

Shri Datar: We have got the highest legal authorities here, the Ministry of Law and the Attorney-General.

Shri Harish Chandra Mathur: Is it not a fact that all these objections have already been exhausted in the highest tribunals in the country? Have Government informed the people who have submitted the memorandum about the nature of their objections?

Shri Datar: That is exactly what I stated. They have already been covered by the judicial decisions of the Supreme Court. A reply will go from the President to the representations very shortly.

Shri Thirumala Rao: Has the attention of the Government been drawn to the press criticism recently made with regard to the uncertainty of the attitude of Government with regard to land reforms? It is stated that a number of States have already passed Bills connected with ceilings, but that the latest report that the Planning Commission wants further alternations in the Bills that have already become law is causing great uncertainty to both the tenants and the landlords.

Shri Datar: May I point out to the hon. Member that there is no uncertainty at all? If discussions go on, that should not lead to any uncertainty. Most of the State Governments have accepted the position and the land ceiling Bills have either been passed into law or are going to be passed into law.

Shri Thirumala Rao: With regard to the Bills already passed, further modifications are suggested by the latest panel of the Planning Commission. That is what I am drawing his attention to.

Shri Datar: It has not yet come in that form. If it comes to us we shall consider it.

Silver Refinery at Calcutta

***323. Shri D. C. Sharma:** Will the Minister of Finance be pleased to refer to the reply given to Starred Question No. 356 on the 24th February, 1960 and state the upto-date progress since made in the installation and running of the silver refinery at Calcutta?

The Deputy Minister of Finance (Shri B. R. Bhagat): The new graphite crucibles were received and installed in March 1960. Silver is being refined and the rate of production is being gradually increased.

Shri D. C. Sharma: How long will it take this refinery to attain optimum production?

Shri B. R. Bhagat: We expect that before the year is out, the refinery will be producing about 12 million ozs. of silver per annum. The optimum capacity of the plant is 23 million ozs. of fine silver. We do not know yet whether it will reach that optimum capacity, but all attempts are being made to reach as much production as possible.

Shri D. C. Sharma: May I know whether Government are thinking of setting up any other refinery in the Maharashtra State?

Shri B. R. Bhagat: No other silver refinery is needed.

Russian Crude Oil

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***324.** { **Shri Kodiyan:**
 { **Shri Raghunath Singh:**
 { **Shri Aurobindo Ghosal:**
 { **Shri B. Das Gupta:**
 { **Shrimati Renuka Ray:**
 { **Shri P. K. Deo:**
 { **Dr. Samantsinhar:**
 { **Shri N. M Deb:**
 { **Shri Dinesh Singh:**

Will the Minister of **Steel, Mines and Fuel** be pleased to state:

(a) whether it is a fact that Government have suggested to the foreign oil refineries in India to use Russian

crude oil which the Soviet Union has offered to supply to our country;

(b) if so, whether the oil companies have reacted favourably to the suggestion and;

(c) if the answer to part (b) above be in the negative, whether Government intend to start a State-owned refinery to make use of the Russian offer?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) Yes.

(b) No, Sir.

(c) Not at present.

Shri Kadiyan: In view of the fact that the foreign oil companies here are not prepared to process the Russian crude oil, may I know whether Government think it desirable to take steps to revise the agreements, so as to make it obligatory on the part of those companies to process the oil which we may import from any foreign country?

Shri K. D. Malaviya: The policy of Government is to make an effort to persuade the owners of the refineries to modify the existing agreements on such matters as where agreements are reached by both the parties. Unilaterally, Government do not propose to impose any change in the present agreements.

Shri Kadiyan: It seems that the Russians have offered crude oil our country at a much lower price than the prevailing world price. In answer to a previous question, the hon. Minister stated in this House that there was no possibility of increasing the installed capacity of the existing oil refineries in our country. In these circumstances, may I know what actually prevents Government from starting a State-owned oil refinery so as to make use of the Russian offer?

Shri K. D. Malaviya: As and when Government see the desirability of increasing the capacity of our existing refineries, we shall not hesitate to

import crude oil from the USSR or any other country and increase the number of refineries. As at present, we do not need to expand the capacity of our refinery, and that is the biggest factor which prevents us from making any further effort to import crude oil from abroad.

Shri Raghunath Singh: May I know whether it is a part of the agreement that these foreign refineries will refine the oil of their circle only?

Shri K. D. Malaviya: Of their choice only. They have been authorised under the agreements to make their own arrangements for the purchase of crude oil for their refineries and also for the transport of that oil from the place of purchase to the refineries.

Shrimati Renuka Ray: In view of the fact that they have not agreed to take the cheaper Russian crude oil, have they suggested a cheaper price for their crude oil, and if so, how does it compare with that of the Russian crude oil?

Shri K. D. Malaviya: Some reduction has been offered by the existing oil companies for the prices at which we are now getting it. What the implication of that reduction is, is not yet clear to us. We are examining this question and trying to understand it from those who have offered this reduction.

Shri Aurobindo Ghosal: May I know whether the existing refineries will produce sufficient oil to meet our requirements, or whether it will be necessary to enlarge the present refineries to cope with the requirements of our country during the Third Five Year Plan?

Shri K. D. Malaviya: It is a complicated question, and it cannot be answered on a supplementary question asked by the hon. Member. We are producing certain products from our existing refineries; over and above that, we are also importing certain products, and perhaps, we shall have to continue importing certain products

like kerosene and diesel oil, and yet not need any refinery for some time to come.

Shri B. Das Gupta: May I know whether the Russian Government have proposed to start any refinery here in India?

Shri K. D. Malaviya: No, Sir.

Shri H. N. Mukerjee: I quite appreciate that Government prefer persuasion to other courses, as far as the conduct of these foreign oil companies is concerned. But may I know if Government have made it very clear to the foreign companies that if they do not listen to reason and persuasion, then we shall insist on the revision of the agreements with them?

Shri K. D. Malaviya: Government are taking certain steps which will bring about a situation in which perhaps this process of negotiation will go on rather more speedily, and this is all that we can say; we take steps from our own side to improve the situation of prices by lessening imports, but we do not propose to take any unilateral steps in the matter of revising the agreements.

Shri Jaipal Singh: Will the hon. Minister be in a position to tell the House whether one of the main reasons why the existing refineries have declined to take Russian crude oil is the fact that they felt that despite any amount of processing that they may have they could not eliminate the 'Red' from the crude oil?

Shri Raghunath Singh: May I know the prevailing market price of Soviet oil and also of the oil imported by these refineries?

Shri K. D. Malaviya: I do not know about the prevailing market

prices of the Soviet crude oil, but the prices offered by the Western oil companies are always quoted in the Persian Gulf. They can be found out from *Oilgram*, they range from Rs. 74 to Rs. 72, on which certain reductions have been offered now, ranging from 8 per cent to 11 per cent. What the implication of that reduction is, is not quite clear to us, and we are trying to understand it.

Some Hon. Members rose—

Mr. Speaker: Next question.

Shri Narayanankutty Menon: May I ask one question? I had also tabled a similar question, but my name has not been included in the list, and I do not know why it has not been included.

Mr. Speaker: Next question.

Anti-Submarine Aircraft

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*325. { **Shri Raghunath Singh:**
Shri Ramakrishna Reddy:

Will the Minister of Defence be pleased to state whether it is a fact that India has placed an order with the French aviation firm Societe des Ateliers D' Aviation Louis Breguet for anti-submarine Alize aircrafts to be used by the Indian Navy's new aircraft-carrier *Vikrant*?

The Minister of Defence (Shri Krishna Menon): Yes, Sir.

Shri Raghunath Singh: May I know when this aircraft is scheduled to be added to the Indian Navy, and also whether this aircraft is an old one or a new one?

Shri Krishna Menon: The aircraft is being built, and, therefore, it must be new.

Mr. Speaker: Why should the hon. Minister say 'therefore'? Why this kind of conjecture?

Shri Krishna Menon: No conjecture Sir, they will be new.