

**The Deputy Minister of Education (Dr. K. L. Shrimali) :** (a) and (b). The price at which Assam crude oil will be supplied to the new refinery is the subject of negotiations between the Assam Oil Company and the Government. The internationally quoted crude oil price cannot be taken as the sole determining factor in fixing the price of Assam crude oil. But as long as Indian refineries continue to import foreign crude oil, the international price will have a bearing on the price of indigenous crude oil.

**Shri T. B. Vittal Rao :** May I know whether the crude oil that is being refined at Digboi is being supplied at the international price or the present cost of production?

**Dr. K. L. Shrimali :** According to the estimate given by the Assam Oil Company, the cost of production of crude oil, exclusive of royalties, is about Rs. 29 per ton.

**Mr. Speaker :** As regards question No. 1101 standing in the name of Shri H. G. Vaishnav, Shri Telkikar has got the authority to put the question.

#### Hyderabad Securities

\*1101. **Shri Telkikar (on behalf of Shri H. G. Vaishnav) :** Will the Minister of Finance be pleased to state :

(a) in view of the declaration that the Hyderabad Government securities constitute a debt of the Union from the 1st November, 1956, why the transformation of these securities into those of the Union has been held up so far;

(b) the reasons why the State Bank of Hyderabad which is now a counterpart of the Reserve Bank of India has suspended the support which it used to give hitherto to these Hyderabad Securities which are now a debt of Union; and

(c) whether the rules regarding the Government securities being recognised for the purpose of Provident Fund, Railway and Court Deposits and for such other purposes are made applicable to Hyderabad securities also?

**The Minister of Finance and Iron and Steel (Shri T. T. Krishnamachari) :** (a) The securities of the former Hyderabad Government will be replaced by the securities of the Government of India when they are tendered for renewal, replacement, conversion etc. Meanwhile the old securities continue to be operative.

(b) Government have no information about the practice of the State Bank of Hyderabad. So far as the Reserve Bank is concerned, it will continue to follow in

regard to these securities whatever policy it considers appropriate for all other Central securities.

(c) The securities of the former Hyderabad State are now at par for all purposes with the securities of the Government of India.

**Shri Telkikar :** May I know whether instructions are issued to that effect to the Reserve Bank of India?

**Shri T. T. Krishnamachari :** Yes, Sir; what I have stated is covered by government orders.

#### Electoral Rolls

**Shri Kamath :** May I earnestly request you to direct that question No. 1107 may be answered in the public interest?

**Mr. Speaker :** Yes.

**The Minister of Legal Affairs and Civil Aviation (Shri Pataskar) :** The question was in Hindi. Shall I answer it in Hindi or English?

**Shri Kamath :** Either in English or in Hindi.

**Mr. Speaker :** In English.

\*११०७. **श्री प० सा० बास्पाळ :** क्या बिचि मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या विस्थापित व्यक्ति आगामी सामान्य निर्वाचन में मतदान कर सकेंगे ;

(ख) यदि हां, तो क्या निर्वाचन आयोग ने उनके नामों सहित निर्वाचक नामावलियां तैयार करा ली हैं ;

(ग) राजस्थान के गंगानगर जिले में कुल कितने विस्थापित व्यक्ति हैं और उनमें से अनुसूचित जातियों के मतदाता कितने हैं ; और

(घ) क्या यह सच है कि गंगानगर में जो विस्थापित व्यक्ति आये हैं उनमें से अधिकांश अनुसूचित जातियों के हैं और वहां के पहले के निर्वासियों में भी अनुसूचित जातियों के व्यक्तियों की काफी बड़ी संख्या होते हुये भी अनुसूचित जातियों के लिये स्थान सुरक्षित नहीं किये गये हैं ?

**Shri Pataskar :** (a) Yes, Sir, the displaced persons can vote, provided they have registered themselves in time as citizens of India and have been enrolled as voters.

(b) The registering authorities are taking the necessary action under Section 24 of the Representation of the People Act, 1950. This section as recently amended by Parliament facilitates registration as voters upto the 16th December, 1956.

(c) and (d). I have no information.

**Shri Kamath :** Is it a fact that the Delimitation Order will not be published till the end of this month, and, if so, will copies of the electoral rolls of those constituencies be available only after the publication of the Delimitation Order? And if so, will it upset the time table of the general election?

**Shri Pataskar :** So far as my information goes, we expect that the Delimitation Orders would be published very early.

**Shri Kamath :** What date?

**Shrimati Renu Chakravarty :** May I know whether any arrangements have been made as have been made in West Bengal to get the displaced persons made citizens by efforts on the part of Government and the Election Commission prior to their being enrolled on the electoral rolls?

**Shri Pataskar :** I presume the arrangements must be the same, whether they are in West Bengal or elsewhere.

#### SHORT NOTICE QUESTIONS AND ANSWERS

##### Rourkela Steel Plant

S. N. Q. No. 4 { **Shri M. S. Gurupadaswamy :**  
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                           **Shri Bogawat :**

Will the Minister of Iron and Steel be pleased to state :

(a) whether it is a fact that German participation in the Rourkela Steel Plant was terminated on the ground that their interest and price quotations had been very high;

(b) whether these matters were not examined by the Government of India at the time of entering into an agreement with the German Combine of Krupp-Demag; and

(c) whether any compensation or damage will be paid by Government to the German firm for early termination of the contract?

**The Minister of Finance and Iron and Steel (Shri T. T. Krishnamachari):** (a) to (c). A statement is laid on the Table of the House.

But if the intention of the Chair is that I should read the whole statement, I will do so.

**Mr. Speaker :** Is it a long statement?

**Shri T. T. Krishnamachari :** One page, Sir.

**Mr. Speaker :** It may be read.

**Shri T. T. Krishnamachari :** (a) and (b). German participation in the share capital of the Rourkela Steel Plant has not been dispensed with on the ground that the prices quoted were very high. On the other hand, the prices have been certified to be reasonable by the Government's independent Consultants.

The agreement entered into with Krupp-Demag in 1953 was for technical services and for participation in capital. Investments by the two firms—Krupp and Demag—in the capital of the Rourkela plant was to be related to the volume of orders placed on the two firms but not to exceed the equivalent of about Rs. 9.5 crores.

The two firms have the option to re-sell their shares to the Government at a premium of 20 per cent by August 1963. Any dividends received by the two firms would, of course, have been deducted from this premium. Even when the agreement was entered into, it was realised that some element would be added to the cost of the supplies to make up the difference between this premium and the return which the firms could have expected, if they had invested this money in Germany. The internal borrowing rate in Germany in 1953 was lower than it is today and an addition to the price for the reason stated need not have been onerous at that time. But internal borrowing rates have risen sharply since then to about 8 per cent. now. In effect, therefore, acceptance of German investment would have meant a high interest rate. Government did not consider it worthwhile to accept a comparatively small investment of Rs. 9 crores at this rate of interest. They preferred instead to secure a reduction in price. The Agreement with the German firms was accordingly modified by mutual consent.

(c) The agreement with the two German firms has been modified by mutual consent only on this clause relating to investment. The question of compensation or damage does not, therefore, arise.

**Shri M. S. Gurupadaswamy :** The present so-called nationalisation of the Rourkela Plant has been brought about according to some of us, by official blundering rather than by choice. The deal with the German firm.....

**Mr. Speaker :** What is the question?