

ONGC (WOU) KARMACHARI SANGHATANA

Condemns Disinvestment of

ONGC

"STOPPING UNMINDFUL DISINVESTMENT OF PROFIT MAKING PUBLIC SECTORS"

ONGC

Dear Officers & Staff,

The Heinous effect of the above issue was discussed thread bare among all recognized trade Unions of ONGC recently on 15th November 2014 in New Delhi, **Shri. Swadesh Devroye, President** of ONGC Workers Union Tripura & Silchar spoke at length the multifarious ill effects that will be conceived by ONGC for its future.

Disinvestment as done in Private Organization can be encouraged, where the realized funds is used for the future upliftment and development of the organization. Central Govt. philosophy of disinvestment is utilizing the funds raised to bridge fiscal deficit, otherwise can be attributed as reduction of assets for achieving political objectives.

If we go back to 1996-97, a disinvestment commission was constituted to advice the govt. on disinvestment in a particular enterprise, its modalities and the utilization of proceeds, the commission has recommended.

- Restructuring and reorganizing of PSEs.
- Strengthening of the well functioning enterprises and
- To utilise the disinvested proceedings to create a fund for restructuring of PSEs.

Notwithstanding the serious discussion on utilisation of disinvested proceeds, The Govt. till today continues to use the fund to bridge fiscal deficit.

Even though there are series of alligation of corruption & malpractices in many of the deals that have been widely discussed in the press & parliament, the philosophy still continues, during last 13 yrs the sale of equity in select central Govt. profit making PSE in some cases relinquishing managerial control could realise less than 1% of central governments cumulative fiscal deficit.

The reason of ever rising fiscal deficit was never addressed by Central Govt. neither any analytical steps are taken to check the same, only path adopted is to disinvest the profit making PSEs, with the present proposal of 5% disinvestment we will slide down to holding only 68.94% shares. In defence of reducing fiscal deficit the Govt. is slowly pushing to privatise this Maharatna E&P company, 'ONGC'.

As an eye opener we wish to refresh your mind how ONGC is contributing in stabilizing the Nations needs, one by giving enormous subsidies to down stream oil marking companies i.e. to the tune of Rs. 57,000 crores in the year 2013-14. We have contributed as dividend to the tune of Rs. 86,128 crores till date, to ex-checker to the tune of Rs. 385,041 crores till date. Cumulative subsidy to the tune of Rs. 285,920 crores.

We ONGCians, believe with conviction that we are the most competitive E&P company in the world, singularly having diverse activity ranging from geophysical survey to reservoir estimation, aptly supported by 33000 technical (73%) and nontechnical official in addition 22000+ by secondary workforce. With unstinted work ethics and dedication ONGC has been establishing reverse replacement ratio (RRR) more than one. For the last nine years with tireless endeavour, we have established huge hydro carbon reserve in Daman & east coast, which can produce almost 50% of present total production. ONGC is the only organization in the world, which restricted the downslide of production by conceiving EDR/IOR activities under redevelopment project, from matured field.

Beyond above performance we as an ONGCians as well as collective, immaterial of any affiliation negate the philosophy of disinvestment, we also appeal to one and all to join us in our agitation against the Central Govt. decision of disinvesting profit making PSE's and encouraging Privatization, and specially ONGC.

THANKS.

"UNITED WE WILL BE STRONGER."

**(PRADEEP MAYEKAR)
GENERAL SECRETARY**

**(PRAKASH N. DALVI)
PRESIDENT**