, बोर्ड आफ डायरेक्टर्स में होना चाहिये। इस में किसानों का प्रतिनिधि हो, मजदूरों का प्रतिनिधि हो और उपभोक्ताओं का प्रतिनिधि हो और फिर उनके द्वारा सारे तंत्र का संचालन हो और सारा सरकारी तंत्र ही न हो। मैं चाहता हूँ कि एक ऐसी स्वतन्त्र संस्था हो जो इस कम्पनी पर नियंत्रण रखे। मैं समझता हूँ कि जो राष्ट्रीयकरण की दृष्टि है, उस के अनुसार ऐसा होना जरूरी है। इसलिये मुझे यह संशोधन देना पड़ा है और यह संशोधन जो मेरी दृष्टि है, जो जनता पार्टी की दृष्टि है और जो चुनाव घोषणा पत्र में कहा गया है, उस के अनुसार

है और उस सब को ध्यान में रख कर ही सरकार को यह विधेयक लोक सभा में लाना चाहिये था। ऐसा नहीं हुआ है और इस से जनता ही जो आश्वासन दिया गया है, उस के प्रतिकूल यह विधेयक जाता है। मैं किसान हूँ और मैंने किसान के दर्द को देखा है और उस दर्द से मैं पीड़ित रह चुका हूँ। हम लोग किसानों का वोट लेकर यहाँ पर आये हैं और मैंने उन में वायदा किया है कि भारत की लोक सभा में इस बार हम आप की बातों को उठायेगे। यह पहला मौका है जबकि इस लोक सभा में लगभग 250, 300 विशुद्ध किसानों के प्रतिनिधि चुन कर आये हैं और इस बार उद्योगपतियों और किसानों के बीच टक्कर होने वाली है। इस बार किसान हारने वाला नहीं है और हम अपने अधिकार के लिये लड़ेंगे। इसलिये मैं अपने संशोधन को पेश कर रहा हूँ। राष्ट्रीयकरण की जो नीति है, उस में परिवर्तन हो और जनता के हित में यह चीज होनी चाहिये। केवल सरकारीकरण करने से कुछ नहीं होने वाला है। जो पुरानी सरकार की दृष्टि है, उस को आप न अपनाएं और इसीलिये मैंने अपना संशोधन सदन में पेश किया है।

श्री हेमवती नन्दन बहुगुणा : बिहार के माननीय सदस्य श्री हुकमदेव नारायण यादव ने जो एक बुनियादी प्रश्न, मौलिक प्रश्न उठाया है, वह बड़ा व्यापक है। पहली बात तो मैं यह कहना चाहता हूँ कि हम ने कहीं भी 'राष्ट्रीयकरण' शब्द का प्रयोग नहीं किया है। 'टेक ओवर' और 'राष्ट्रीयकरण' में बहुत फर्क है। कम्पनी को अपने हाथ में लेना और राष्ट्रीयकरण करना, इन दोनों में थोड़ा सा फर्क है। मैंने पहले भी कहा है कि भारत सरकार और कालटैक्स के बीच में एक समझौता हुआ है। इसलिये इस दृष्टि को माननीय सदस्य भूले नहीं।

[श्रीहेमवती नम्बन बहुगुणा]

दूसरी बात जो मैं उन से निवेदन करना चाहता हूँ वह यह है कि केवल काल-टैक्स कम्पनी ही तेल और डीजल बनाने का काम नहीं करती है। इण्डियन आयल कार्पोरेशन और आयल एण्ड नेचुरल गैस व मीशन तथा अन्य संस्थाएँ भी रिफाइनिंग इत्यादि का काम करती हैं। इसलिए उन का जो यह कहना है कि बोर्ड आफ़ डाइरेक्टर्स में कौन कौन रहें, कैसे रहें, वह तो जब इंडियन आयल के बारे में प्रस्ताव आए उस समय यह बात विचार करने की है। इस समय तो कालटैक्स के टेक ओवर का मामला सदन के सामने है। जब सम्पूर्ण तेल व्यवसाय, तेल उद्योग को चलाने के लिए नीति पर विचार हो, उसमें कालटैक्स कम्पनी भी शामिल होगी, क्योंकि सम्पूर्ण तेल उद्योग का यह भी एक हिस्सा है, उस समय इन सब मुद्दों पर जो कि माननीय सदस्य ने अभी उठाए हैं, विचार हो सकता है। अगर अभी हम कालटैक्स के मामले में इन मुद्दों को लें तो इसका मतलब यह भी हो सकता है कि हमने सम्पूर्ण तेल उद्योग को छोड़ दिया और केवल काल-टैक्स को लिया।

माननीय सदस्य ने कहा कि किसानों के प्रतिनिधि यहाँ पर ज्यादा हैं। खुशनसीबी से मैं भी उसी वर्ग का हूँ। हम 290-300 सदस्य मजदूरों और किसानों का जो प्रतिनिधित्व करते हैं उनका शासन तो आएगा ही, इसमें किसी को क्या संदेह हो सकता है। लेकिन इस समय तो हम कालटैक्स का इंतजाम अपने हाथ में ले रहे हैं। उसका इंतजाम कैसे हो, यह उस समय विचार करने की बात है जब हम सम्पूर्ण तेल नीति पर विचार करें। कपड़े के उद्योग का कैसे प्रबन्ध हो यह उस समय विचार करने की बात है जब कि तेल उद्योग की नीति पर विचार हों। मैं माननीय सदस्य को विश्वास

दिलाना चाहता हूँ कि उस समय व जो भी बात उठाना चाहें वे उठा सकते हैं और हम उस पर पूरी तरह विचार करेंगे।

जहाँ तक डीजल मिलने में कठिनाई का सवाल है, फर्टिलाइजर मिलने में कठिनाई का सवाल है, ये सारी बातें जब पेट्रोलियम और फर्टिलाइजर से सम्बन्धित बजट पेश होगा उसमें आएंगी तथा इसके सम्बन्ध में नीति निर्धारित होगी। उस समय माननीय सदस्य वे सारी बातें रख सकते हैं कि इस मंत्रालय को इन सब बातों के सम्बन्ध में क्या करना चाहिए और उसी समय उन्हें ये सारी बातें करनी चाहिए। मैं माननीय सदस्य के विचारों और भावनाओं का आदर करता हूँ लेकिन उनका इस बिल से कोई सम्बन्ध नहीं है।

MR. CHAIRMAN: I will now put amendment No. 5 to the vote of the House.

Amendment No. 5 was put and negatived.

MR. CHAIRMAN: The question is:

"That clause 12 stand part of the Bill."

The motion was adopted.

Clause 12 was added to the Bill.

Clauses 13 to 24, The Schedule, Clause 1, the Enacting Formula, the Preamble and the Title were added to the Bill.

SHRI H. N. BAHUGUNA: I beg to move:

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

MR. CHAIRMAN: The question is:

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

The motion was adopted.