

new units are granted only to newcomers. The branching out by companies engaged in one line of business into other unrelated fields is also generally not favoured by Government.

(c) An analysis of the licences issued to the major Business Houses in the country during the last two years is under preparation and will be laid on the Table of the House as soon as this is ready.

Shri Morarka: May I know whether the Mahalanobis Committee has requested this Ministry for some information, and if so whether this information is going to be supplied to that committee?

Shri Kanungo: They had asked for some information on these lines. Some of it has been supplied, and some has yet to be supplied.

Shri Morarka: We were told the other day in the House that this committee would be submitting its report some time in December. If this information is not supplied to the committee, may I know whether the work of the committee will not be impeded?

Shri Kanungo: No, Sir. Before the finalisation, not all but some of the information asked for will be provided.

Shri Basumatari: Since this committee has become a subject of controversy, may I know whether this committee has been following the terms of reference given to it by the Government?

Shri Kanungo: Obviously. In any case, I am not concerned with the committee. So, I cannot categorically reply.

Shrimati Savitri Nigam: Just now the hon. Minister has stated that every care is being taken to see that licences are given to the newcomers. May I know the percentage of the licences given to the newcomers in 1961-62?

Shri Kanungo: I have already mentioned that according to the directions of the Speaker, that analysis is being prepared, and will be placed before the House.

Shri S. M. Banerjee: Last time we had a half an hour discussion on this and you were pleased to ask the Minister to prepare a list of cases where licenses were issued. Even today we are told that it is under preparation. Will the list be placed on the Table of the House in this session? That is very essential.

Shri Kanungo: I have replied to part (c) and I have also replied to the supplementaries. It is being prepared and it will be ready by the middle of December. It takes a long time. Unfortunately, the session is closing by the end of November. I believe by the next session it will be ready.

Shri Bhagwat Jha Azad: Is it a fact that Government has categorically written back to the Mahalanobis Committee that some information sought by the committee could not be supplied by the Government?

Shri Kanungo: No, Sir.

Iron and Steel Plant in Andhra Pradesh

{ **Shri Kolla Venkaiah:**
| **Shri Rameshwar Tantia:**
*226. **Shri Sham Lal Saraf:**
| **Shri Basumatari:**
| **Shri E. Madhusudan Rao:**

Will the Minister of Steel and Heavy Industries be pleased to state:

(a) whether the Committee of Experts appointed by the Union Government for examining the proposal for the establishment of iron and steel plant of medium size in Andhra Pradesh has recommended the testing of coal and iron ores and limestone from selected spots in the vicinity of Kothagudem in the low-shaft furnace of Jamshedpur National Metallurgical Laboratory;

(b) if so, the results of the tests; and

(c) the final decision of the Experts Committee on the proposal?

The Deputy Minister in the Ministry of Steel and Heavy Industries (Shri P. C. Sethi): (a) to (c). At the instance of the Government of Andhra Pradesh, the National Metallurgical Laboratory, Jamshedpur, undertook tests on raw materials locally available in Andhra Pradesh. The results indicate the technical feasibility of the production of pig iron from these local raw materials. The Technical Committee set up by the Government are now considering further information obtained from the Government of Andhra Pradesh regarding the suitability of various alternative sites and the economics of production.

Shri Rameshwar Tantia: May I know whether investigation has been made regarding the other aspects? What will be the size of this plant?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): The idea is to utilise the indigenous coal and ore available in that area and the test was in that regard. Apart from that we have already issued two licences to the private sector, one for the manufacture of pig iron of the capacity of 100,000 tons. Generally that will be the order of production in these plants.

Shri Rameshwar Tantia: Have they approached some other countries for collaboration?

Shri C. Subramaniam: With regard to these two licensees, I think they are seeking collaboration from East Germany.

Shri Venkatasubbiah: May I know whether this plant will be started as a joint enterprise of the Central Government and or the State Government or it will be a private sector plant?

Shri C. Subramaniam: As I have already stated, two licences have been issued. But there is another application from the Andhra Pradesh

Development Corporation which is an Andhra Pradesh undertaking. They have also made an application. That will be a part of the undertaking of this Corporation.

Shri Ranga: Is it the intention of the Government, if these enquiries prove fruitful, to take steps to establish this factory during the course of the Third Plan?

Shri C. Subramaniam: Yes, Sir. That is the intention.

Shri Sham Lal Saraf: How soon will it be possible for these licensees to set up their plants?

Shri C. Subramaniam: These licences were issued only during this year—one in August 1962 and the other in May 1962. They are seeking the collaboration of various other technical assistance. I am not in a position to give the exact date by which they will go into production.

Dr. K. L. Rao: May I know whether the navigability of the Godavary river to connect this part with the Madras-Calcutta line will be considered as an added advantage in locating the steel plant in this area?

Mr. Speaker: It is a suggestion.

Shrimati Lakshmikanthamma: In view of the fact that two licences have already been given for pig iron plant, has the Government given up the further consideration of the idea of having a steel plant in that State?

Shri C. Subramaniam: These are all pig iron plants. The question of steel plant is different and as I already indicated regionwise investigation is going on as to their establishment.

Textile Machine Industry

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*227. { Shri Daji:
Shri Indrajit Gupta:

Will the Minister of Steel and Heavy Industries be pleased to state:

(a) the total annual production of