

MR. DEPUTY-SPEAKER: Nothing is going on record.. (Interruptions) I shall make it very clear to the hon. Members that you cannot compel the Chair to do everything according to your wish. Let it be clear.. (Interruptions) I am on my legs now. I had said at the beginning that, realising that Members were under certain pressure, I have allowed Mr. Dandavate to make a submission, if that is all that you want. He made his submission. The Minister of Parliamentary Affairs is here; he has got his ears and he has listened to you. If you want me to add that the Government may come forward with a statement because the tragedy is a great one, it would have been a simple matter... (Interruptions). But soon after Mr. Dandavate made a submission, three or four or more Members also stood up and wanted to convert the whole thing into a debate and that is not permissible. If it satisfies you, since you are agitated, I would say that the Minister for Parliamentary Affairs is here; he will take note of it; and I think it would be advisable for the Government to come forward with a statement.

14.45 hrs.

ESSO (ACQUISITION OF UNDERTAKINGS IN INDIA) BILL—contd.

SHRI RAJA KULKARNI (Bombay-North-East): I have pointed out that this Bill should be passed immediately and unanimously and that nobody should oppose it because and delay in the passing of this Bill or any opposition to this Bill would only help the other international oil companies which are operating in this country. The fear which I expressed on that day has proved to be correct. We have learnt now through the Press that there is a concerted move and a conspiracy to delay the passage of this Bill or to see that this Bill is not passed at all. I would earnestly request my hon. friends here that they, should lend their support to this Bill not only on

the ground that it is a progressive measure but also on the ground that it is the best measure under the circumstances and that is how it should go through.

We have read in the Press that Burmah-Shell and Caltex, which are other oil companies apart from Esso, do not like this measure. It has been the demand of the whole country that all the three foreign oil companies should be nationalised. But Government has taken a certain policy of going through a phased programme of nationalisation, one after another. We are not against that policy. There are reasons why Burmah-Shell does not like this measure. If the Esso Bill is passed now, probably Burmah-Shell is feeling that its bargaining power for getting a higher quantum later on through a separate negotiations would vanish. They would like that Government negotiates with all the three companies together so that the three oil companies can pressurise the Government together to give them more than what they have given to Esso. So, we should not fall into the trap of Burmah-Shell and Caltex companies while taking a stand on this Bill. There are also other reasons. The question of increasing prices of petroleum products as a consequence of the rise in the crude prices at the international level was discussed this morning. I am not touching that point now. But in addition to this unpleasant factor, we have also heard that Burmah-Shell and Caltex refineries have approached the Government for raising their refinery processing fees. This is intended to hit the Government directly because Government has announced a new Price Inquiry Committee. We have pointed out to the Government that, though on the one hand the crude prices have gone up, these foreign oil companies have reduced their cost of production in the refineries to a large extent through technological advancement and by reducing the strength of employees by 50 to 80 per cent over a period of four

or five years. So there are large savings which they have effected in refining. But they want more charges for getting more profits. It is also evident from this that they want to create confusion in the passage of this Bill. That is one point.

We also know that Burmah-Shell's one of the parent companies is Burma Oil Company. For the last one year, BOC has not been agreeing with the Government on revision of prices of crude oil from Anam produced by Oil India. It is creating, unnecessarily obstacles in the way of Government taking over 24 per cent of its shares in Oil India.

This shows that Burmah Shell, whose one of the parent companies is Burmah Oil Company is interested in giving trouble, and in delaying and stalling the negotiations with the Government. The Burmah Shell and the Caltex are interested that the ESSO deal should not materialise. Oil India is an Indian company and the Burmah Oil Company holds 50 per cent shares in it. With 50 per cent shares, BOC is looting this country and its profits are going up. There is a supplementary agreement of 1961 to decide the price of the crude of Assam which is an indigenous crude. Government has asked the Burmah Oil Company to revise the old formula of the Assam crude which is an indigenous crude but BOC is stalling and is not allowing the Government to take a decision so that at least the indigenous crude would be available at a little cheaper rate by reducing their fabulous profits which they are getting under the old supplementary agreement. Now they have been successful in fighting against the Government. They thought that they would be losing the battle if ESSO deal goes through. Therefore, we would like that this whole nefarious game of the other oil companies should be foiled and I want the Minister to take the House into confidence.

What is the role of the BOC which is a parent company of the Burmah

Shell in this country in respect of Oil India? We demand a probe into the working of Oil India. The delay in taking over 25 per cent out of the 50 per cent shares, which the BOC is holding, needs to be investigated.

There are two disputes pending with the Government since April 1972 and the Government could not take a decision. One is the price of Assam crude and the other is the fabulous perquisites and other allowances which the BOC's top officers are getting. They feel that probably if the ESSO is nationalised, all their fabulous perquisites which they are drawing at present will vanish. I am told that these points were brought to the notice of the Government by the Indian representatives of Oil India. I am told that they draw city compensatory allowance in Delhi to the extent of Rs. 3000 per month per head apart from a salary of Rs. 5000 or Rs. 6000 or Rs. 7000 which they are drawing. Now these things they will no longer enjoy. That is why they are putting obstacles in the passage of this Bill. I would, therefore, urge on all sections of the House that we should agree to the passage of this Bill as early as possible and unanimously also.

It is good that the Government should come to a settlement with ESSO and come forward with a Bill for taking over the ESSO Eastern Incorporated. We must realise that it has got an impact which is both political as well as economic from the point of view of mobilising the petroleum resources of the country. What exactly is this company—ESSO Eastern Inc? It is generally known that it is an international oil company. Now its name is changed to EXXON from 1972 onwards. This ESSO whose assets and liabilities we are now taking over for some amount is one of the associates and one of the important associates of EXXON, operating in Asian and south-east Asian regions. Now, India is one of the fields where it is operating. The EXXON international oil company is 113 year old company. They have

[Shri Raja Kulkarni]

created a havoc during the last 25 or 30 years in different parts of the world. This EXXON is a sort of loose federation working in more than 100 countries with more than 300 associates of which Indian operations is one. I know the Indian operations are not very big, Sir. At the same time they want India to remain with them for their various other benefits. And therefore ESSO Eastern Incorporated was very much interested here to continue for a long time.

However, due to changed international situation they themselves gave an offer to withdraw. Government modified and changed the whole offer in such a way that the demand of the people to nationalise ESSO and the ESSO'S offer to withdraw are all reconciled in the context of the present international situation. Therefore, I would urge upon everybody to try to understand the significance of an international company like this which is being taken over in this part of the Asian region where ESSO Eastern Incorporated, an associate of EXXON has been operating. At present the role of the international ESSO company has been changing. It is changing in the sense that internationally, they were powerful from all sides. They controlled not only 55 to 70 per cent of the crude products and the crude transportation but they also had strength even to influence and pressure Governments in developing countries. Recently, to be exact, during the last year and a half they have started losing ownerships. They are not losing the profits.

MR. DEPUTY-SPEAKER: Are you taking over ESSO by this Bill? Its liabilities and assets are being taken over.

SHRI RAJA KULKARNI: I know; we are not taking over ESSO; we are taking over the assets and liabilities. I am coming to this point by saying that this is the first step. In respect

of this international oil business, it is very necessary to take this over, because in India, Sir, when the whole country is suffering, ESSO did not suffer. We were not getting crude in adequate quantities, and at cheaper rates, people could not get petroleum products. The country is heavily losing in foreign exchange. People and the whole nation is suffering, Sir, look at ESSO. Do you know what their balance-sheet shows? During 1971 and 1972, during these two years, the balance-sheet of ESSO Incorporated in India (which we are now acquiring here) showed that they had the highest-ever profits compared to those during the last 30 or 40 years.

I now will deal with the provisions regarding workmen. 70 per cent of the employees of this company are in my union. They are organised in my union. There are three undertakings and I would therefore like five or 10 more minutes to be given to me. There are six amendments which I have given on this Bill. We should protect the interest of the workmen. But before that we should know the position of ESSO in its relationship with workmen.

15.00 hrs.

Essos in India whose assets are being taken over, had given a picture in 1971-72 as if their future was all dim and dark and that they were going out of this country and their profits had all declined. They forced the workers to come to an agreement on a bonus of 10 per cent, but actually in 1971-72 their profits showed that the workers were entitled to a bonus of 20 per cent and that was the highest bonus that the workers could get. This high bonus could come about because when the country suffered the company did not suffer at all.

We find the same picture at the international level also. During 1973, the business of this international oil company has been more

than Rs. 21,000 crores, which is more than double the budget of the Government of India, which was presented by the Finance Minister only the other day. I would not go into it. My only point is that it is necessary that the assets and liabilities of that oil company should be taken over as early as possible.

The nature or characterisation of this take-over is a very important point, because there appears to be some confusion over it. From what we have seen in the press, probably the Bill refers only to the first phase of the Government's agreement with the Essos. I think it would be better if the hon. Minister takes the whole House into confidence by giving us the main clauses of the comprehensive agreement and a full or complete picture of the agreement which would be completed over a period of seven years. The first phase is that the marketing companies' assets are being taken over.....

PROF. MADHU DANDAVATE (Rajapur): Does the hon. Member mean to say that under the entire agreement which is not known to us, there is going to be a complete take-over?

SHRI RAJA KULKARNI: According to my information, the agreement deals with complete take-over a period of years. It is a phased out nationalisation.

MR. DEPUTY-SPEAKER: who has taken him into confidence in regard to the agreement?

SHRI RAJA KULKARNI: From the press reports that have come, this is what we have understood. That is why I have said that it is better that the hon. Minister takes the House into confidence....

SHRI BHAGWAT JHA AZAD (Bhagalpur): It will help as also to speak in this debate if you can get this information for us from the hon. Minister regarding what the real proposal in the agreement is.

PROF. MADHU DANDAVATE: It is a very important point that the hon. Member has raised. If the hon. Minister can really tell us the facts, it will be very good.

MR. DEPUTY-SPEAKER: I am not a very avid reader of newspapers. Shri Kulkarni may have other sources than the newspapers which are being read by us. If he has an idea about the agreement, he can come forward with it, and I shall give him another five minutes.

SHRI RAJA KULKARNI: Even in regard to the first phase of nationalisation by way of taking over of the assets of the marketing company, to which this Bill refers, to acquisition of 74 per cent of shares has created a lot of confusion.

MR. DEPUTY-SPEAKER: Where is it mentioned in the Bill? 74 per cent of the shares and 26 per cent of the shares is mentioned only in the Statement of Objects and Reasons. So, how are those things relevant? He has already taken 20 minutes. There are others who would like to make their submissions.

SHRI RAJA KULKARNI: I am coming to that. I have tabled six amendments. My point is that there should be protection for the workers.

MR. DEPUTY-SPEAKER: He can speak on the amendments again. On the plea of amendments, he cannot take the whole time of the debate now.

SHRI RAJA KULKARNI: The point is that there are provisions of the Bill which have created confusion.

[Shri Raja Kulkarni]

Regarding protection of the workers' interest, my only plea is this. I have tabled six amendments. Government are now seeking to take power or authority to terminate, change or alter the conditions of service of some employees wherever they deem fit. The purport of my six amendments is that Government should not exercise this right so far as the workmen are concerned. According to my information, there are 2900 workmen who are covered. There are only about 20 who are on overseas assignments and there are 125 employees who are drawing more than Rs. 3,000. So far as the workmen are concerned, I am seeking complete protection for them with no change in their service conditions, continuity of employment in the same jobs and better prospects. It is with this intention that I have tabled my amendments and I am sure the Minister will apply his mind and accept all of them.

श्री फूलचन्द वर्मा (उज्जैन) : उपाध्यक्ष महोदय, हम ऐस्सो तेल कम्पनी के सम्बन्धित विधेयक पर चर्चा कर रहे हैं। मंत्री महोदय, ने बताया कि बिगड़ती हुई अर्थ व्यवस्था को सुधारने के लिए ऐस्सो का सरकारी करण करने के लिए कदम उठाया गया है और उस के फलस्वरूप 74 प्रतिशत शेयर खरीदने का निर्णय है। मंत्री जी ने कहा इस के आयल इंडस्ट्री के काम में सुधार होगा। मैं यह कहना चाहता हूँ कि सरकार ने जो निर्णय लिया है इस के सिद्धान्ततः मैं सहमत हूँ, लेकिन मुझे ऐसा लगता है कि इस निर्णय के लेने में सरकार ने देरी की है और उस के परिणाम स्वरूप देश के अन्दर तेल की जो खपत है उस को पूरा करने के लिए जो सरकार का दायित्व है उस को निभाने में सरकार असफल रही है। जब से ऐस्सो का टेक ओवर

हुआ है उस के बाद ऐसा नहीं लगा कि तेलों के आयात में किसी प्रकार की कमी हुई हो।

आज दोपहर में जब पेट्रोल और मिट्टी के तेल के भाव बढ़ाने के बारे में गरमागरम बहस हो रही थी तो मंत्री महोदय ने यह कहा कि जिस भावना से हम ने कीमत बढ़ायी है उस के पीछे केवल एक ही उद्देश्य था कि तेल का स्टोर हो जाता है, लोग अधिक स्टोर कर लेते हैं और मार्केट से गायब हो जाता है। आज स्थिति वही है, आप ने बारबार इस प्रकार के कदम उठाये उस से भी यही स्थिति निर्मित हो गई है। बहुत दुख की बात है जब सरकार ने बजट प्रस्तुत किया उस के अन्दर इस बात को क्यों नहीं बताया, यह मेरी समझ में नहीं आया? एक तारीख को कैबिनेट की मीटिंग होती है और बड़े नाटकीय ढंग के दाम की बढ़ोतरी घोषित की जाती है। मंत्री जी ने अपने भाषण में यह भी कहा था कि फ्रान्स जापान तथा ब्रिटेन में भी इसी प्रकार तेल के भाव बढ़े हैं और वहां की सरकारों ने भी इसी प्रकार का कार्य किया है। और वहां पर तेल की खपत निरन्तर बढ़ती जा रही है इसीलिए वहां की सरकारों ने ऐसे कदम उठाये। यह बात सत्य है। लेकिन अगर अपने देश के बारे में विचार करें तो उससे सिद्ध हो जात है कि सरकार ने यह सबक इन देशों के उदाहरण सामने होते हुए भी काफ़ी बिलम्ब से लिया है।

उसका उदाहरण यह है कि मंत्री महोदय ने बिल में यह कहा है कि 74 परसेंट शेयर ऐस्सो कम्पनी के खरीद रहे हैं और 26 परसेंट

बाकी बच जाते हैं। मैं जानना चाहता हूँ कि पूरे के पूरे शेयर क्यों नहीं खरीदे गए हैं। हो सकता है कि उनके ध्यान में यह रहा हो कि एस्सो एक अमरीकी कम्पनी है और उस का सऊदी अरब के साथ सात वर्ष का समझौता हो गया है और इस बात को ध्यान में रखते हुए सात माल वाद 26 परसेंट शेयर खरीदे जाएंगे। एस्सो नेन शोधन कारखाने की वार्षिक क्षमता 35 लाख टन की है। 20 जनवरी, 1974 के अखबारों में यह समाचार आया था कि एस्सो की कुल लागत पूंजी 25 करोड़ की है और यदि हम शेयरों को नवम्बर में ही खरीद लेते तो हम को 17 करोड़ रुपया विदेशी मुद्रा में चुकाना पड़ता। इस बीच उसकी पूंजी में निरन्तर वृद्धि होती गई है और आज स्थिति यह है कि उम्मा हम पूरी तरह से टेक ओवर करें तो हम को 90 से 100 करोड़ के बीच में देना पड़ेगा और हो सकता है कि यह कीमत दो सौ करोड़ तक पहुँच जाए। मैं समझता हूँ कि जो निर्णय आपने आज लिया है इसको आपको बहुत पहले लेना चाहिए था, पहली बार जब तेल की कीमतें बढ़ी थी और तेल संकट का आपको सामना करना पड़ा था उस वक्त आपको यह निर्णय ले लेना चाहिए था। तब हम सी प्रतिशत शेयर खरीद सकते थे। लेकिन अब 74 परसेंट पर ही हम को संतोष करना पड़ रहा है और जो विदेशी मुद्रा हम को देनी पड़ रही है वह भी अधिक बढ़ रही है।

अब आप जिस को टेक ओवर करने जा रहे हैं इस में कहीं पुरानी बात तो आप नहीं

दोहरा रहे हैं और वही गलती तो नहीं दोहरा रहे हैं जिस प्रकार की आपने कोलार की मोना खानों को अपने हाथ में लेते वक्त की थी, उसका राष्ट्रीयकरण करने की बात की थी? कहीं वही इतिहास तो आप अब फिर नहीं दोहरा रहे हैं। मैं चाहता हूँ कि आप इस मामले में सावधानी बरतें।

जहाँ तक इस बिल का सम्बन्ध है मैं कह चुका हूँ कि इसके हमारा सिद्धान्त रूप में कोई मतभेद नहीं है। यह बहुत अच्छा कदम है और इस कदम को हमको पहले उठाना चाहिए था। लेकिन सरकार ने स्थिति पूरी तरह स्पष्ट नहीं की है। सरकार का इरादा क्या है यह भी स्पष्ट हो जाए तो मैं समझता हूँ कि वर्तमान तेल संकट को हल करने में इससे काफी मदद मिलेगी।

आपने कहा था कि आयात घटेगा। वह घटा नहीं है। आज तो देश से डीजल तेल भी गायब हो गया है। इस का इस्तेमाल कृषि में होता है। कृषि और डीजल तेल का जो सम्बन्ध है इसको आपको सदैव ध्यान में रखना चाहिये। डीजल तेल न मिलने से कृषि का उत्पादन घटेगा जो कि हमारे देश के हित में नहीं होगा। पूरे देश में अन्न संकट चल रहा है। डीजल कहां और क्यों गायब हुआ इस पर भी विशेष ध्यान देने की जरूरत है।

जहाँ तक मिट्टी के तेल का सम्बन्ध है बार बार इस पर जो कर वृद्धि की जा रही है,

[श्री फूल चन्द वर्मा]

बार बार इसकी कीमतें जो बढ़ाई जा रही हैं वह हमारे गरीब देश के लिए अच्छा नहीं हैं। भारत के 72 प्रतिशत लोग गांवों में निवास करते हैं। 60 प्रतिशत गांव ऐसे हैं जहां गांव के निवासी घासलेट से दीपक जला कर गुजारा करते हैं, उस से रोशनी लेते हैं। 130 पैसे लिटर से तेल की कीमत आपने फिर 145 पैसे कर दी है। इस से आम आदमी की तकलीफ बढ़ गई है। ऐसा कदम आप को उठाना चाहिये जिस से आम आदमी की तकलीफें न बढ़ें।

जहां तक इस बिल का सम्बन्ध है जो आप करना चाहते थे उसका आपका तुरन्त कर देना चाहिये था। चूंकि आपने ऐसा नहीं किया इस लिए नाना प्रकार की भ्रांतियां देश में फैलीं। अब भी लोग समझ नहीं पा रहे हैं कि 74 परसेंट शेयर क्यों ले रहे हैं और 26 परसेंट भी क्यों नहीं लेते हैं? इसका आपने स्पष्टीकरण नहीं किया है। मैं चाहता था कि सरकार पूरे के पूरे शेयर ले लेती और अगर ऐसा किया जाता तो सात साल में हम को जो विदेशी मुद्रा देनी पड़ेगी, उसकी हम बचत कर सकते थे। लेकिन आप ने ऐसा नहीं किया। मैं चाहता हूं कि इसका स्पष्टीकरण करें कि यह पूरा सौदा सरकार ने कितने में किया ?

अन्त में मैं आशा करता हूं कि जिन तथ्यों का मैंने जिक्र किया है उन पर मंत्री महोदय अवश्य कुछ प्रकाश डालेंगे।

SHRI BHAGWAT JHA AZAD (BHAGALPUR): Sir, I congratulate the Minister for bringing this Bill before the House, but I wish I could have congratulated him profusely with all my heart, because, firstly, in this House and outside, many of us had demanded the take-over of this foreign company many, many years before. Now this offer which is being played up as a voluntary offer is not really a voluntary offer but it is circumscribed by circumstances prevailing outside this country. Secondly they have exploited this country enough; they have repatriated enough profits, many hundred times more than what they had put in this industry in this country. As Prof. Dandavate rightly pointed out this is the type of offer which was given to our Government. What exactly is the total implication in this negotiation? I can neither understand nor appreciate. What is the compensation that is proposed to be given. Here it says Rs. 2.52 crores and the total is said to be about Rs. 18 crores. Who knows? It may be Rs. 28 crores. We do not know enough about it. The argument advanced is that in seven years it will be 100 per cent and that this arrangement will be a gain to this country. But we ask: why project it for seven years? Why not right now? Is it not time that foreign oil companies are taken over? To an interjection by Dr. Ranen Sen or Jyotirmoy Bosu probably, the hon. Minister said: my party had decided to take over the commanding heights. This is one of the important commanding heights of our economy which should have been taken over long ago.

Why should they take only 74 per cent? Do you propose to say that in these commanding heights only the tops would be taken over and what remains below is left out. We feel that it should be 100 per cent take over; it should not be a projection in terms of years; it should not only be Esso but also Burmah Shell and Caltex. I need not quote figures. In this House, I have quoted figures

many times. Shri Hiren Mukerjee and others have also quoted figures many times. Those figures speak volumes how the seven big cartels are monopolising crude in the middle east; not only that; by their super tankers they drive out and starve the developing nations. Therefore, I ask; why should it be limited to 74 per cent? Why do the Government propose to give Rs. 2.52 crores for these junks? What are these installations in Bombay, Madras and Calcutta? Have they assessed the market value of these items for which they are paying this sum? Have they set up any committee to go into this? Can they say that these are not junk? We are going to pay Rs. 2.5 crores free of income-tax. If it is taxed it will come to much more. Why should that not be taxed? They have taken enough profit out of this country; they have done enough harm to the Indian economy. They have taken out from the reserve fund completely in the name of repatriation of profits. For this huge amount which we are giving them, they are giving us junks. Why not IOC be allowed to expand with the same amount of Rs. 3 crores that is proposed to be given? The IOC today is in a better position to distribute those things which we are taking over. I think the Minister has enough power and control to direct the IOC in regard to this matter. The value of the things that we are taking over is zero because they have depreciated very much. The Indian Oil has built good facilities all over the country to deal effectively with distribution.

Then, I would like to know why these Rs. 2.50 crores are being paid. My first question is why they should be paid at all? They have done more than enough harm by exploiting our country in men and material. Having been in position for some time I know how these oil companies have brought the Indian employees to their knees. Sri Raja Kulkarni in a representation then told us in the Ministry that they use to call their Indian officers, make them sit in the ante-room and sign such agreements. They have done enough humiliation

to this country, to our Indian employees in this country; they have taken enough profits out of this country. Why should they be paid at all?

Of course, I do not like the hiking of prices at all by the Arab countries, which has put the developing countries into difficulties. I am glad the Minister has entered into some agreement with them. For that I congratulate him. After this hike in prices these companies have the magnanimity to offer themselves to be taken over by the Government. There is no magnanimity there; in fact, it is the other way round. So, I want to know why they are being given compensation, and that too with all the exemption like their shares in the equity capital of Standard or Lube India would not be touched, their trade mark or right to have a trade mark would not be touched and their patents registered in this country would not be touched. Why should we give them all these exemptions. I would like to know why this is being done. Then, why is the Reserve Bank of India not allowed to play its role, so far as the remittances by this Company outside India are concerned? Why has the Reserve Bank been debarred from performing its duty? Why should we give them all this concession when we have facts and figures galore of this exploitation.

When our friends on the other side talked of nationalisation, the Minister intervened to say that this is not nationalisation, it is only acquisition because our party has not decided about nationalisation of everything but only the commanding heights. I say that a majority of members in the party want nationalisation of this concern. Let there be a consensus on this. I think the Minister himself agrees that there should be nationalisation. But there may be constraints in the Government because of inter-play of influences. I think the Minister and the Government must be bold enough to throw off the

[Shri Bhagwat Jha Azad]
shackles of the American imperialism.

Do they not snipe at us every day. Only today we read in the newspapers of the treatment meted out to Shri N. N. Panda. In the US Senate or Congress they said that they will not purchase Indian sugar because India is not supporting them in Vietnam. It was a very objectionable statement. Is that the consideration for our fearing them or not annoying them? We have seen what the Seventh Fleet have done in Vietnam. So, I would request them to brush aside all such considerations and take over this company here and now. By that we are not doing anything wrong. We are not infringing any of the provisions of the Constitution, because we have given them much more than they have invested in this country.

Coming to the service conditions of the employees, especially of officers drawing above Rs. 3000, why should they be guaranteed when they come under the Government. The Company adopted hundred and one ways to pay these officers from the pool fund. Will the Minister also create a pool fund to give special facilities and perquisites for these officers? Of course the Government have rightly taken the right under one section to modify them.

Then I come to the Board of Management. What would be the shape of management for these seven years when 74 per cent will be with us and 26 per cent with them?

I would like to know whether this 26 per cent shall have or shall not have the right to vote our basic resolution in the Board of Directors. Will there be any such clause that on such basic assumptions or resolutions there should be three-fourths majority? Will there be any such clause in the agreement and, if so, in that case nothing will go through because they will have 26 per cent with them. So, I

want to know what shall be the structure of the Board of Management and the powers of that.

I would say, it is necessary that the Government should take it over now. My hon. friend Mr. Kulkarni said that he would not say that, because that will mean that there are lobbies in the country. The people in the country only see the lobbies in the country, nothing about the personal views and opinions. I agree that the Minister should take over that immediately.

What is the sanctity about 14th March? Why should they bully us, you take over before 14th March or go without it? What is the sanctity? If there is any sanctity, and this is the most important Bill of all the legislations that had been brought in this House during this session, why was not this legislation put first on the list on the 18th February itself? I would have very much liked this Bill to go to the Select Committee and find out why Rs. 2½ crores are being paid for the junk which virtually amounts to about Rs. 5 crores, as Dr. Ranen Sen calculated it, on the basis of income-tax exemptions and all that. I do not know that. We are now being told, you take it right now before 14th March. Why? Why not 18th February? Why should they bully us, either you take it before 14th March or go without it? Is it a pre-condition in the agreement that we shall have to hand-over 74 per cent only when you take the junk in the shape of installations at a cost of Rs. 2½ crores which virtually amounts to Rs. 5 crores?

With these words, I give my conditional support to this Bill, with these important considerations and, I hope, the hon. Minister will clarify these points for the benefit of the House.

*SHRI J. MATHA GOWDER (Nalgiris): Mr. Deputy Speaker, I rise to say a few words on The ESSO (Acquisition of Undertakings in India) Bill, 1974, on behalf of my party the Dravida Munnetra Kazhagam.

At the very outset, I would like to say that I would have extended my whole-hearted support to the Government if they had come forward with a Bill nationalising in full the foreign oil company, the ESSO instead of just acquiring the assets of the company. The hon. Member belonging to the ruling party, who preceded me, rightly pointed out that the Congress Party was committed to the nationalisation policy for the purpose of securing the commanding heights of the economy. But this legislation is meant for acquiring only the assets of the ESSO and not full nationalisation. It seems that there is a contradiction among the members belonging to the ruling party and the Ministers of the ruling party running the administration. This Bill is a classic example of the Government's vacillating policy of nationalisation of industries in the private sector which are vital for the country's economic development.

When the Indian Iron Co., Martin Burn Co., and Alcock Ashdown Co were sought to be nationalised, in the initial stage only the management was taken over and compensation was also paid even for that. This was the same approach adopted in the case of nationalisation of coal mines also. At that time, all the Members belonging to the Opposition objected to the payment of compensation for simply taking over the management. Here, in the case of ESSO there is a further departure. The Government propose to acquire 74 per cent of the shares of ESSO. The remaining 26 per cent will continue to be with ESSO. Only after 7 years the complete nationalisation of the company will be effected. For doing this the Government propose to pay a compensation of 2.5 crores to the company.

It has been stated that negotiations were going on with ESSO for the past two years. I wonder why the Government did not take steps much earlier to nationalise these foreign oil companies. In Burma, the foreign oil

companies were nationalised many years ago. A small neighbouring country Sri Lanka nationalised the foreign oil companies in 1961. In Egypt, which is also a small country compared to India, the foreign oil companies were nationalised in 1966. It is really surprising that we, who boast about the vastness of our country, about India being the biggest democracy in the world have taken this half-hearted measure of acquiring the shares of only ESSO in the year 1974. Even now the Government have not taken the most desirable step of nationalising all the three foreign oil companies. If the Government have come forward with the proposal of acquiring the assets of Burma Shell and Caltex also, along with this legislative proposal for ESSO, even that would have been welcomed. But the Central Government have their own method of doing things about which so much is talked about.

It has also been stated that the ESSO came forward voluntarily with this proposal. I would like to say that, after exploiting all these years the national wealth of the country, they have come forward with this proposal. As they are convinced that there is not much for them to expropriate in future, they have come forward with this proposal voluntarily. If the Government had nationalised the foreign oil companies much earlier as had been put forth by the hon. Member of the ruling party who preceded me, there would have been no need for this kind of legislative proposal at this time of international oil crisis. The Government could have averted the situation of trying to secure the commanding heights of economy at a time when the entire economy of the country seems to be beyond redemption.

During 1969, these three foreign oil companies remitted abroad Rs. 81.91 crores, in 1970, 72.64 crores and in 1971 Rs. 94.49 crores. During the past 14 years these foreign oil companies are reported to have remitted abroad 1040 crores of rupees. When they

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and that they would be able to do this in future, they have made this voluntary offer and the Government have fallen a prey to this offer. Perhaps the Government want to compensate them by giving Rs. 2.5 crores which they could expropriate, as if whatever had been done before was not enough.

Due to the machinations of these foreign oil companies, the import bill of crude oil for the country has been going up. In 1970 the import bill of crude oil was Rs. 102 crores and in 1972 it had gone up to Rs. 144 crores.

Similarly, the assets of these foreign oil companies are also getting dwindled. They are repatriating the assets also gradually. In 1969-70, their assets came down by 5.8 per cent in 1970-71 by 3 per cent, in 1971-72 by 6 per cent and in 1972-73 by 8 per cent. As had been repeatedly stressed by the members of the ruling party, the assets of oil companies have no value at all after 10 years. The assets of ESSO are more than 10 years old. If annual depreciation is calculated, these assets are worth not even a single pie now. Yet the Government have come forward with the proposal of paying Rs. 2.5 crores in foreign exchange. The Government are munificent enough to give them interest also. They can repatriate this amount tax-free.

The other two foreign oil companies, Burma-Shell and Caltex have taken a cue from this Bill for acquiring the assets of ESSO. From today's newspaper reports, you will find that by demanding higher refining fees for refining the crude oil for government, they have staked a higher claim of compensation whenever the Government propose to take the assets of these companies also. If the Government had come forward with the proposal of nationalising all these three oil companies, this awkward situation could have been averted. It is really regrettable that the Government are not getting any experience even from their mistakes.

I need not talk about international

oil politics and how the oil cartels hold sway over the economies of many countries in the world. The Central Government will be well-advised to come forward as early as possible with the proposals to nationalise in full all the foreign oil companies at a time. Secondly, I am strongly opposed to the payment of even a single pie as compensation to these foreign oil companies.

I hope that the hon. Minister of Petroleum and Chemicals will pay heed to the demands of his own Party Members, though not to the earnest plea of the members of Opposition parties, and bring forward expeditiously legislative proposals for nationalising these three foreign oil companies and not merely for taking over the assets of these companies in the first instance. All the members, including the ruling Party members who had participated in the debate on this Bill, have unanimously demanded that not even a single pie should be paid to ESSO for acquiring the junk installations. I appeal to the hon. Member that he should abide by the unanimous desire of this House for not paying any compensation. I am also equally opposed to paying Rs. 2.5 crores in foreign currency to the ESSO.

Though in principle I am in support with the spirit of this Bill, i.e. gradual nationalisation of the foreign oil company, I am opposed to the way in which this is sought to be done.

With these words, I conclude.

SHRI CHAPALENDU BHATTACHARYYA (Giridih): I will not cover the ground already covered by my previous colleagues, for instance, the question of the basis of compensation whether depreciation has been deducted from the quantum which has been fixed and whether compensation has been given on the basis of the book value. These are questions which certainly require clarification. Neither shall I touch—although that is very important to me as a trade-unionist—the protection of pay and service con-

ditions of employees of second grade and below, of this undertaking, but I do agree with the Minister for Petroleum, Shri D. K. Borooah, that this public control over the commanding heights is necessary. But this Bill, I am afraid is small beer. What the Bill is trying to tackle is the visible tiny tip of an ice-berg which is composed of several big international giants like Exxon Mobil, Shell, Gulf Oil, Texaco, Armaco and so on.

Sir, between these seven oil giants, in point of strength and resources, after the Government of the United States, the Government of USSR, EC and Japan, they stand fifth. So caution is indicated in our approaches. Increasing of oil prices, diverting of supplies from one country to another, political and economic blackmail, infanticidal attack on many technical inventions which cut down in the consumption of petrol, and petroleum products have high-lighted their growth over the last half a century. Sir, the marketing part, the refining aspect and off-shore and on-shore drilling, these are the three major components of the oil industry itself. We will take over the majority shares in the marketing section. That has its own value. Sir, I do not agree with my previous colleague who says that: Well we are restricting it to only 74 per cent particularly because IOC has not yet the expertise in marketing. They sold furnace oil at cut rate to another oil subsidiary and lost crores. In respect of the petroleum products there are many varieties and different prices and step by step unless we take over the marketing companies like Burmah Shell, Caltex and this one which we are doing now, mere diversion of the one or the other of the grades of products can seriously jeopardise the economic position of the Indian oil company itself.

Now, what is the effect, not merely the economic, but the overall effect which, at a critical moment of our history, these companies have on our

thinking? They distorted our thinking and they said: Well, you don't have to go in for off-shore and on-shore drilling, you don't have to go in for hydrogenation of coal and manufacture of oil out of coal; you only just import Arab oil and set up refineries here. It may be a hindsight but that distorted our thinking and we are playing the penalty today.

As regards the powers of these companies, they have forced Britain only very recently to increase the oil prices by 8 pence and they even said that that for North Sea Oil exploration 55 per cent profits is quite reasonable. They are now blackmailing Japan; Norway is a small country. It has nationalised its offshore drilling of North Sea. They did without waiting for any foreign expertise. That is a lesson for India to follow. These American companies reported the largest increases in foreign dealings. The figures are: EXXON (Esso) 83 per cent; Gulf 400 percent, Texaco 86 percent in respect of overseas profits. Their operations are going out of America into fresh fields and pastures now.

The Bill is of course better late than never! It requires suave and skillful handling, Sir. We congratulate the hon. Minister on the Bill which he has brought forward and we hope and trust that he will apply his suavity and diplomacy also to put it through.

DR. KAILAS (Bombay South): I rise to support this Bill wholeheartedly. I do not know why Dr. Ranen Sen opposed the Bill, except the reason that the Congress and the Communist Party of India do not agree in their ideology, in regard to the early and quick development of the country especially in the technological field of oil exploration and distribution and specialisation in other fields like other products of petroleum. Can anyone say that the Government of India under the leadership of Prime Minister Shrimati Indira Gandhi and a dynamic Minister like Mr. D. K. Borooah

[Dr. Kailas]

who is more on the left of the centre than on the right would not take care of enhancing the reputation of the country but would give more profits to the ESSO rather than to our country? Nobody would believe such a thing. Under the circumstances, the present agreement, for which I congratulate the hon. Minister again, is one of the best, and he must go ahead with it.

MR. DEPUTY-SPEAKER: He is a man of great faith.

DR. KAILAS: I have got great faith in the leadership of my country. I shall convert you also presently when I shall mention the reasons for my faith....

MR. DEPUTY-SPEAKER: I am becoming a little sceptical.

DR. KAILAS: I shall be able to convince you? Why do I congratulate the hon. Minister? ESSO imports crude at the rate of 8.32 dollars per barrel while Iran and other countries from which the Government of India are going to get the crude are going to get from us 10.93 dollars per barrel. This means that Rs. 30 crores worth of foreign exchange will be saved per year, and for seven years, it would mean a saving of Rs. 210 crores by this agreement alone.

Secondly, from the very first year, ESSO which will be under the Indian Government will start earning about Rs. 3 to Rs. 3½ crores out of which 74 per cent will accrue to us. In the same ratio, we shall get profits in Lube India also and hence the Government of India and this country will be getting 74 per cent of the profits, which would come to about Rs. 2½ crores per year as profits and debar ESSO from taking over certain things which they were taking, because under this Bill, full control and management of the ESSO will be in the hands of the Government of India.

The third point which is very important is this. Oil technology is a developing one, and it has been the policy

of the Government of India that while we want to import foreign technology in such fine fields as oil technology which we should try to enter, we wanted to turn away these three oil companies. And the Essos, as was mentioned earlier by Mr. Azad, were good enough to come forward or perhaps they were forced to come to the Government and offer 74 per cent, and they would be working as a joint sector company for seven years. As one hon. Member said, it is a phased out nationalisation. There will be a phased out nationalisation so that after seven years, it will become fully nationalised. But these seven years are very critical.

Whatever research and development have taken place in the US will be accruing to us and we will not be waiting for this development to come.

MR. DEPUTY-SPEAKER: Are all these part of the Bill here?

DR. KAILAS: You seemed to be sceptical. Dr. Ranen Sen had opposed the Bill and I must explain....

MR. DEPUTY-SPEAKER: I am saying that these do not form part of the Bill. These are things outside the scope of the present Bill.

DR. KAILAS: Al right. I would come to the Bill also.

Unfortunately, our policy so far has been to acquire or nationalise only sick mills or sick undertakings. This is the only undertaking which is running at a profit which will accrue profits to us from the very first year. Hence now the policy of Government should be to acquire even healthy undertakings which are profitable to the country.

This agreement with ESSO was to last....

MR. DEPUTY-SPEAKER: Where is the agreement?

DR. KAILAS: All right, I leave it to you, if you do not want to listen to me.

MR. DEPUTY-SPEAKER: I want to listen to you, but it should be something within the scope of the Bill.

DR. KAILAS: I am talking on the point.

SHRI MADHURYA HALDAR (Mathurapur): It is a dynamic speech to support a dynamic Minister.

DR. KAILAS: I was trying to reply to Dr. Ranen Sen. I heard him and you were also listening to him.

SHRI MADHURYA HALDAR: The Minister is there to reply.

DR. KAILAS: Let me also reply.

MR. DEPUTY-SPEAKER: I do not want to harbour any idea that I am discriminating. Dr. Ranen Sen never referred to the agreement which is not within the Bill. He never referred to any kind of percentage of takeover of ESSO. He referred to the provisions of the Bill. I would like to do the same.

DR. KAILAS: I would do that.

I think it is in clause 3 that we are talking about the employees.

MR. DEPUTY-SPEAKER: You can talk about that.

DR. KAILAS: The pay scales of some employees are very high. There are only four employees who are getting Rs. 7,500—8,000 and all the four are going to EXXON. I think only a few are there, about ten, who get between Rs. 5,000 to Rs. 7,000 who are so technically qualified in respect of whom this House has unaniously said that they must be treated at par with IAS officers. Technical people should also have the same scale as IAS officers. Hence their pay scale is as good as other technical officers in the country. These officers have erected refineries in Malaysia, Singa-

pore, Philippines and Greece. Hence they will be very useful in erecting the refinery in Mathura and expansion work in regard to other refineries.

I would like to ask a few questions of the Minister so that he can reply to them while replying to the debate. What will be the representation on the board of management for the 7 years. It should have representatives of the ESSO Staff Association and the Labour association about which Shri Raja Kulkarni spoke? Is he thinking of cross-fertilisation between the staff of ESSO and IOC so that we get the best administration of both? Is he thinking of growth and development of the ESSO organisation so that there is a real growth taking place, as since last three or four years, there was no growth or any development in ESSO? When is he going to take over Caltex and Burmah-Shell so that when he is talking of the commanding heights in this field he will be really having those commanding heights with almost all the technological developments taking place all over the world?

I think in clause 10, line 30, the word "trust" has been used: "so, however, that the rights and interests of the beneficiaries of the trust are not, in anyway, prejudiced or diminished." I do not think there is any trust in ESSO. What is it that he means by naming this as a trust or a fund? Neither there is any fund nor there is any trust. I request him to kindly explain this to us.

With these words, I close.

श्री मधु रिजोय (बांका) : अध्यक्ष महोदय, सब से पहले मैं इस विधेयक के बारे में यह कहना चाहता हूँ कि मंत्री महोदय ने लोक सभा को विश्वास में लेने से इनकार किया है। प्राधिकार यह जो विधेयक है वह एक व्यापक करार का अंग है। आप पूछ रहे थे एग्जिस्टिंग—की प्रकल्प में एक व्यापक करार हुआ है और वह विधेयक उसका एक अंग मात्र है।

[श्री मधु सिन्घे]

क्या मंत्री महोदय का यह कर्तव्य नहीं था कि करार की जो शर्तें हैं उन पूरी शर्तों को धीरे करार जो है उसकी इस शर्तों के सामने रखते? यह करने से पहले इन्कार किया है और जब से से पहले, मेरी धारणा से प्रारंभ है कि कम्पनियों को हीन और सबका विश्वास में लेकर जो करार की शर्तें हैं वह धारणा के सामने रखें सभी लोगों को ज्ञात करा जायेगा। मंत्री महोदय से मेरी पहली प्रार्थना यह है।

दूसरे—6 फरवरी को इनका करार हुआ है, ऐसा मैंने सुना है। उन्नीस मिनट की सभा से यह तीन राष्ट्रपति जी के पास गए थे। यह लोग अध्यादेश जारी करना चाहते थे। मैंने सुना है कि राष्ट्रपति जी ने इन लोगों को फटकार दिया था कि हमें जब पाकिस्तान की शर्तें होने वाली होती हैं तो अध्यादेश के लिए धारणा यह काम करते हैं, संसद को धारणा विश्वास में नहीं लेते हैं इसलिए अध्यादेश बरीरह नहीं चलता नहीं है। तो मंत्री महोदय इसका भी जवाब दें क्या नहीं कहें कि 6 तारीख को धारणा अध्यादेश जारी करने वाले थे, नये जनरल मैनेजर इन्फ्रान्साजी इन्वर्ड जाकर 7 तारीख को धारणा लेने वाले थे और यहाँ तक कि इन्फ्रान्साजी के लोगों की धारणा क्या था कि धारणा परिषद कराया जायेगा? इस बात का भी वे जवाब दें क्या राष्ट्रपति जी ने अध्यादेश पर हस्ताक्षर करने से इन्कार किया और उन्नीस मिनट सभा लोग 7 फरवरी को इन्फ्रान्साजी को वहाँ नहीं भिजा था?

तीसरे—क्या मंत्री महोदय इस बात से इन्कार कर सकते हैं कि एस्सो कम्पनी के जो तीन हिन्दुस्तानी एग्जिक्यूटिव्स थे उनके इस्तीफा या बुके थे लेकिन जब

अध्यादेश जारी नहीं हो सका तो उनके इस्तीफा बुकिए लिए गए? यह काम भी हुआ है लेकिन मंत्री महोदय सारी बातें धारणा के सामने रख नहीं रहे हैं और यह बहुत ही खराब बात हो रही है।

धर जो बुनियादी चीजें हैं, इन लोगों ने जो बुनियादी देने का निर्णय किया है, इसके अलावा रिफाइनरी में ल्यूब इंडिया लि० में धारणा जो शर्तें लेने वाले हैं उसके लिए भी धारणा बुनियादी तथा किया लेकिन बुनियादी की एक बुनियादी है का और बुनियादी इसका निर्णय करने के लिए उसकी जानकारी इनको देनी चाहिए। क्या मंत्री महोदय अपनी जवाबी धारणा में इस सदन को बतायेंगे कि एस्सो कम्पनी ने जो ल्यूब कम्पनी या एस्सो की एक्जिक्यूटिव्स की सन्डीडियरी हो उन्होंने अभी तक भारत में कितनी पूँजी खर्च का काम किया है और मुनाफा व डिबिडेन्ड के रूप में कितनी पूँजी बाहर खेती है?

देवीसिन्घन और रत्नामन मंत्री (श्री देवकांत बरवा) : यह तो धारणा जानते हैं।

श्री मधु सिन्घे : मेरे धारणा की बात नहीं है। मैं तो जानता हूँ लेकिन सदन को अधिकारिक रूप से यह जानकारी देनी चाहिए।

श्री देवकांत बरवा : मेरा इन्फ्रान्साजी ले रहे हैं क्या?

श्री मधु सिन्घे : इन्फ्रान्साजी नहीं ले रहे हैं। मंत्री महोदय की यह धारणा है कि हर चीज की तीसरी सभा में जना देते हैं। यह धारणा अध्यादेश की शर्तें इन्कार उनके बीच में नहीं हो थीं।

यह सार्वजनिक हित की बात है, इसमें पूरे देश की विश्वास में लेना चाहिए कि इन कम्पनियों ने कितनी पूंजी भारत में लक्ष्मण का काम किया है और डिबीडेन्ड व मुनाफे के रूप में विविधी मुद्रा में कितनी पूंजी बाहर बीज चुके हैं। और उस के बाद सदन अपनी राय बना सकता है मुकम्मिल करार के बारे में कि आप ने जो मुझसे बात की है वह न्यायोचित है कि नहीं। बर्मा इन्फ्लेम उड़ रही है कि इतना मुझसे क्यों है जब कि यह जंक है। इसलिये मैं कहना चाहता हूँ कि आप खुलासा नहीं करेंगे तो आप बाटे में रहेंगे क्योंकि अफवाह यह चल रही है कि हेतु से आप ने चुनाव के लिए पैसा लिया है। मेरे पास कोई ऐसा सबूत नहीं है, लेकिन लोग ऐसा कह रहे हैं। मैं नहीं कह रहा हूँ। और इसीलिए करार के बारे में आप चुप्पी साध रहे हैं और सारी बातें प्रकाश में नहीं ला रहे हैं। इसलिये इसका खुलासा होना चाहिए। कम्पनियों ने मुझे यह भी कहा जो आप ने राज्य सभा में बोला, मुझ को तो इस का पता एक महीने पहिले मिला था कि अस्तान प्रधान मंत्री से मिला था उन के साथ तस्वीर खिचवाना चाहता था और प्रधान मंत्री को मालूम नहीं था। लेकिन किसी कारण से तस्वीर नहीं खिच पायी। इसलिये आप मुझे क्यों बाध्य कर रहे हैं बहाने के लिये। आप के लोग आते हैं और इस की कनफर्म करते हैं। मैं उन का नाम नहीं लेना चाहता।

विविध के जो प्राविधान हैं उन के बारे में कुछ संशोधन लिये हैं, हालांकि कम्पनी बिल के उस में विश्वास जरूर हुआ, लेकिन कई प्रकार सरकार के संशोधन की एक शक्ति पर आते हैं, अगर मेरे संशोधन

उचित हों तो आप को उन की स्वीकार करना चाहिए। मैं इस के सम्बन्ध में दो बातें कहना चाहता हूँ, मैं आप का ध्यान क्लॉज 9(1) की ओर दिलाना चाहता हूँ: कई कर्मचारियों के मन में यह डर है कि प्राविधी तीन लाइन्स की क्या जरूरत है जब तक सरकार उन को निकाल नहीं देती है, या उन की तनख्वाह घटाती नहीं है, या उन की सेवा की शर्तों में परिवर्तन नहीं करती है? यह हो सकता है कि उपचार के तौर पर आप ने यह लिया ही और ऐसा करना नहीं चाहते हों। लेकिन अगर इस को काट दिया जायगा तो क्या आप के अधिकारों पर आक्रमण होगा? आमज्वाह कर्मचारियों के मन में संदेह क्यों पैदा करते हैं बिना मतलब ?

दूसरी बात क्लॉज 10(1) को देखें इस में प्रीवीडेन्ट, सुपरएम्प्लूएशन, बैलफेयर या ग्रेडर फंड की बात की है। बर्माशिल का जहां तक सवाल है उनकी ब्रीजेस शीट में फंड शब्द का इस्तेमाल किया जाता है। लेकिन ऐसे वाले रिजर्व शब्द का इस्तेमाल करते हैं। वह असब नहीं रखते हैं, रिजर्व में रखते हैं। तो मेरा सुझाव है कि फंड के बाद 'or other funds and reserve, यह जोड़ देंगे तो आप को सुविधा होगी। कॉर्पोरेशन बिल के बारे में आप ने ऐसा ही किया और बर्कर्स के इंडरेस्ट को सेव करने के लिये कोई प्रीवीजन नहीं किया। तो इसलिये सोचिये और अगर उचित लगता हो तो उस को स्वीकार कर लीजिये।

जहां तक विविधी कम्पनियों का सवाल है, बहुत जल्द मुद्रा के अभावों में और प्रकाश के जिलने साधन हैं, जो पैरोलियम पैदा करने वाले देश हैं, कुछ आयल पैदा करने वाले, उन को बहुत ज्यादा बदनाम कर दिया गया कि

[श्री मधु लिबये]
उन की वजह से दाम बढ़े हैं। मुख्य कारण तो उन के द्वारा जो दाम बढ़ाये गये हैं यह तो है ही, लेकिन क्या मंत्री महोदय इस बात से इन्कार कर सकते हैं कि सारी दुनिया इस पेट्रोलियम के संकट में फंस गई है और पेट्रोलियम का घंघा करने वाली जो अन्तर्राष्ट्रीय कम्पनियाँ हैं वह मौज कर रही हैं, अपने मुनाफ़े को बढ़ा रही हैं। मैं केवल "टाइम मैगज़ीन" से दो ही वाक्यों को उद्धृत करूँगा। एक अरबको है मेरा ब्याल है आप की रिफ़ाइनरी का उन से करार है :

"Though Saudi Royalties and taxes have soared to seven dollars per barrel the production costs averaged only 12 cents per barrel."

सिर्फ़ 12 सेंट के कूड आयल के उत्पादन का खर्चा है। आगे इस मैगज़ीन में लिखा है कि :

"As a result, at present prices Armaco nets more than 50 cents per barrel and is now producing 7.3 million barrels per day."

यानी 36 लाख डालर एक दिन का इनका मुनाफ़ा है। और ऐक्सॉन के बारे में क्या स्थिति है ? "टाइम मैगज़ीन" ने कहा है, यह उन की कवर स्टोरी है :

"Exxon has not only grown but also prospered, so much so that last month it reported the largest annual profit ever earned by any industrial company, that is, 2.4 billion dollars after taxes."

यानी 240 करोड़ डालर यह ऐक्सॉन कम्पनी का मुनाफ़ा है। तो ऐसी हालत में अमरीका में भी इन तेल कम्पनियों के खिलाफ़ जनमत पैदा हुआ है। ऐसी हालत में 18 करोड़ रु० जो इनको दे रहे हैं, मैं समझता हूँ यह ठीक नहीं है।

एक बात इस सम्बन्ध में और मैं कहना चाहता हूँ, 25 साल का करार

था कूड आयल की सप्लाय के बारे में, और मेरी जानकारी के अनुसार 1979 में यह करार खत्म हो जाता है। तो पांच साल के बाद क्या इस की कोई जिम्मेदारी नहीं रहेगी, जिनके 25 प्रतिशत शेयर हैं, कूड जाने के बारे में ? अगर पांच साल के बाद इनकी जिम्मेदारी खत्म हो जाती है तो 26 प्रतिशत रखने का भी क्या माने हैं? आप वह दलील दे सकते हैं कि चूँकि वह कूड ला रहे हैं और कूड की हम को कमी है इसलिये 26 प्रतिशत शेयर उन के हाथ में रहने दे रहे हैं। लेकिन पांच साल बाद वह भी खत्म होने वाला है तो ऐसी हालत में 26 प्रतिशत शेयर इन लोगों के हाथ में रखने से कौन सा हम को लाभ होने वाला है ? तो मैं चाहूँगा मेरे इन मुद्दों के बारे में मंत्री महोदय सफ़ाई दें और अगर आप इस को ले रहे हैं, तो हमारा इस को ले कर झगड़ा थोड़े ही है, इस में जो कमियाँ हैं वह छिपाने के लिए कहीं इस की आड़ में तो नहीं जा रहे हैं कि पेट्रोलियम लोबी यह कर रही है, वह कर रही है। उस से हम को क्या मतलब लेकिन आप की जो कमियाँ हैं उन पर चादर बिछाने के लिए मेहरबानी कर के आप इस खबरों का आश्रय न लीजिये। इतना ही मेरा कहना है।

SHRI VASANT SATHE (Akola):
Sir, I rise to congratulate the Minister for taking the basic step of taking over the marketing facilities of ESSO and also for providing for the taking over of the 74 per cent shares of the Company in a phased programme. But I notice a peculiar feature in practically every measure which the Government take for the taking over of the undertakings. Are we really in such a difficult or tight position that we have to take measures in a half-hearted way? I hope the Minister will take us into confidence and tell us why when negotiations started with this concern, they

did not think in terms of taking over 100 per cent of the shares, not only in marketing but also in refining and in Lube also.

What is the peculiarity of this figure of 74? Why do they not have 75 per cent shares? Would it be right if I were to say that it is because under the company law if you hold three-fourths of the shares then you can change even the charter or articles of association, which you cannot do if you have only 74 per cent. Is that the reason why the Esso Company insisted on your going to the maximum limit of only 74 per cent and not 75 per cent? Why is it that they say, "All right; you take over our petrol stations and other things all over the country by paying us Rs. 2.5 crores"? They say it knowing fully well that because there are our IOC pumps all over which are practically side by side with Esso pumps, and because of the lack of crude now which is about to stay at least in the foreseeable future—there is no likelihood of plenty of oil being available for sale—by any of these pumps—they feel, here is a good proposition and let the Government pay Rs. 2.5 crores and take over all the petrol pumps which are, as it is, not a profitable affair. They say, "you take these petrol pumps or petrol depots or some buildings here and there but do not touch our real vested interest in the Refinery section or Lube India." They will continue to have control there. In spite of your taking 74 per cent with 26 per cent, they still have a voice in the management.

For a common man, it may appear that the Government is taking over 74 per cent. What more do you want? But 74 per cent does not give you any right to bring about a single change in the articles of association. What are the articles of association? Have you examined this? How does it give you any benefit? Kindly consider this. I would like the House to be

taken into confidence, when we are going in for such a major decision.

Now, I find here, clause 3 says:

"On the appointed day, the right, title and interest of Esso, in relation to its undertakings in India, shall stand transferred to, and shall vest in, the Central Government."

Here, "Esso" means Esso Eastern Inc., a foreign company within the meaning of section 591 of the Companies Act, 1956, incorporated under the laws of the State of Delaware in the United States of America, and having its principal office at 2401 South Gessner, City of Houston, State of Texas, in the United States of America;"

How does it appear to a person reading this? He will think that "on the appointed day"—we do not know when the appointed day will be; probably 7 years hence—the right, title and interest of Esso in relation to its undertakings in India shall stand transferred to, and shall vest in, the Central Government. Now, the undertakings have also been described as, "Esso", "Esso Standard", "Lube India", etc.

On top of this comes clause 4 which says:

"The undertakings referred to in section 3 shall be deemed, save as otherwise provided in sub-section 2...."

This is where the real crux of the matter comes. While at one place, you say that you are going to take over these undertakings, at another place, you quietly say, "save as otherwise provided"—a saving clause, a proviso, which takes away everything, like, by pricking a balloon, the whole air of the balloon goes away. It says, "save as otherwise provided in sub-section (2)". What is provided in sub-section (2)? That is the real cream of Esso Company. It says undertakings

[Shri Vasant Sathe]
referred to in sub-section (1) shall not include the following, namely:—

“(a) any share held by Esso in the equity capital of Esso Standard or Lube India;”

You do not touch that. That is the real think. Secondly, it says:

“(b) any trade mark, and any right of Esso to use any trade mark in India, specified in the First Schedule;

(c) all patents and designs registered in India in the name of Esso.”

I thought, with the passing of this Bill, we will get the goodwill of Esso. And we will be able to use patents, trade marks and other things. Do not use the word ‘nationalisation’ but in effect have complete control of the foreign company in the national interest of the country. That is what the objective appears to be, and that is what you have said in the Statement of Objects and Reasons. But actually what are we doing? We are, in effect, only taking, if I may describe, the most unprofitable part of Esso, i.e., the petrol pumps and other buildings; but the real thing we are not touching. Then we also talk about seven years. And what is the reason given? The reason is that the Company has long-standing contracts with the Arab oil producing countries and we can get oil at a reasonable rate from them; therefore, we must continue these contracts; if we try to take over the whole thing, we will not have the benefit of those contracts for getting oil at a low price. That is possibly the argument given. But in the changing structure, in the context of direct relationship with the Arab countries, do you not visualise that in the near future you can have a better deal with the very Arab countries like Iraq, for example, to get oil at a reasonable rate? They might say that we are buying from some other country, having contracts of such nature, at ‘x’ price and are not giving them ‘x’ price. Therefore, that will be a disadvantage. Why not think in

terms of having our own refinery, having full control over this refinery of Esso here and now and then go to these countries and say that either as a successor we continue with the contracts which the Esso Company had with them or we are willing to negotiate even a fresh contract with them? Will that not be better and free from all fetters?

I have a feeling—and this has been strengthened today by the snubbing that has been reported in the newspapers which the Congress Committee Chief gave on the sugar deal, where he has said, ‘We are not going to purchase sugar from you because your Government has not supported us on the Vietnam issue and other issues—that there is a certain helplessness as far as USA is concerned, and that is in the name of reality, practical consideration, expediency and all that. Let us be honest; are we really helpless before them?’

MR. DEPUTY-SPEAKER: Your analogy is a little far-fetched. One is the Congress of America and another is a private company, may be a big company. The analogy is a little far-fetched.

SHRI VASANT SATHE: If we are helpless before a Government, I believe we may be more helpless before an international cartel like Esso. I am trying to find an analogy on that line. I want to know whether we are so helpless. If we are thinking in terms of self-reliance, self-sufficiency, some day this country must take courage and say ‘no’. I do not think we are so helpless. We can have better negotiations; we are already having with Iran. Also what you have found in the Bombay High—and if the prospect is good, you may find a substantial deposit should give you more confidence instead of diffidence.

My last point is about employees. I would beg to submit that we are protecting the rights of only those employees who have large perquisites and high salaries.

Now, the IOC people will be getting one grade of salary and the Esso people will be getting much higher than that. As it is, there is a grievance in the country the IOC men are getting salaries much higher than the normal salary structure in the country. Tomorrow, the IOC people will say, 'How is it that a concern where we have a control like Esso should pay a higher salary? You should pay us also the same high salary.' Then what will you do?

Another point is: how are you going to utilise these people. To get the best out of them, give some responsibility to these people. Some such policy also will have to be worked out.

With these reservations and doubts—(Interruptions) yes, which I have in my mind and I am sure these will be dispelled—the basic objective of the Bill being really good, I support the Bill.

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI D. K. BOROOAH): As has been pointed out by many hon. Members, the Bill really relates to only a small part of the Esso undertakings in the country. Esso, in reality, has three undertakings. One is the Esso refinery which includes also the business of crude and then Esso distribution which is the present Esso Marketing which is the subject matter of this Bill and the third one is the Lube company which is independent of this undertaking, 50 per cent of which is owned by the Government of India and 50 per cent by the Esso.

We came to the House with this Bill because under the law we cannot take over any foreign company or any part of the foreign company except with the sanction of the Parliament. So far as the Esso refinery and the Lube is concerned, these two companies are registered in India. So, any take over or any purchase of the majority shares of that company is in the nature of a commercial transaction which does not

need any sanction on the part of the Parliament. It can be done under the law of the land.

Mr. Madhu Limaye is trying to make out of a case by innuendo that we should have got that also through this Parliament. The law of the land which this Parliament has passed does not permit that it should be brought before the House. There is no point in bringing before the House something which the law does not permit. Therefore, if we did not bring the problem of the take-over of Esso by purchase of 74 per cent shares of their refinery and the Lube to this House, it is not because that we wanted to hide it as anybody can go and find out from the Company Law register but because it was not necessary under the law whereas this Bill has come before the Parliament, as it is necessary under the law. He also raised the question whether there was some intention of taking it over by an ordinance. It was one time though that we could. Because some hon. friends including those who do not have that much progressive view are finding fault with me that we are already late, it was one time thought that it may be taken over by an ordinance but we thought that as the Parliament was going to be in session, it should come before the Parliament in the form of this Bill and there was certainly a delay of a month or so in the acquisition of these undertakings. But I suppose that that is inevitable in the system which we have to follow in this country.

Then I was asked: Why did you not take it up immediately,—the whole lock, stock and barrel, without paying a penny. Only one man could do this in this world that is Eddi Amin of Uganda and nobody else. Only Idi Amin of Uganda could take over in this manner lock stock and barrel, without paying a penny and throw them out. Iraq has nationalised, but after paying full compensation. Iraq also did not nationalise the whole thing, they left out the French part of

[Shri D. K. Borooah] it. They only nationalised the British part of it but left out the French part of it. I know this because I was there when this was done. Iraq has paid compensation and even President Col. Gadafi has paid compensation. What he has said is, I will take over now, I will pay compensation later.

SHRI VASANT SATHE: You have not nationalised anything in this country without paying compensation!

SHRI D. K. BOROOAH: This policy of nationalisation without compensation has not been accepted in this country and also, generally speaking, in the civilised world. To take without compensation will be difficult for me. For that matter any Government it will be difficult for any Government in this country under the existing Constitution. But what I want to propose is this. This is take over of 74 per cent. Somebody asked: Why did you not take over 100 per cent, why only 74 per cent?

MR. DEPUTY SPEAKER: Where is this 74 per cent? You have been saying that 'I need not come to the House for it'. It is not in this Bill. And if I hear the Minister all right, he has been saying again and again that he does not need to come before this House.

SHRI D. K. BOROOAH: In my introductory speech I did say this and I mentioned there that we have to take 74 per cent. If you, in your wisdom, feel that it is not necessary to reply to that point, I will not....

MR. DEPUTY SPEAKER: I am befuddled by the whole thing.

SHRI D. K. BOROOAH: It is very simple.

SHRI VASANT SATHE: He has mentioned that in the Statement of Objects and Reasons.

MR. DEPUTY SPEAKER: That is true; that is not part of the Bill.

SHRI INDRAJIT GUPTA (All-pore): What happens is, this actually precludes this House from discussing the mechanics of the whole commercial transactions which may take place in future, namely, the acquisition of 74 per cent of shares. How has it nothing to do with this Bill?

SHRI D. K. BOROOAH: There are two aspects. One is the total picture in which we take over Esso marketing, Esso refinery and Lube Oil. But Lube Oil and Esso Refinery are there they are there run by Indian companies, working in this country. Therefore I said, those things need not come before the House. But this one forms part of a foreign company. It is actually extension of the branch of a foreign company. If you want to take it over it can be done only by an Act of Parliament. That is the simple issue. Now we are discussing the marketing part of it. But because some hon. Members have raised the other point, I thought it is better on my part to clarify certain doubts which may be in their minds.

Then somebody said, it consists of junks. It is a registered, company having process outlets and some of the installations which they have put up are still working in this country.

SHRI INDRAJIT GUPTA: How old are they?

SHRI D. K. BOROOAH: Some of them are 10 years old; some of them less than 10 years. They are expanding. And secondly it is a mistake to say that IOC and ESSO or some other companies have put their outlets in the same place.

Bombay has more foreign company outlets than IOC outlets, because the IOC came much later. In many places, the foreign companies had been there before the IOC came. So, the IOC could expand in those areas where the foreign companies had not gone. Therefore, at many places now, in many strategic points in the urban

areas and the big cities, the foreign companies have a larger number of outlets than the IOC.

MR. DEPUTY-SPEAKER: How has he arrived at this figure? Had he some mechanism for this? Was some assessment made? In what way was this figure arrived at?

SHRI D. K. BOROOAH: A committee was appointed to go into the matter by the Government of India, and it consisted of the Cabinet Secretary, the Finance Secretary and the Petroleum and Chemicals Secretary. They all went into it. Ultimately, it came before a Cabinet committee of which the Finance Minister was the chairman, and the Industrial Development Minister Shri C. Subramaniam and myself were members. The Secretaries' Committee had gone into it very carefully. Therefore this delay had taken place. They had studied the problem.

SHRI INDRAJIT GUPTA: But we must know the basis. Is it the book value of these installations minus the depreciation? Is Parliament not going to be told about it? We have to vote an amount of Rs. 3 crores for acquisition of these installations. How has this figure been worked out? What is the basis of the calculation? It is not stated in the Bill at all.

SHRI VASANT SATHE: Normally, one takes the written-down value.

SHRI D. K. BOROOAH: This forms part of a total package deal. They did not adopt it one by one. They went into the whole thing and came to the conclusion that out of the Rs. 18 crores that would be paid to them, for the marketing part of it, there will be this amount mentioned in the Bill, namely Rs. 2.59 crores.

SHRI INDRAJIT GUPTA: Rs. 18 crores for what?

MR. DEPUTY-SPEAKER: That is the difficulty.

SHRI INDRAJIT GUPTA: He is speaking of one commercial transaction, and this Bill makes a provision for payment of Rs. 3 crores only. He is mixing the two things.

SHRI D. K. BOROOAH: I am not mixing it up. It is already mixed up.

SHRI INDRAJIT GUPTA: We cannot pass a legislation by being hoodwinked like this. He must tell us how for the purchase or acquisition of these rights or this take over of this foreign company, the amount has been calculated. What are the broad principles? Nothing is being told to this House. Are we to vote like blind people?

SHRI D. K. BOROOAH: He does not have to vote for it blindly at all.

SHRI VASANT SATHE: In valuation, normally the written-down value of a thing is taken. Is that the basis? Normally that must be the basis.

MR. DEPUTY-SPEAKER: Apart from that, I would like to pose this question to the hon. Minister.

Will it be fair to this House to get the Bill through in consideration of a certain hypothetical situation which is not before this House? He has not placed any statement before this House, and we do not know anything. We have just been told that this is part of a bigger deal. What is that bigger deal? Can we get through this without knowing what it is?

SHRI INDRAJIT GUPTA: For the first time, we are being told about some mythical Rs. 18 crores, from which Rs. 15 crores will go in some future commercial transaction and we are left with Rs. 3 crores which this House has got to vote for now. What is the basis of the calculation?

SHRI RAJA KULKARNI: The hon. Minister should take the House into confidence about it.

श्री सुभाष चन्द्र वर्मा : मैं ने भी अपने प्रायण में यह प्रश्न उठाया था कि आप ने यह सीधा कितने में किया है ? उस का जवाब आप नहीं दे रहे हैं। मैं भी यह जानना चाहता हूँ कि कुल सीधा कितने में हुआ है और किस तरह से आपने किया है ?

SHRI D. K. BOROOAH: As I said, this was gone into by a committee consisting of the Cabinet Secretary, the Finance Secretary and the Petroleum and Chemicals Secretary, and they discussed this matter in great detail, by argument, discussion and all that, and they came to the conclusion that this should be the figure. Certainly, the price value of it would be much higher....

MR. DEPUTY-SPEAKER: So, this is the book value of those installations? They could not have gone to the spot? They could not have made physical verification?

SHRI VASANT SATHE: Is the hon. Minister suggesting that the value is much higher?

SHRI D. K. BOROOAH: The real value of the property would be much higher.

SHRI VASANT SATHE: What is the real value and what is the written down value?

ऐसी बात नहीं है कि तैयार होकर नहीं आए हैं। तैयारी का प्रश्न नहीं है।

श्री सुभाष चन्द्र वर्मा (नुरना) : सबका विश्वास में नहीं लिया इस लिए इस बर्जा को स्वयं कर दिया जाये। नतीजा भी तैयार हो कर नहीं आए हैं।

SHRI D. K. BOROOAH: It is a fact. As I said this was done by a Committee which went into it, discussed

it and came to this conclusion. Although we are specifically dealing with this Bill, this also forms part of the total package deal. That is a fact. This was the amount specifically earmarked for this particular item of marketing. All these details were gone into by the Secretaries with their experts and they came to this conclusion. On the basis of that, the Cabinet Committee agreed. On that basis, the Bill has come before the House. If you want me to go into the actuarial accounts all that, I am not in a position to do so now.

SHRI D. K. BOROOAH: Three thousand outlet points.

SHRI INDRAJIT GUPTA: What are the various types of installations involved in this deal? Petrol pumps, storage tanks?

SHRI D. K. BOROOAH: And installations and office buildings.

SHRI K. HANUMANTHAIYA (Bangalore): Residential buildings.

SHRI D. K. BOROOAH: Residential buildings also.

SHRI RAJA KULKARNI: It includes the blending plant in Bombay.

MR. DEPUTY-SPEAKER: We are going to pass this Bill with the utmost responsibility. The Minister said that the valuation of all these assets of this company has been done by a high-power committee consisting of so and so. Obviously these redoubtable gentlemen could not have physically verified it; they could have gone only on the book value. I think it is only fair to the House if we are given an idea of what these installations are, how many of them are there so that the House also could have an idea whether they are really worth this Rs. 3 crores in foreign exchange to be given to them.

SHRI D. K. BOROOAH: Two and a half crores.

Mostly it is installed petrol pump outlets, 3,000 of them: Then there are installations. Then there are buildings. I cannot give the whole inventory before the House; that will be too difficult for me to do immediately.

श्री हुकमचन्द कछवाय : तो जल्दी क्या थी बिल लाने की? सदन को विश्वास में तो आप लेंगे न।

SHRI D. K. BOROOAH: How can one give the whole inventory of 3,000 petrol pumps here? It is naturally based on the books of the company.

श्री हुकमचन्द कछवाय : तो आप तीन-हजार करोड़ रुपया काहेका दे रहे हैं ?

SHRI D. K. BOROOAH: I do not think the payment has been exorbitant; it has been reasonable.

SHRI DINEN BHATTACHARYYA (Serampore): How is it reasonable?

SHRI D. K. BOROOAH: That is my view.

SHRI DINEN BHATTACHARYYA: That may be your view. But the question raised is, how is it reasonable. How can you come to the conclusion that this much amount is to be paid to the company? You must satisfy the House.

SHRI D. K. BOROOAH: The House means you or these members also?

SHRI DINEN BHATTACHARYYA: I am including you also in that. You yourself are not convinced about it—the way you have explained it.

SHRI D. K. BOROOAH: I am convinced; if I were not, I would not have come before the House. I am convinced that the payment suggested has been reasonable. I have no doubt in my mind about it. It is for hon. members to accept it or reject it.

Sir, there are one or two points which are important. The most important point that has been raised is about the workers; the security of service of the employees. This, I think, is of great importance. Therefore, even before discussions were held and we were coming to a conclusion about it, I went to Bombay and addressed the workers and assured them that their security of service, their existing facilities, would all be ensured. We stand by this, and we will see that the benefits which they enjoy now would be respected.

SHRI VASANT SATHE: The workers, not officers.

SHRI D. K. BOROOAH: I said, "workers." So far as the officers are concerned, certainly we are not going to disturb them and shall respect whatever benefits they are getting, but there are some officers in the top and I do not know whether we can give them high scales of pay or not (*Interruption*). Therefore, so far as the top officers are concerned, I cannot give any assurance. I understand that some of the senior officers are not willing to serve this company.

SHRI RAJA KULKARNI: Five of them are leaving.

SHRI D. K. BOROOAH: Shri Jyotirmoy Bosu and many other Members raised the question as to how it is that we have not accepted their trade marks and patterns. What we have done is this. The IOC in this country has also built up its own patterns and trade marks. Because the name of Esso is going to be changed into Hindustan Petroleum Co. and for a year we will continue with their products as an interim measure, but certainly we would like to have our own patterns and products and labels and perhaps that will be consistent with our attitude towards control of the commanding heights.

Mr. Sathe raised the point which is very moot. He asked how it is that we did not accept 75 per cent but took

[Shri D. K. Borooah] only 74 per cent. Yes, Sir. There is a point in what he said. According to the Companies Act, even with 26 per cent minority control, although the majority control is 74 per cent, the minorities have certain rights; that is to say, in certain basic matters, it cannot be done without their consent, like changing the equity and loan ratio changing the basic capital formation of the company and a number of other matters. But this will continue only for seven years, because, after seven years, by a process which we have accepted, all these companies will come back to be completely owned by the Government of India through the Hindustan Petroleum Co. What we did and how we did was this. For seven years they have agreed to give us crude oil; they will give us the supply of crude oil. It is a fact that crude oil can be had from the Arab countries and other producing countries. In the present context, as you know, their prices are higher than those of the foreign companies. The Arab countries and other petroleum-producing countries have got a contract which they entered into with the foreign companies. Even now, the oil industry in those countries is controlled by the foreign companies; the Governments have not taken over the control of the oil industry in those countries. They are—taking control of the oil produced up to a point; in some places it is 25 per cent; in some places it is 50 per cent. The price of oil that we buy from the producing countries is around 11 dollars per barrel.

From the companies we buy at 8.5 dollars. There is a margin of difference which benefits us if we get from the companies. For seven years they have agreed to give us oil. If the international price goes down and if the oil producing countries offer us a lower price certainly this price will be lower.... (Interruptions). Their price should always be lower than the international price for seven years. In the meanwhile if we strike oil ourselves or if we get oil at a lower price from other countries we shall certainly buy.... (Interruptions).

SHRI BHAGWAT JHA AZAD: If we strike oil in our country and our price is lower or if we get oil at a lower international price, would the company be forced to out the price under the contract?

SHRI D. K. BOROOAH: Yes. It is very clear, there is no doubt about it. Today we are getting oil at a price which is less than the international price. After seven years the company will come completely under the Government of India and problems such as these may not arise. New dimensions had already been created; new horizons have appeared already. Maybe, we can look after ourselves better than what we are able to today. Let us not be under any misapprehension. We have already entered into agreements. A number of countries have given us at least temporary relief. We have, however, to be cautious. We have to hasten somewhat slowly. It may be easy for us to say that we shall do something, which physically it is not possible for us to do. I would be happy if I could take over the oil companies immediately, but it is the constraints of the oil situation that have really stayed my hand. So far as the other companies are concerned what has been said in Ramayana aptly sums up the situation. When Vali was killed by Ramachandra by an arrow, it was said that the arrow which was meant for Vali could also be used for Sugriva. So, what we have done today could be applied to the Burma Shell or Caltex.

AN. HON. MEMBER: BOC is not submitting to your proposal.

SHRI D. K. BOROOAH: So far as BOC is concerned, it is directly concerned with Oil India. They have a small refinery. So far as Oil India is concerned we have already started negotiations. We have made up our minds that we should like to have majority shares and control. Although BOC owns 50 per cent of the shares that company is entirely managed by Indians. The Chairman is an Indian and the Managing Director is appoint-

ed by us All the expatriates have left this company. It is entirely run by Indians and it is managed by Indians. I am glad to report that when the Russian Minister Mr. Shashin visited Oil India he said that it was one of the most efficient oil companies that he had seen.

SHRI RAJA KULKARNI: Take that 26 per cent.

SHRI D. K. BOROOAH: Please do not be in a hurry. You have been here earlier than me.

SHRI RAJA KULKARNI. You were here earlier.

SHRI D. K. BOROOAH: But there was a gap. I was not here during the period when this demand was created. I am, after all, a servant of this House. Now that I know that the Members of Parliament want it and in the entire country also there is a demand, I would like to implement it as far as possible, within the constraints that have been placed on us, because of the very delicate and complicated oil situation.

श्री हुकम चन्द कछवाय : भारत के राजनीतिक दलों के जो मेम्बर हैं, जिन का राजनीतिक दलों से सम्बन्ध है उनमें एक जो डायरेक्टर थे और पार्लमेन्ट के मेम्बर भी थे उनको कमीशन मिलता था तो क्या उनको भी कमीशन मिलेगा ?

SHRI D. K. BOROOAH: Broadly speaking, storage points and port facilities also constituted the corpus of the property which we are taking over from this Company.

Therefore, I would request hon. Members not to divide on this issue but to pass it unanimously because, when everything is said and done, it is a progressive measure. It may not fully progressive, but it is certainly a step towards progress. Even my esteemed friend, Shri Jyotirmoy Bosu,

himself said that this is a progressive Bill. He only wanted certain clarifications. Those clarifications have been given. I am sorry to say that some hon. Members have mixed this up with the overall take over of Esso Company. Therefore, there was a little, if I may say so, area of lack of clarification.

श्री हुकम चन्द कछवाय : एक सदस्य जो डायरेक्टर बने थे, उनको कमीशन मिलता था, उनका लगाव राजनीतिक दलों में था उनकी स्थिति क्या है ? उनको पैसा मिलेगा या नहीं ?

SHRI D. K. BOROOAH: In the Board of Management which is being considered I do not think there will be any political persons. It will be consisting mostly of administrators and technologists.

PROF. MADHU DANDAVATE: There has been a persistent demand from both sides of the House that a wider and comprehensive agreement should be arrived at. The Minister should take up into confidence and tell us the position.

SHRI D. K. BOROOAH: Although it does not come under this Bill, it does not form part of this Bill, I have mentioned in my speech that we can certainly consider taking people into confidence regarding the broad outlines of the agreement at the appropriate time.

MR. DEPUTY SPEAKER: The question is:

“That the Bill to provide for the acquisition and transfer of the right, title and interest of Esso Eastern Inc. in relation to its undertakings in India with a view to ensuring coordinated distribution and utilisation of petroleum products distributed and marketed in India by Esso Eastern Inc. and for matters connected therewith or incidental thereto, be taken into consideration.”

The motion was adopted.