

1960, and in reply a statement was promised, and that statement was laid on the Table of the House later. In that statement, the figures were given by the hon. Minister.

Mr. Speaker: He does not remember it now.

Shri K. D. Malaviya: Yes, Sir. You are right.

Shri Morarka: Very well, Sir. May I put another question?

May I know the difference between the imported price and the price that we are going to pay to the Rourkela Steel Works in respect of these pipes?

Shri K. D. Malaviya: I require notice to answer the question.

Shri Morarka: May I know whether the hon. Minister has been assured that Rourkela was not in a position to produce these pipes, and whatever pipes they are importing would be fully utilised before Rourkela will come into production?

Shri K. D. Malaviya: Yes, Sir. All the pipes that we import are being planned to be used before we are ourselves going to manufacture our own pipes.

Mr. Speaker: Next question.

Shri Hem Barua: There is an important question, Sir.

Mr. Speaker: I know. The hon. Member is ready with every question. What can I do?

Purchase of Pipes from U.K.

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*963. { **Shri Morarka:**
 Shri Nathwani:

Will the Minister of Steel, Mines and Fuel be pleased to refer to the reply given to Unstarred Question No. 2332 on the 23rd December, 1960 and state:

(a) the rate and size of pipes purchased from Messrs Stewarts and Lloyds, U.K.;
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(b) the quantity purchased in length; and

(c) the price, size and quantity purchased from Hindustan Steel Ltd.?

The Parliamentary Secretary to the Minister of Steel, Mines and Fuel (Shri Gajendra Prasad Sinha): (a) to (c). A statement is laid on the table of the Sabha.

STATEMENT

(a) The pipeline, from M/s. Stewarts and Lloyds, was purchased by Oil India Private Limited @ £60 per ton. This pipe was of 16" diameter.

(b) About 260 miles.

(c) About 51,000 tons of pipeline of 14" diameter will be supplied by Hindustan Steel Ltd. The price of the pipeline to be supplied by Hindustan Steel Ltd. is as follows:

	Price C & F Calcutta	Price F.O.R. Rourkela
(i) 457 miles of 14" O.D. by 0.312 inch	Rs. nP. 1931.57	Rs. nP. 2364.01
(ii) 15,830 feet of 14" O.D. by 0.375 inch.	2307.47	2884.07
	per 100 ft.	per 100 ft.
(iii) 58,080 feet of 14" O.D. by 0.469 inch.	2866.04	3507.71
	per 100 ft.	per 100 ft.

(Hindustan Steel Ltd. have the option of delivering the pipes either C. & F. Calcutta or F.O.R. Rourkela).

Shri Morarka: In the statement the imported price is given per ton and the Rourkela price is given per 100 ft. May I ask them, for purposes of comparison, to give both the prices in one denomination? It is not possible to calculate.

The Minister of Mines and Oil (Shri K. D. Malaviya): We shall make it a uniform standard.

Shri Hem Barua: May I know whether it is a fact that Oil (India) Limited engaged BOC Pipelines, and BOC

Pipelines in their turn engaged Messrs. Mannesmann-Saipem, and because of this giving the contract and subletting the contract, these anomalies have occurred in the prices of the pipelines?

Shri K. D. Malaviya: I do not understand what anomalies the hon. Member refers to. The fact is that BOC are the contractors who have made arrangements for this. They are the majority partners in this oil business, and we have seen to it that the minimum quotation is accepted. Now, we have not gone into details as to where anomalies exist. If my hon. friend is aware of some anomalies he will kindly draw our attention to the anomalies. We shall make enquiries.

Shri Yadav Narayan Jadhav: In reply to part (c) of the question, it has been said that about 51,000 tons of pipeline of 14" diameter will be supplied by Hindustan Steel Ltd. May I know whether Hindustan Steel Ltd., will be able to supply this?

Shri K. D. Malaviya: I think they have now started supplying. I cannot exactly specify the time from memory, but perhaps they have already started supplying.

Shri Hem Barua: My information is that Oil (India) Limited, instead of engaging Messrs. Mannesmann-Saipem directly, considered, it profitable to engage a middleman, BOC Pipeline. If they had not done that, they would have eliminated the middleman's profit. Why should they have done it?

Shri K. D. Malaviya: Perhaps they could have, but it is their job, because they have to do something more than merely getting the technicians and erecting the pipelines. They have to acquire the land and do many administrative jobs. There are things other than laying the pipelines. Therefore, BOC thought they themselves would take up this work.

Shri Hem Barua: There are three firms now supplying the pipelines—Messrs. Mannesmann-Saipem, the British firm and our own firm. May

I know how the prices quoted by these different parties compare?

Shri K. D. Malaviya: Only one party has quoted the price for pipelines to be supplied, not three.

Shri Tyagi: Has the Minister examined the difference between the prices of Rourkela pipes and the pipes supplied by foreign countries like England, and whether in the supply being imported direct by the Government, some other party is drawing any commission?

Shri K. D. Malaviya: The suppliers and the contractors who will lay the pipelines have made an arrangement in which the minimum prices have to be paid. I do not think any middleman's profit has been made in between the suppliers and those who had to do this job.

Shri Tyagi: Is it despite this middleman's profit being earned by the other party, that the price of the English pipe is cheaper than the Rourkela pipe?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): That is not correct. The fact of the matter is that quotations for the supply were obtained, and Messrs. Stewarts and Lloyds from the United Kingdom quoted the lowest price for the imported pipe, and that quotation was accepted. There is no middleman whatsoever is this, and the prices of Rourkela are likely to be comparable with the prices of the imported pipe.

12 hrs.

Shri Hem Barua: On a point of order, Sir. The hon. Minister said that there are no middlemen in this contract. My specific question was this Oil India Ltd., is an adjunct of the Government in the sense that Government is one party and Oil India Ltd. is another party. Oil India has engaged the B.O.C. Pipelines, a third party. The B.O.C. Pipeline has engaged Messrs. Mannesmann and Saipem. How can the Minister say that there are no

middlemen? I do not understand this. When the B.O.C. Pipelines have engaged these people if we had engaged them we could have eliminated the profits of this middle party.

Shri K. D. Malaviya: As I said, the whole matter is quite simple. B.O.C. are the major partners of Oil India Ltd. of which Government are the minor partners. B.O.C. (pipelines) are responsible for laying the pipeline; and they have arranged with an organisation to lay the pipeline and that organisation is Mannesmann and Saipem. B.O.C. have placed orders on them for the supply of pipelines. Oil India Ltd. arranging the orders and placing them on these people and B.O.C. placing these orders are for all practical purposes one and the same thing because B.O.C. are the major partners.

Shri Hem Barua: On a point of order, Sir.

Mr. Speaker: There is no point of order.

Shri Morarka: What is the capacity of the pipe-producing plant at Rourkela for the year 1961?

Shri K. D. Malaviya: I have already given these figures previously I require notice to collect all these figures again.

WRITTEN ANSWERS TO
QUESTIONS

Contributory Education Fund

*964. { **Shri Hem Raj:**
Shri Ram Krishna Gupta:

Will the Minister of Defence be pleased to refer to the reply given to Starred Question No. 1009 on the 20th December, 1960 and state:

(a) whether Government have examined the scheme for a Contributory Education Fund for army personnel other than officers; and

(b) if so, the result thereof?

The Minister of Defence (Shri Krishna Menon): (a) and (b). A scheme for the education of the children of JCO/ORs/NCs(E) of the Army and of equivalent ranks in the Navy and Air Force has recently been received by the Government from Services Headquarters and is under examination.

Sales Tax on Steel

*965. **Shrimati Ila Palchoudhuri:** Will the Minister of Steel, Mines and Fuel be pleased to state:

(a) whether it is a fact that a proposal to convert sales tax on steel into excise duty is under consideration of the Government of India;

(b) if so, details thereof;

(c) whether the proposal was referred to the States for their views; and

(d) if so, their reaction thereto?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): (a) to (d). A suggestion has been made to Government that in place of central sales tax on steel additional excise duty may be levied. The suggestion is under consideration.

Thinner Gauge Steel Sheets

{ **Shri Raghunath Singh:**
Shri Sugandhi:
Shri Agadi:
*966. { **Shri Wodeyar:**
Shri M. B. Thakore:
Shri Prakash Vir Shastri:
Shri K. U. Parmar:

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

(a) what steps are being taken by Government to improve supplies of Thinner Gauge Steel Sheets in the interim period before the Rourkela Plant starts manufacturing them;

(b) whether it is a fact that at present indigenous supplies of the sheets are very meagre and that the quota holders can only obtain their requirements from barter stocks at premia; and