

of credit facilities that they could not start their factories?

Shri Kanungo: In the reply to the show-cause notices they give various reasons, and if they are *bona fide*, then the cancellation is not done. But if they are not *bona fide* reasons or if they are not sufficient, then the cancellation is done. In each case a representation is made and it is considered.

Shri A. N. Vidyalkar: May I know whether some of the licensees were found to be selling away those licences to other parties?

Shri Kanungo: No; there is no demand for it anywhere.

Shri Maheswar Naik: Have Government made any assessment as to the extent of shortfall in our targets because of the non-utilisation of licences granted?

Shri Kanungo: Yes, we always keep that in view. In some cases there is a shortfall and in many cases there is enough capacity.

Mr. Speaker: The hon. Minister should address the answer to the Chair so that he can be audible.

Shri D. C. Sharma: About 300 odd licences were cancelled. May I know if there are no criteria laid down for the grant of licences so that so many had to be cancelled?

Shri Kanungo: No. Criteria are there, but in spite of that sometimes people fail because they do not take adequate steps. The steps are defined in the law.

Shri Heda: In cases where it was obvious that the licensees had taken the licences to sell them at a higher price, have Government taken any stringent action by blacklisting them?

Shri Kanungo: There have been very rare cases of that kind, nothing of that type for the last three or four years.

Payment of Subsidy on Imported Steel

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*349. { **Shri R. S. Pandey:**
Shri Vidya Charan Shukla:

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

(a) whether in the light of appreciable decline in the payment of subsidy on imported steel from the Steel Equalisation Fund, a review of the basis for the recovery of surcharge and the purposes for which the accumulations in the Fund can be utilised, has been or is proposed to be undertaken by Government;

(b) if so, the particulars thereof; and

(c) decision, if any, taken in the matter?

The Deputy Minister in the Ministry of Steel and Heavy Industries (Shri P. C. Sethi): (a) to (c). The Iron and Steel Equalisation Fund is not used exclusively for subsidising import of steel. Amongst other functions, it plays an important part in meeting railway freight charges to enable the supply of steel at uniform prices at all railheads. The question whether the Fund should continue in its present shape is under the active consideration of the Government. No final decision has been taken on the matter.

Telco's Vehicle Output

*350. **Shri Warrior:** Will the Minister of Steel and Heavy Industries be pleased to state:

(a) whether it is a fact that Telco has reduced its vehicle output as a result of import reductions in components;

(b) if so, by how much; and

(c) its impact on employment?

The Deputy Minister in the Ministry of Steel and Heavy Industries (Shri P. C. Sethi): (a) No, Sir.

(b) and (c). Do not arise.