

Repayment of Loan by Steel Industries

*418. **Shri A. S. Saigal:** Will the Minister of Steel and Mines be pleased to state:

(a) whether it is a fact that except Bhilai none of the steel industries in the public sector has started repaying loans advanced to them;

(b) how much loan has been repaid so far by the Bhilai Steel Project;

(c) when the other steel plants will start repaying the loans and the period in which various steel plants will repay all the loans; and

(d) the steps taken to ensure that the initial loans are paid back early by the steel plants?

The Minister of Steel and Mines (Shri Sanjiva Reddy): (a) to (d). Government loan amounting to Rs. 357.1 crores has been advanced to Hindustan Steel. The loan carries an interest of 5% per annum and is repayable within 20 years from 1st April, 1962. Interest is being paid by Hindustan Steel, but no instalment of loan has so far been repaid.

Shri A. S. Saigal: What is the outstanding loan in these projects?

Shri Sanjiva Reddy: I have just now said that it is Rs. 357.1 crores. Nothing has been repaid till now except the interest.

Shri A. S. Saigal: What are the difficulties coming in the way of granting more loans to these projects?

Shri Sanjiva Reddy: We are undertaking an expansion programme, and naturally, we shall have to find the money for it.

Shri P. Venkatasubbalah: May I know the reason for not repaying the instalments of loan also, in spite of the fact that all these factories are in the public sector?

Shri Sanjiva Reddy: They have just now come into production upto rated capacity that is, the two of

them, and they will repay when they can find the money.

Blast Furnaces for Pig Iron

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*419. { **Shri Ramachandra Ulaka:**
Shri Dhuleshwar Meena:
Shri A. S. Saigal:

Will the Minister of Steel and Mines be pleased to refer to the reply given to Starred Question No. 993 on the 10th April, 1964 and state:

(a) whether the question of placing orders for plant and equipment to be imported for setting up of blast furnaces for pig iron at Bhilai and Durgapur has since been considered by Government; and

(b) if so, the result thereof?

The Minister of Steel and Mines (Shri Sanjiva Reddy): (a) and (b). The question of placing orders for plant and equipment to be imported for setting up the blast furnaces for pig iron at Bhilai and Durgapur is still under consideration. Lists of equipment to be supplied from the Heavy Engineering Corporation, Ranchi, other suppliers in India and from the U.S.S.R. are being drawn up for placing orders with the respective Organisations. As regards Durgapur, tenders have already been invited for supply of equipment both from the U.K. and from indigenous sources.

Shri Ramachandra Ulaka: What is the present shortfall of pig iron in the country and to what extent this shortfall will be made good by this blast furnace?

The Deputy Minister in the Ministry of Steel and Mines (Shri P. C. Sethi): The shortage of pig iron is too much.

Mr. Speaker: Shri Rameshwar Tantia.

Shri Rameshwar Tantia: Question No. 420. (*Laughter*).