

Ventures in Steel Production

158. PROF. UMMAREDDY VENKATESWARLU :
SHRI GOPI NATH GAJAPATHI :
SHRI SUSHIL CHANDRA VARMA :

Will the Minister of STEEL be pleased to state :

(a) whether Government propose to set up Steel plants in the country, during the current financial year;

(b) if so, the details of domestic and foreign companies that have offered to set up steel plants jointly or independently, in the country during this period; and

(c) the locations identified and the projected cost of each?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHANDEV) : (a) Government do not propose to set up Steel plants in the country, during the current financial year. However, under the New Industrial Policy announced in July, 1991, 'iron and steel' industry has been removed from the list of industries reserved for public sector and has also been exempted from the purview of compulsory licensing, except for certain locational restrictions. No industrial licence is, therefore, required to set up a steel plant.

(b) and (c). Do not arise in view of (a) above.

Counter Guarantee

159. SHRI D. VENKATESWARA RAO : Will the Minister of POWER be pleased to state :

(a) whether attention of the Government has been drawn to the newsitem captioned 'Cabinet flips around policy making to give counter guarantee' appearing in 'Indian Express' on June 20, 1995;

(b) if so, the facts thereof; and

(c) the steps taken by the Union Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILABEN CHIMANBHAI PATEL) :
(a) Yes, Sir.

(b) The Government had taken a decision to give counter guarantee to the initial fast track private sector power projects, which include Enron, with a view to instill confidence amongst

the investors. It was not an adhoc decision. The tripartite agreement among Government of India, Government of Maharashtra and Reserve Bank of India relating to the GOI counter guarantee agreement with the Dabhol Power Company provides a clause for recovery of dues remaining outstanding for more than two months by the Maharashtra State Electricity Board to Central Public Sector Undertakings viz., NTPC, NHPC and PGCL in the manner similar to the recovery of counter guarantee payments. However, this clause would trigger only when MSEB remains in default for 4 months either at one time or in aggregate during the course of any financial year. Regarding import of fuel, the present policy of Government permits import of fuel. Moreover, in the case of Enron, the company took the responsibility of port, storage and transportation facilities. No undue favour was shown to Enron and the news item is, therefore, based on an incomplete and improper appreciation of facts.

(c) Question does not arise in view of position explained in (b) above.

[Translation]

Financing of Water Supply Schemes

160. SHRI N.J. RATHVA : Will the Minister of URBAN AFFAIRS AND EMPLOYMENT be pleased to state :

(a) whether HUDCO and other institutions have agreed to finance water supply schemes in the country;

(b) if so, the details thereof;

(c) the details of the schemes concerning the tribal areas in the country to which assistance is proposed to be extended or being given by HUDCO and other institutions; and

(d) the assistance provided to each State by HUDCO and other institutions during the last three years in this respect.

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT (SHRI P.K. THUNGON) : (a) to (c). HUDCO and Life Insurance Corporation of India are financing water supply schemes. HUDCO provides assistance for technically sound and financially viable projects upto 70% of the total cost with interest ranging from 14.5% for towns with population of less than 5 lakhs and 17.5% for towns with population of more than 5 lakhs. LIC assistance is available for urban and rural water supply projects under the plan and non-plan sector. Their financing pattern is enclosed at *Statement-1*.

There is no separate scheme for tribal areas.

(d) The loans released by HUDCO and the allocation by years are enclosed at *Statements II* and *III* respectively. LIC for water supply schemes, Statewise, during the last three

STATEMENT-I

Funding Pattern of LIC Loans for Urban and Rural Water Supply and Sewerage Schemes

(I)	Plan Sector	Urban	Rural
a.	<i>Funding Pattern</i>		
	Cost of the scheme upto Rs. 1 crore	Rs. 66.67 lakhs	Rs. 50 lakhs
	Between Rs. 1 crore and 5 crores	Rs. 66.67 lakhs + 50% of the cost exceeding Rs. 1 crore	Rs. 50 lakhs + 50% of the cost exceeding Rs. 1 crore
	Between Rs. 5 crores and Rs. 10 crores	Rs. 266.67 lakhs + 40% of the cost exceeding Rs. 5 crore	Rs. 250 lakhs + 40% of the cost exceeding Rs. 5 crore
	Above Rs. 10 crores	Rs. 466.67 lakhs + 25% of the cost exceeding Rs. 10 crore	Rs. 450 lakhs + 25% of the cost exceeding Rs. 10 crore
b.	<i>Rate of Interest</i>	13% p.a. payable hly	13% p.a. payable hly.
	For North Eastern States	10.25% p.a. payable hly.	10.50% p.a. payable hly.

(II) Outside State Plan :

Funding pattern for project/schemes depends on case to case basis but in no case exceeding LIC's contribution of more than 50% of the cost of the project. Interest rate is charged at prevailing market rate, the current rate being 16.5% p.a. payable quarterly.

STATEMENT II

Water Supply Schemes Financed by HUDCO from 1.4.92 to 24.7.95

(Rupees in lakhs)

Sl. No.	State Name	No. of Scheme	Project Cost	Loan Amount	Loan Released
1.	Andhra Pradesh	15	2416.06	1555.29	0.00
2.	Assam	8	4259.28	2963.80	948.21
3.	Gujarat	1	628.16	440.00	421.30
4.	Karnataka	5	7491.08	4910.89	1820.75
5.	Kerala	3	3761.88	2354.37	960.37

Sl. No.	State Name	No. of Scheme	Project Cost	Loan Amount	Loan Released
6.	Madhya Pradesh	1	795.27	200.00	0.00
7.	Maharashtra	5	25526.04	11183.44	4475.76
8.	Orissa	5	10752.6[A]	7179.50	2376.31
9.	Punjab	45	4456.43	3098.76	1538.85
10.	Rajasthan	32	10782.92	7583.42	2021.22
11.	Tamil Nadu	5	9759.17	2133.75	1605.24
12.	West Bengal	7	10797.84	5109.00	2442.00
Scheme Type Total		132	91426.75	48712.22	18160.00

STATEMENT III

LIC Assistance for Water Supply and Sewerage Schemes

Sl.No.	State	Allocation		
		1992-93	1993-94	1994-95
1.	Andhra Pradesh	3.12	3.92	4.46
2.	Arunachal Pradesh	-	1.19	1.19
3.	Assam	0.44	0.57	0.57
4.	Bihar	-	-	-
5.	Goa	5.53	6.07	4.29
6.	Gujarat	19.23	24.25	26.59
7.	Haryana	-	1.35	1.35
8.	Himachal Pradesh	-	-	-
9.	Jammu & Kashmir	6.07	6.65	6.65
10.	Karnataka	5.68	4.89	6.71
11.	Kerala	10.00	15.76	18.06
12.	Madhya Pradesh	18.98	21.56	23.42

Sl.No.	State	Allocation		
		1992-93	1993-94	1994-95
13.	Maharashtra	42.28	43.23	35.94
14.	Manipur	0.97	1.15	1.15
15.	Meghalaya	-	0.20	-
16.	Mizoram	1.67	2.10	2.55
17.	Nagaland	2.28	2.90	2.90
18.	Orissa	5.01	5.60	11.23
19.	Panjab	19.20	21.22	21.22
20.	Rajasthan	4.87	5.33	6.72
21.	Sikkim	-	-	-
22.	Tamil Nadu	32.10	38.75	43.59
23.	Tripura	-	0.85	0.85
24.	Uttar Pradesh	-	-	-
25.	West Bengal	4.45	8.67	8.67
Total		181.88	216.21	228.11

[English]

Moidu Bridge in Kerala

161. SHRI MULLAPPALLY RAMCHANDRAN : Will the Minister of SURFACE TRANSPORT be pleased to state :

(a) the extent to which work has progressed on the repair of the Moidu Bridge between Tellichery and Cannanore on NH-17 in Kerala;

(b) the allocation of funds made for this project;

(c) whether the work is being executed by the Kerala State Authorities/experts;

(d) if so, the details thereof; and

(e) by when the work is likely to be completed?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER) : (a) About 50% of the repair work of the Moidu Bridge has been completed;

(b) A sum of Rs. 20.63 Lakh is earmarked for this project;

(c) and (d). The repairs are being executed by the Kerala P.W.D. through Kerala Electrical and Allied Engineering Co. Ltd. which is a Government of Kerala Undertaking;

(e) The work is likely to be completed by September, 1995.

Potable/Drinking Water in Goa

162. SHRI HARISH NARAYAN PRABHU ZANTYE : Will the Minister of URBAN AFFAIRS AND EMPLOYMENT be pleased to state :