

Let the hon. Minister at least answer this straight question, namely whether the pattern of production in the small-scale industries and their problems are not very much different from those of the large-scale industries, and if so, how they are being catered to by the National Productivity Council.

Shri Kanungo: I would submit that the effect of the productivity movement has been well spread out in the small-scale industries, and that will be clear from the journals published by the National Productivity Council.

Bokaro Steel Plant

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*1156. { **Dr. L. M. Singhvi:**
Shri Jashvant Mehta:

Will the Minister of **Steel, Mines and Heavy Engineering** be pleased to state:

(a) whether the financial and technical collaboration of Japanese steel industry has been sought for the Bokaro Steel Plant;

(b) if so, what would be the nature, extent and terms of such collaboration; and

(c) whether a statement would be laid on the Table indicating the progress of the Bokaro Steel Plant and the developments in respect of securing foreign technical assistance?

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

(b) Does not arise.

(c) A statement is placed on the Table of the House.

STATEMENT

A new Company, Bokaro Steel Limited, has been formed to own and operate the plant. The Technical Committee set up to examine the detailed project Report at Bokaro has submitted its Report, which is under

consideration of the Bakaro Steel Limited. The terms and conditions of the consultancy agreement are in the final stages of negotiation with Dastur and Company. They are expected to be finalized very shortly. Land is being acquired. Enabling works like survey and investigation are under way. The township construction is about to begin.

No firm offer has been received from any foreign Government for assistance in the setting up of this plant. However the possibility is being explored of purchasing such equipment from abroad as cannot be manufactured indigenously, by such additional credits as may be forthcoming for this purpose.

Dr. L. M. Singhvi: What are the reasons which have held up the finalisation of the project report under the contract with Dastur and Company? What specific obstacles are there in the way of finalisation of the report?

Shri C. Subramaniam: There are no obstacles. The document is being drawn up by the solicitors and as soon as it is completed, it will be signed.

Dr. L. M. Singhvi: May I know whether it is not a fact that the Minister stated in one of his speeches that the chances of securing Russian collaboration in this project were very bright? Is there any element of truth in this or this was only a case of misreporting?

Shri C. Subramaniam: I do not think I said that the chances are bright. I said there are chances of getting aid from Russia.

Shri Jashvant Mehta: It is stated in the statement that no firm offer has been received from any foreign government for assistance. With how many countries are negotiations going on and which are the countries which have proposed offers?

Shri C. Subramaniam: I won't say that negotiations as such are going on with any country. But interest has

been shown by various commercial interests in USA, France, Germany, Japan and other countries.

Shri Hem Barua: It has been reported in newspapers that Russia is interested in this project. Have Government come to know about it directly from the Government there or it is only guesswork on the part of Government that Russia is interested in this project?

Shri C. Subramaniam: It is not guesswork. It is based on some facts.

Shri Kapur Singh: Have the US delegation of private businessmen in their recent talks with government functionaries made any concrete suggestions for collaboration in this plant? If so, what is their nature?

Shri C. Subramaniam: There is no question of private collaboration as far as the steel projects are concerned. It will be completely in the public sector. Therefore, whatever we want to get should be by way of loans.

Shri Daji: Is it a fact that the offers we have got for the Bokaro plant far exceed our requirements of foreign aid for the Bokaro type plant and are sufficient to have another plant also?

Shri C. Subramaniam: These are all not definite offers. Of course, if offers come forward which would be more than the requirements at Bokaro, we are now planning two other plants and we are currently studying the prospects of those two plants.

Shri S. M. Banerjee: It is stated that no firm offer has been received from any foreign government for assistance. Has the US Government made the position clear that they are not going to give anything for this plant if it is in the public sector?

Shri C. Subramaniam: I thought this was past history. We first sought US Government foreign aid for this purpose. Then we withdrew that

request. Therefore, that question does not arise at all now.

Shri Harish Chandra Mathur: What is the nature of interest shown by the different countries and what advance has been made since the request for US aid was withdrawn?

Shri C. Subramaniam: Various private interests in the countries I mentioned have shown interest. Some of them are forming themselves into a consortium for the purpose of supplying Bokaro equipment on the basis of either commercial credit or commercial credit of which a part is covered by government credit. There are two or three combines like this which have shown interest.

Shri D. C. Sharma: It is mentioned in the statement that it is being explored how much of equipment will be required from abroad and how it will be acquired by suitable credits from abroad. May I know what is the approximate value of the equipment we will require from abroad and whether we have entered into any correspondence with private companies or governments for obtaining those things which are not available in India?

Shri C. Subramaniam: An exact assessment of what would be indigenously possible to fabricate is being attempted. Therefore, the exact extent of indigenous fabrication cannot be immediately indicated.

As far as the other things are concerned, whether we have entered into correspondence, those people have wanted to know the various requirements of equipment, and we have supplied the details of our requirements.

Shri Morarka: As we are behind schedule in the Bokaro plant, may I know what steps are being taken now to expedite whole project, and whether the schedules have been revised i.e., by what time will the orders be placed, and by what time will the plant be actually erected?

Shri C. Subramaniam: After we found that US aid would not be available, we formed another schedule of actions or targets, we are sticking to that. By the middle of this year, if it becomes necessary, we may go in for global tenders.

Shri Ramanatham Chettiar: From the answers given by the hon. Minister to the various supplementaries, are we to understand that Government being averse to foreign equity participation in this Bokaro steel plant, the American investors are not showing any interest in this project?

Shri C. Subramaniam: Our policy is quite clear. With reference to this policy, if any party shows interest, we shall take advantage of it. We are not going to change our policy for the purpose of somebody else taking interest in it.

Shri Joachim Alva: We acquired a lot of experience in building up Rourkela and Bhilai. In view of the experience acquired, will our financial responsibility become less in putting up this plant?

Shri C. Subramaniam: To the extent our efficiency has improved, to that extent we will have advantages also.

Shri Shinkre: What are the reasons that prompted the Government to form a new company, the Bokaro Steel Ltd., instead of bringing this project also under the purview of Hindustan Steel Limited?

Shri C. Subramaniam: Hindustan Steel Ltd. has already wide responsibilities, running three plants, expanding three plants and building one special steel plant. Therefore, considering the volume of work they have to turn out, we thought a separate corporation would be able to devote its sole attention to the Bokaro problem.

Coal Quotas for States

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*1157. { **Shri Ramachandra Ulaka:**
Shri Dhuleshwar Meena:

Will the Minister of Steel, Mines

and Heavy Engineering be pleased to state:

(a) whether Government have revised the allocations of coal quotas to different States;

(b) if so, the basis of this revision; and

(c) the quota allocated to different States for 1964-65 and what was for 1963-64 and how much of it was actually utilised by them?

The Deputy Minister in the Ministry of Steel, Mines and Heavy Engineering (Shri P. C. Sethi): (a) to (c). With increased production of coal and easy transport position, it is possible to meet the entire demand of coal for various categories of consumers. At present there are no quota restrictions, and, subject to grade-wise entitlement, consumers can ask for additional quantities of coal irrespective of their quota. A statement indicating the quotas of coal allocated to different States during the year 1963-64 and the despatches of coal to these States during the period April 1963 to February 1964 is laid on the Table of the House [*Placed in Library, See No. LT-2773/64*]. For 1964-65, although there are no quota restrictions, for purposes of bulk allotment of wagons on a regular basis, the existing quotas are being continued.

Shri Dhuleshwar Meena: Are the quotas allotted to the various States sufficient for the year 1964-65; if not, what are the reasons thereof and steps taken by the Government to fulfil the requirement.

The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam): As stated in the main answer, there is no question of quota now. Even if the requirements are more, over and above the quota, coal will be available.

Shri Dhuleshwar Meena: Have some State Coal Controllers complained of rigidity in rationalisation of coal transport? What are the steps the Government is going to take to introduce further relaxation in movement?