

**Savings in Foreign Exchange by Oil and Natural Gas Commission**

3423. SHRI P. GANGADEB :  
SHRI SHRIKISHAN MODI :

Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether the Oil and Natural Gas Commission has saved foreign exchange to the tune of Rs. 8 crores.

(b) if so, in what manner ; and

(c) whether the Commission has developed indigenously air tube clutch assembly which was earlier being imported from U.S.S.R. ?

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM AND CHEMICALS (SHRI H. R. GOKHALE) :  
(a) Yes, Sir.

(b) By establishing and procuring indigenous substitute of such equipment, instruments and spare parts, as were hitherto being imported.

(c) Yes, Sir.

**Use of Companies' Fund by Executive Personnel for Defence in Criminal Proceedings**

3424. SHRI P. GANGADEB :  
SHRI PILOO MODY :

Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether Managing Directors and Managerial Personnel of Companies can use Companies' funds for their defence in criminal proceedings against them ; and

(b) if not, the reasons therefor ?

THE MINISTER OF COMPANY AFFAIRS (SHRI RAGHUNATHA REDDY) :  
(a) and (b). Attention is invited to the provisions of Section 201 of the Companies Act, 1956, which deals with this matter.

**Delay in Issue of Licence to Phthalic Anhydride—A Down Stream Unit of Indian Petro Chemicals Limited**

3425. SHRI P. GANGADEB :  
SHRI FATESINGHRAO  
GAEKWAD :

Will the Minister of PETROLFUM AND CHEMICALS be pleased to state ;

(a) whether delay in the issue of licence to a down stream unit of the Indian Petro-Chemicals Limited, namely Phthalic Anhydride is likely to put the Corporation to an annual loss of Rs. 85 lakhs ;

(b) the reason for delay in issuing the licence ; and

(c) the steps taken in this regard ?

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM AND CHEMICALS (SHRI H. R. GOKHALE) : (a) Due to non-synchronisation of production of ortho-xylenes by the Indian Petrochemical Corporation with increased production of phthalic Anhydride, the Corporation may have to find some other use for a part of its production for some time and/or to export it. The realisation to the Corporation on these accounts may be less than what it would otherwise have been. The exact position in this regard can be known only after the Corporation has started production and its volume of production and the time-lag between this production and the production of Phthalic Anhydride etc. become know.

(b) Four units are likely to utilize the Ortho-xylene to be produced by IPCL. In the case of one unit which has already been granted an industrial licence, an application for import of capital goods for effecting modification to the existing plant to consume the Ortho-xylene of the specification offered by IPCL is under consideration.

An industrial licence to another party whose foreign collaboration proposal and CG application have been cleared by the Government, is under issue.

Foreign collaboration proposals from two parties, who have been given letters of intent are under consideration.