

will care to press the Burmah Shell Oil Company to take at least 50 per cent. of the oil in Indian tankers?

Shri K. D. Malaviya: That is a rather difficult question on which Government cannot commit themselves.

Shrimati Masida Ahmed: May I know whether Government have finalised the pattern of production for the two State refineries at Gauhati and Barauni?

Shri K. D. Malaviya: Yes.

सेठ प्रचल सिंह : क्या मंत्री महोदय कृपा कर के यह बतलायेंगे कि जो बर्मा शैल प्रायल कम्पनी की रिफाइनरीज का विस्तार किया जा रहा है तो इस से गवर्नमेंट और पब्लिक का क्या फायदा होगा ?

श्री के० डे० मालवीय : प्रमी बर्मा शैल प्रायल कम्पनी का जो विस्तार का प्रस्ताव है उस से जाहिर है कि अगर यहां पर रिफाइनरीज लग जायेंगी तो जो बाहर से हम सामान खरीदते हैं और फोरेन एक्सचेंज भेजते हैं वह छाया बच जायगा ।

Shri Ramanathan Chettiar: May I know the net foreign exchange that is likely to be saved after the expansion of the refineries by Burmah Shell and the other oil companies?

Mr. Speaker: That was what was asked earlier.

Shri Ramanathan Chettiar: I want to know what the saving will be after the expansion.

Mr. Speaker: I do not know. It is the same thing which is asked after hair-splitting.

Shrimati Renuka Ray: The hon. Minister stated in reply to a question that the present basis of sharing of costs between Government and the Burmah Shells has been suggested for the expanded programme. May I know what that present basis is? Is it 25 per cent., or else, what is Government's share now?

Shri K. D. Malaviya: I did not say that there was any present basis of participation between the Burmah Shells and Government, so far as the refinery is concerned. What I know is that there is the agreement between the Government and the Burmah Shell refinery entered into in 1951, according to which, they are the sole masters of the Bombay refinery, which position it is difficult for us to accept.

Mr. Speaker: Next question.

Shrimati Masida Ahmed: May I ask one question more?

Mr. Speaker: I have already allowed her to ask three questions.

Shrimati Masida Ahmed: No, only two.

Mr. Speaker: All right. She may ask one more question.

Shrimati Masida Ahmed: May I know the number of Indians employed by Burmah-Shell Refineries?

Shri K. D. Malaviya: I have not got that figure with me.

Ordnance Factory, Khamaria

+

*1325. { **Shri Ram Krishan Gupta:**
Shri D. C. Sharma:

Will the Minister of Defence be pleased to refer to the reply given to Starred Question No. 1125 on the 22nd December, 1959 and state:

(a) the further progress made in completing the investigations relating to losses and deficiencies found in the Stores of Ordnance Factory, Khamaria; and

(b) is so, the result thereof?

**The Parliamentary Secretary to the Minister of Defence (Shri Fatehshah-
rao Gaekwad):** (a) and (b). A statement is laid on the Table of the Lok Sabha.

STATEMENT

(a) and (b). In the statement laid on the Table of the House on 22nd December, 1959 in reply to Starred Question No. 1125, it was stated that:

- (i) out of the alleged loss of Rs. 80.91 lakhs, the position in regard to stores of the value of Rs. 24.28 lakhs remained to be accounted for; and
- (ii) that in respect of the remainder of the value of Rs. 62.81 lakhs, which had not then been investigated a special team of officers was to be appointed to muster the items involved, on locations.

Further scrutiny of the above categories has been carried out by the Director General Ordnance Factories. It is found that the figure of Rs. 80.91 lakhs, alleged to be the value of losses of the first category, includes stores of the value of Rs. 66.23 lakhs, which represents items which have either become obsolete or which require no further action, as they relate to items which are regularised. The balance of Rs. 14.68 lakhs includes an amount of Rs. 9.37 lakhs representing the value of stores which have undergone change in condition while in storage and Rs. 1.61 lakhs as representing the value of certain stores which require accounting adjustments. The real loss would, therefore, be an amount of less than Rs. 4 lakhs as against Rs. 80.91 lakhs as originally supposed and alleged. The above figures are being further examined by the Accounts authorities.

The losses falling under the second category have been studied by a team consisting of a Factory representative and an Accounts representative. So far they have examined documents relating to items of the value of more than 2/3rds of the stores covered by these alleged losses. It appears that in most cases there were no real losses or no further action was required as the stores have either been used in production or exist physically but are not now usable.

Shri Ram Krishan Gupta: From the statement, I find that it appears that in most cases there were no real losses or further action was required as the stores had either been used in production or existed physically but were not now usable. May I know whether they were usable when they were purchased?

The Minister of Defence (Shri Krishna Menon): Of course, they were usable when they were purchased in war-time. But if I may so submit, this inquiry takes a very considerable amount of time. The present question relates to what we promised to tell the House last time with regard to two categories, in the whole of these stores. Out of these, Rs. 80 lakhs cover one and Rs. 60 lakhs cover the other. Regarding the category of Rs. 80 lakhs, we have checked up all the stores except stores worth about Rs. 25 lakhs. Yesterday I was informed that the audited figures show even smaller losses than what they had anticipated. I think it would be in the interest of the House if we wait till the next session, when the inquiry will be completed and I undertake to lay all the information on the Table of the House.

Mr. Speaker: This will stand over till the next session.

Shri D. C. Sharma: In the statement, I find that out of items of the value of about Rs. 80 lakhs, stores worth Rs. 66.23 lakhs have become obsolete or require no further action. May I know the value of items which have become obsolete out of the total value of Rs. 66.23 lakhs?

Shri Krishna Menon: The same statement points out that they had to be taken out on location and examined individually. 'Obsolete' in this sense means obsolete for the purposes for which they were originally intended. Now in the present circumstances of production and requirements of the Defence forces, they have got to look into the question whether they can be used for any other purpose. As I told the House

last time, from the initial answer to the question as it was asked, losses were taken by the House to be physical losses. They were losses in book value. That was why I explained....

Mr. Speaker: Hon. Members may take it up again next session.

Shri Hem Barua: I have to ask a supplementary.

Mr. Speaker: What is the good of asking anything now when he says that he will place a full statement on the Table of the House next time?

Shri Tangamani: Even in regard to the first category, it is now indicated that Rs. 46 lakhs worth of goods....

Mr. Speaker: Order, order. This question is coming up every session.

Shri Hem Barua: On a previous occasion, the Defence Minister said that three cases were due to some misconduct of some officers and that this came out in the process of investigation. I want to know what steps have been taken against those officers?

Mr. Speaker: I shall bear that in mind when questions are allowed next time. Let us dispose of this once for all. It is coming up like King Charles' head every session.

Shri Hem Barua: On a point of information. Last time, you said that it should be submitted to the Public Accounts Committee. May I know whether it has been submitted to the Committee?

Mr. Speaker: Have all these papers been sent to the Public Accounts Committee?

Shri Krishna Menon: No, Sir. We have ourselves not examined the whole case. Disciplinary action has been taken or initiated in regard to certain persons in respect of whom we have information from the Special Police Establishment. Therefore, there is no laxity in the pursuit of this investigation. If it is done in any way that is not fair, then there will

be more difficulty. This goes back to stocks immediately after the war in respect of certain types of ammunition and things of that character. Apparently, there has been inadequate investigation earlier. We would like to complete the full investigation and then proceed further.

Mr. Speaker: Next question.

Beneficiation of Minerals

*1326. { **Shri S. C. Samanta:**
Shri Subodh Hanada:

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

(a) whether the Sub-Committee set up to investigate and recommend as to what incentive and facilities should be given to encourage mine-owners to beneficiate minerals, has submitted its report;

(b) if so, what are the main recommendations; and

(c) whether a copy of the report will be laid on the Table?

The Parliamentary Secretary to the Minister of Steel, Mines and Fuel (Shri Gajendra Prasad Sinha): (a) Yes, Sir.

(b) and (c). Copies of the report of the Mineral Beneficiation Committee are available in the Parliament Library.

Shri S. C. Samanta: May I know whether before the submission of this Report, any mine-owners came forward to ask for facilities for beneficiation?

Shri Gajendra Prasad Sinha: Actually, the Committee went to different places, and there has been request from the mine-owners not for a beneficiation plant but for reduction of the cess.

Shri S. C. Samanta: May I know what facilities have been recommended by the Committee?