

Company more than a year after they had been commissioned;

(b) if so, the reasons therefor;

(c) whether it is also a fact that no performance test as provided in the contract was carried out by the plant suppliers, before the company took over the plants;

(d) if so, the reasons for not insisting on a performance test before the company accepted the plants;

(e) whether it is a fact that the purification plant for the bye-product sulphuric acid was to pay itself off in the very first year of its operation at the rate of daily saving of Rs. 1200; and

(f) if so, the details of actual operation for each of the plants put up by the Hindustan Insecticides Ltd.?

The Minister of State in the Ministry of Petroleum and Chemicals and of Planning and Social Welfare (Shri K. Raghu Ramiah): (a) No. They were taken over after about 10 months.

(b) Trial runs had to be conducted for a longer period, because production took time to get stabilised.

(c) Performance tests, as provided in the contract were carried out by the Company and accepted by plant suppliers.

(d) Does not arise

(e) The purification plant has to recover simultaneously sulphuric acid and mono-chloro-benzene from spent acid obtained from the DDT plant. It was estimated that the net value of the sulphuric acid and mono-chloro-benzene recovered would come to about Rs. 1200 per day; at this rate the plant would pay for itself in about 1½ years' time

(f) In the first year of its operation, the net value of the sulphuric acid and mono-chloro-benzene recovered by the Delhi plant amounted to Rs. 4,00,000 and this works out to a

daily earning of about Rs. 1200. At Alwaye, however, the net earnings could not come up to the expected level during the first two years of operation, as sulphuric acid was not lifted by M/s. Fertiliser and Chemicals Travancore Ltd. In 1966-67, the net value of the recovered sulphuric acid and mono-chloro benzene came to Rs. 4,55,407, which meant a daily earning of about Rs 1380.

Hindustan Insecticides Ltd.

3988. Shri Umanath:

Shri Satya Narain Sinha:

Shri E. K. Nayanar:

Will the Minister of Petroleum and Chemicals be pleased to state:

(a) whether it is fact that M/s. Technical Enterprises, to whom the contract for the supply of two spent sulphuric acid purification plants were awarded by the Hindustan Insecticides Ltd, did not supply the full tankage provided in the contract;

(b) whether it is also a fact that the plant suppliers did not supply the necessary spares as provided in the contract;

(c) whether it is also a fact that the Hindustan Insecticides Ltd., had to incur considerable expenditure in procuring equipment as replacements for the rejected items supplied by the contractor;

(d) whether it is also a fact that the Hindustan Insecticides Ltd., had to incur expenditure in modifying the equipments supplied by the contractor, since they were not fabricated as per the drawings supplied to the Hindustan Insecticides Ltd.;

(e) whether the Hindustan Insecticides Ltd., made any recoveries from the plant supplier against the short supply and the additional expenditure incurred by the company in procuring and modifying the equipment; and

(f) if so, the details of the recoveries made?

The Minister of State in the Ministry of Petroleum and Chemicals and of Planning and Social Welfare (Shri K. Rabhu Ramiah): (a) Yes, Sir, they have supplied one tank less out of the total of four.

(b) and (c). Supply was made of the necessary spares, but some were found damaged and defective. The suppliers have been asked to replace them or pay for the cost of replacement. Some of the rejected items had however to be procured urgently and claims have been raised against the suppliers on this account.

(d) The equipments were fabricated according to drawings, but minor modifications had to be carried out in one of the plants, and a cost of Rs. 2118.08 has been claimed from the suppliers.

(e) and (f). No recoveries have been possible so far, as the plant suppliers have not accepted the claims made. The company is pursuing its efforts for the acceptance of its claims.

Construction Work of Public Undertakings

3969. Shrimati Suseela Gopalan: Will the Minister of Finance be pleased to state:

(a) whether it is a fact that the civil construction works in the Public Undertakings are usually entrusted to the Government agencies like the Central Public Works Department, National Buildings Construction Corporation, National Projects Construction Corporation, etc.;

(b) if not, the circumstances under which these are entrusted to private contractors;

(c) whether any general procedure has been laid down by Government in this regard for the guidance of the management of public undertakings; and

(d) if so, the nature thereof?

The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai): (a) No, Sir.

(b) The Central Public Works Department is fully engaged in the construction of roads and buildings required by the Central Government under various Plan and Non-Plan schemes. The combined capacity of NPCC and NBCC accounts for only a small fraction of the civil works construction requirements of public undertakings. NPCC and NBCC are expected to secure construction orders for projects in competition with the private contractors.

(c) and (d) The public undertakings generally select the civil works contractors by calling tenders, unless they take up the works themselves departmentally. No general procedure has been laid down by Government in this regard.

Compulsory Deposit Scheme

3990. Shri S. R. Damani: Will the Minister of Finance be pleased to state:

(a) the amount collected under the Compulsory Deposit Schemes so far and lying with different Banks; and

(b) whether there is any proposal to appropriate it against Annuity Deposits?

The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai): (a) The total amount collected under the Compulsory Deposit Schemes was nearly Rs. 40 crores of which, after the refunds that were made under certain schemes, about Rs. 29 crores were outstanding at the end of March, 1967. The Banks which accepted the deposits were required to remit the same to the Reserve Bank or State Bank branches transacting Government business for credit to Government account. The question of any amount having been collected and lying with any Bank does not, therefore, arise.

(b) No, Sir.