

revised cost of the project is now estimated at Rs. 11.22 crores. The excess of Rs. 2.16 crores is due to the following:—

	Rs. Lakhs
<i>I New Items</i>	
(a) Items of expenditure like consultancy fees, payment to Indian Bureau of Mines for detailed prospecting work, share of the project in the expenses of Headquarters office, interest on Government loan etc. which were not included in the original project estimates sanctioned by Government	132.50
(b) Provision of additional railway siding which was found necessary later on	17.00
II. Excess over sanctioned estimates on certain items relating to civil works, overhead charges, plant and equipment	66.53
TOTAL	216.03
Or	216.00

### Bokaro Steel Plant

1368. { Shri D. C. Sharma;  
Shri Maheshwar Naik;

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

(a) whether it is a fact that Russia has shown interest in the steel plant at Bokaro; and

(b) if so, the reaction of Government thereto?

The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam): (a) Yes Sir. But no specific offer has been received.

(b) Does not arise.

### Bhilai Steel Plant

1369. Shri P. C. Borooah: Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether the cost of steel production at Bhilai Steel Plant has been considerably reduced during the current financial year (1963-64);

(b) if so, the extent thereof.

(c) how far the cost of production has been reduced at other Steel Plants (i) in the public sector; and (ii) in the private sector during the year 1963-64; and

((d) the means adopted in public sector Steel Plants to reduce the cost of production?

The Deputy Minister in the Ministry of Steel, Mines and Heavy Engineering (Shri P. C. Sethi): (a) and (b). Yes, Sir. The cost of steel ingots in Bhilai for 1963-64 (upto January, 1964) shows a reduction of 5 per cent as compared to the cost of 1962-63. The average cost of saleable products also shows a reduction of about 7 per cent.

(c) (i) The cost of production of steel ingots for 1963-64 (upto January, 1964) shows a reduction of 7 per cent in Rourkela and 9 per cent in Durgapur. Similarly, the average cost of saleable products shows a reduction of 15 per cent in Rourkela and 13 per cent in Durgapur.

(ii) The cost of production in the private sector Steel Plants has, however, registered some increase on account of several escalator factors.

(d) The means adopted for reducing costs in the Public Sector Plants are:

- (i) Maximising production.
- (ii) Minimising consumption of raw materials; and
- (iii) Improving yields.