

Shri T. T. Krishnamachari: We have an expansion programme. It has been sanctioned. That will raise the production of steel to 100,000 tons. Naturally the question of increase in the availability of pig-iron is part of that scheme.

Shri Basappa: What is the assistance given by this Government to the Mysore Government in the matter increasing the target of steel production there?

Shri T. T. Krishnamachari: Sir, it is a fairly long story. The Mysore Government have, as I said, an expansion plan costing about Rs. 670 lakhs out of which about Rs. 255 lakhs have already been spent, and the Government of India has promised to give them financial assistance. A loan of Rs. 40 lakhs has been granted to the Mysore Government for their expansion in 1951-52 and Rs. 27 lakhs in 1952-53. Provision for Rs. 100 lakhs has been made in the current year, but no payment has been made so far.

Shri Basappa: May I know what assistance the Government of Mysore asked in this connection?

Shri T. T. Krishnamachari: I cannot say precisely. It is a matter of negotiation, and we have decided to give them a certain amount of assistance. And what the Government of India is prepared to give has been indicated by me already.

LOAN OR GRANT TO BHADRAVATI IRON AND STEEL WORKS

*1849. **Shri Thimmaiah:** Will the Minister of Commerce and Industry be pleased to state what is the loan or grant paid to Iron and Steel Works, Bhadravati by the Centre every year and whether it is regularly paid?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): A loan of Rs. 40 lakhs was given in 1951-52 and Rs. 27 lakhs in 1952-53. The question of giving further financial assistance to the Works is under consideration.

Shri Thimmaiah: I would like to know how much it has asked for and how much is given?

Shri T. T. Krishnamachari: I cannot precisely say how much has been asked for because, as I said, it is a matter for negotiation. We have to sit at the table and discuss matters. The total outlay is about Rs. 6,70,00,000/- That is the estimated outlay. The Government of India have already given Rs. 67 lakhs and have made a provision

for Rs. 100 lakhs. There are also certain other proposals made by the Government of India in this connection. The Expert who came here in connection with the World Bank loan for another steel plant was asked to inspect these works and he has made certain suggestions which would, if adopted, appreciably reduce the total outlay. The Government of India also suggested that certain schemes might be dropped for the time being. These are matters for negotiations. I cannot precisely state what they have asked for and what we give.

Shri Basappa: Is it not desirable to give more help to the existing Government plant rather than encourage other new plants?

Shri T. T. Krishnamachari: It is really a matter of opinion but we are prepared to give all the help possible for this plant. It must also be conceded that at the present moment, the working of this plant is extremely uneconomic and certain changes have been made in the working of the plant to make it more economic. The other point is that there are certain natural disabilities in regard to this plant which won't exist in the case of other new plants which we are thinking of.

LAKKAVALLI PROJECT

*1850. **Shri N. Rachiah:** (a) Will the Minister of Irrigation and Power be pleased to state whether the Mysore Government had requested the Central Government to treat the "Lakkavalli" Project as a Central Project or in the alternative to give financial assistance for the completion of the scheme which is designed to generate 17,000 H.P. continuous electric power and to irrigate an area of 1,80,000 acres in the dry parts of three districts in Mysore State?

(b) If so, what are the steps taken by the Central Government so far, in the matter.

The Deputy Minister of Irrigation and Power (Shri Hathl): (a) Yes, Sir.

(b) The request of the State Government was considered carefully but it was found that there was no prospect of additional funds being found for a long term project which was not going to yield any substantial results until 1957.

SURVEYS FOR KOSI PROJECT

*1851. **Shri S. N. Das:** Will the Minister of Irrigation and Power be pleased to state:

(a) whether detailed designs to carry out foundation explorations, soil