



D.O. No. 28619 M. (P&NG)/VIP/2005 निजी सचिव

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पेट्रोलियम एवं प्राकृतिक गैस मंत्री  
भारत सरकार  
नई दिल्ली-११० ००१

PRIVATE SECRETARY TO THE  
MINISTER OF PETROLEUM & NATURAL GAS  
GOVERNMENT OF INDIA  
NEW DELHI-110 001

28 October, 2005

Dear Ms. Dutta,

Please refer to your letter dated 21 June 2005 regarding the proposed technology collaboration between Indian Oil Corporation (IOC) and M/s Dow Global Technology Inc. USA (DGTI).

2. IOC have reported that M/s Dow Chemicals were qualified as one of the technically competent bidders for the supply of Mono-Ethylene Glycol Technology for their MEG unit at Panipat Refinery. Initially, it was believed that Dow chemicals did not have any linkage with M/s Union Carbide and the proposed collaboration with M/s Dow Chemicals would be limited only to technology transfer/obtaining license for MEG production for their Panipat Project. Subsequently, based on a representation received from the International Campaign for Justice in Bhopal (ICJB) that M/s Dow Chemicals had obtained the technology from Union Carbide, the matter was examined in the Ministry.

3. IOC have reported that in the original offer, DGTI had indicated Optimal Glycols Units of Malaysia as the reference unit, technology for which was claimed to have been supplied by Dow. However, DGTI have subsequently clarified that the technology license to Optimal Glycols were given by Union Carbide Corporation (UCC) in January 2000, which is contrary to the submission made by them in response to the IOC tender. The catalyst to Optimal Glycol was also supplied by UCC and continues to be supplied by them. In the original offer, DGTI has indicated that the Process Design Package (PDP) of Optimal Glycols was prepared by Dow. However, based on clarifications furnished by DGTI, it now emerges that the PDP was prepared by UCC and not by Dow.

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4. As the information now furnished by Dow Chemicals is at variance with the information provided earlier against the IOC tender, a legal view in the matter has been obtained by IOC. This has led to IOC canceling the contract with M/s Dow Chemicals keeping in view the misrepresentation of facts by M/s Dow Chemicals/DGTI.

With regards,

Yours sincerely,

( B. MOHANTY )

**Ms. Madhumita Dutta,**  
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