

12.05 hrs.

ESTIMATES COMMITTEE

HUNDRED AND FIFTY-FOURTH REPORT

Shri S. C. Samanta (Tamluk): Sir, I beg to present the Hundred and fifty-fourth Report of the Estimates Committee on the Ministry of Commerce and Industry—Coir Board (Reports and Accounts).

12.06 hrs.

STATEMENT RE: AGREEMENTS
WITH OIL COMPANIES

The Minister of Mines and Oil (Shri K. D. Malaviya): Mr. Speaker, Sir this statement is on your direction. During the discussion on 22nd December, 1959, in the Lok Sabha on the Motion tabled by Shri Narayanankutty Menon and others regarding the Petroleum and Natural Gas Rules, 1959 I had stated that "the papers relating to the agreement or the copy of the agreements will be laid on the Table of the House and if necessary some discussions could take place, if the House so desires, and opinions offered with regard to their ratification and the nature of the conditions contained therein". I had during the discussions indicated the difficulties in bringing the details of the negotiations before the forum of the House. The difficulties were also indicated subsequently to the Department of Parliamentary Affairs who were agreeable to delete the assurance implied in my statement from the register of pending assurances. However, you, Sir, had directed that I should place before the House the difficulties in implementing this assurance.

As the House is aware, we had proposals from several foreign oil companies with whom negotiations were being conducted simultaneously. The negotiations have been successfully concluded in two instances, namely with Burmah Oil Company, U.K. and

E.N.I., Italy. Negotiations with some other parties are to be continued. While negotiations are still therefore, unfinished in several cases, it would be inadvisable to give advance publicity to details of negotiations. In regard to the agreement with E.N.I., I had made a statement before the House on 29th August, 1961; both in regard to the agreement with E.N.I. and that made with Burmah Oil Company, there have been several Parliament questions and details have been given in the replies in such questions, so that the House has been kept informed of such matters. However, while negotiations are being carried on with several parties simultaneously, I am sure the House will agree that it would be essential to keep the terms and conditions offered by one party confidential from other parties and it would be prejudicial to the public interest to make public, the details of an agreement with one particular party or the details of conditions offered during the negotiations by different parties. Even after an agreement is entered into, the terms and conditions cannot be made public unilaterally without the consent of the party with whom the agreement is made. The international oil companies operate in more than one country; they may not like to divulge the terms and conditions agreed to by them in one country to the public or the authorities in other countries. In some cases the negotiations have been with Government agencies of foreign governments and it is still more important that unilateral action should not be taken to make the terms and conditions public.

In the circumstances explained above, I hope the House will agree not to insist on my giving more details about the agreements entered into or the progress of negotiations than those already given either in the statements made by me or in answer to the Parliament questions.

Mr. Speaker: After all the statement is only to the effect that the