

THE MINISTER OF TOURISM AND CIVIL AVIATION : (DR. KARAN SINGH) : (a) According to the revised figure the loss for the year 1971-72 is Rs. 1.66 crores.

(b) The main reasons for the loss are:—

1. Substantial increase in staff costs following wage settlements.
2. Decline in the rate of growth of world air travel due to the last years monetary crisis in the USA and Europe.
3. Additional expenditure on account of circuitous flying to avoid Pakistani territory.
4. Increase in insurance rates to cover hijacking and war risks.
5. Disruption of services on account of Pakistani aggression.

Patrol Ships for Indian Navy

1875. SHRI K. LAKKAPPA :
SHRI P. GANGADEB :

Will the Minister of DEFENCE be pleased to state :

- (a) whether the Indian Navy propose to built some patrol ships; and
- (b) the extent to which these ships would help strengthen India's coastal defence?

THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM) : (a) Construction of Partol boats indigenously in Mazagaon Dock Bombay is under consideration.

(b) It will not be in public interest to disclose information on the subject.

Release of Cotton Hill Bungalow of Kerala Government used for accommodating N.C.C. Mess

1877. SHRIMATI BHARGAVI THAN-KAPPAN :
SHRI A.K. GOPALAN :

Will the Minister of DEFENCE be pleased to state

(a) whether Cotton Hill Bangalow, belonging to Kerala Government, is under the Control of Director, National Cadet Corps for accommodating N.C.C. Mess;

(b) whether any request from the Government of Kerala has been received for the release of Cotton Hill Bangalow; and

(c) if so, whether the Central Government propose to release it in the near future?

THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM) : (a) and (b). Yes, Sir.

(c) The matter is under the consideration of Government.

Financial Assistance to Orissa

1878. SHRI GIRIDHAR GOMANGO :
SHRI ISHWAR CHAUDHRY :

Will the Minister of FINANCE be pleased to state :

(a) whether Government of Orissa have approached the Central Government for more allocation of funds to put the state on sound footing economically;

(b) whether the drought conditions and other natural calamities in Orissa have also adversely affected the economy of the State; and

(c) if so, the amount of additional grant given to the State and the amount likely to be released in the near future to meet the situation?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) : (a) to (c). While no specific request for allocation of additional funds to meet the budgetary requirements of Orissa Government has been received, the State Government have requested the Centre to provide additional assistance for relief and rehabilitation in cyclone and drought affected areas of the State. The Central Team which visited Orissa recently has recommended a ceiling of Rs. 6.33 crores on various relief measures for the period July-October, 1972 for purposes of Central assistance.

During the current year so far assistance amounting to Rs. 6.00 crores, including Rs. 3 crores as short term loan for agricultural inputs has been released to the State Government. Further releases will be considered on the basis of progress of expenditure to be reported by the State Government and subject to the ceilings adopted for the purpose.

Financial Assistance to Bihar due to drought

1879. SHRI RAM SHEKHAR PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether recent drought in the Bihar State has put the State economy in a very bad position;

(b) if so, whether the State Government have asked the Central Government for allocation of more funds;

(c) if so, the reaction of Government thereto; and

(d) the total amount sanctioned to that State?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) : (a) to (d). A request has been received from the Government of Bihar for Central assistance towards expenditure being incurred by them on drought relief measures. Financial assistance will be provided to the State Government in the light of the recommendations of the Central Team of officers.

Calling for tenders at short notices by I.O.C.

1880. SHRI N. K. SANGHI : Will the Minister of PETROLEUM & CHEMICALS be pleased to state :

(a) whether Indian Oil Corporation, while calling for tenders for transportation of five lakh tons of crude from Persian Gulf to Chittagong gave only 24 hours time for submission of tenders and the tender notice itself indicated the rate to be quoted;

(b) if so, whether it is a general practice with Indian Oil Corporation to call for tenders at short notice and to indicate the rates to be quoted;

(c) whether tenders were opened before the stipulated time with the result that a tender quoting a lower rate was rejected on the ground of late submission even though its submission was before the time specified in the tender notice; and

(d) whether Government propose to institute an enquiry in the matter?

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM AND CHEMICALS (SHRI H. R. GOKHALE) : (a) The Indian Oil Corporation issued four enquiries between 25th February 1972 and 14th March 1972 for the transport of crude oil from the Gulf ports to Chittagong. The fourth and the final enquiry was issued on 14th March, 1972 in which the parties were asked to keep their offers open upto 1800 hours on 15th March, 1972. It also indicated firm freight rates.

(b) The period of notice for calling tenders depends on the urgency of each case. IOC had, in fact, in the past called for tenders at short notice and, therefore, this was not the first time. In this particular case, in view of the fact that IOC had been in the market since 25th February, 1972, it considered short notice adequate. Indication of rate in the tender enquiry is not a general practice with IOC, but this was given in this case in order to expedite and finalise this arrangement as the Chittagong Refinery had shut down due to the non-availability of crude oil. In view of the exigencies of this situation, IOC had to give a rate indication so that the arrangement could be finalised expeditiously. Such a practice is not uncommon in the chartering of tankers.

(c) In the enquiry no time was specified for opening the tenders, but the parties