

(b) and (c). In order to get maximum response from oil companies, it has been decided to have a flexible approach for the third round of bidding. It is envisaged that the contract will be in the form of production-sharing with a seismic option, no signature or production bonus, no royalty payments, corporate income tax at 50 per cent, bank guarantees to be obtained only for a percentage of annual work programme. The contractor would have to offer entire cost oil and the profit oil to Government at international market prices till India achieves self-sufficiency.

(a) In their approved outlay of Rs. 9702 crores for the Seventh Plan for ONGC and OIL Rs. 1500 crores are tentatively earmarked for exploration and development in the offshore areas. The actual exploratory effort in the offshore areas by ONGC/OIL would depend on the offers received from foreign oil companies.

**Corporations to run Delhi and  
Bombay Telephones**

\*134. SHRI MOOL CHAND DAGA :  
SHRI P. M. SAYEED :

Will the Minister of COMMUNICATIONS be pleased to state :

(a) the circumstances under which Corporations are being formed to run Delhi and Bombay Telephones;

(b) how Government contemplate that the working of telephones would improve under the proposed Corporations when the equipment, buildings and staff remain the same; and

(c) whether Government would ensure that the rates for telephones in Delhi and Bombay under the proposed Corporations would be at par with these in other Metropolitan cities ?

**THE MINISTER OF STATE OF THE  
MINISTRY OF COMMUNICATIONS  
(SHRI RAM NIWAS MIRDHA) :** (a) It is being formed to provide greater flexibility in management and to enable raising of resources from the market.

(b) It is expected that a more flexible management structure, greater autonomy and raising of additional resources from market borrowing to enable larger development programmes would help in improving the services.

(c) The tariffs are determined taking into account various factors like operational costs, cost of financial inputs, need for generation of additional resources for future development etc. Should the Corporation consider it to be necessary to revise tariffs, this would only be done with the specific prior approval of the Telecom. Board.

**Shifting of Industries from congested  
urban areas**

\*135. SHRI DIGVIJAY SINH : Will the Minister of INDUSTRY be pleased to state :

(a) the tax benefits offered in the 1983 budget to facilitate shifting of industries from congested urban areas on environmental grounds;

(b) the number of industries which have taken advantage of these benefits; and

(c) the efforts made by the Urban and State Governments to convince industries to shift ?

**THE MINISTER OF INDUSTRY (SHRI  
NARAYAN DATTA TIWARI) :** (a) to (c). The exemption of capital gains arising from transfer of buildings or lands used for purposes of business from tax was extended to capital gains arising out of transfer of machinery and plant also in the general budget for 1983-84 to encourage industries to shift from urban areas and also as a measure for de-congesting the crowded cities and reducing pollution. Apart from the fiscal concessions, the locational policy followed by Government does not generally permit setting up of new units and substantial expansions of the existing industrial undertakings in standard urban area limits and municipal cities. As shifting of industries from the existing locations would involve creation of infrastructure facilities at the new locations, the State Governments concerned are required to provide these facilities.