

the consideration of Government to reduce the cost of steel production in the country;

(b) if so, whether recently he had talks with the Chief Executives and Operation Managers of Steel Authority of India to reduce the cost of steel production in the country;

(c) if so, the details thereof; and

(d) the steps contemplated by Government to improve the condition of steel plants ?

THE MINISTER OF STEEL AND MINES (SHRI K.C. PANT) : (a) to (d). Government expects its public sector managements to constantly make efforts to contain the costs of production. At a meeting held on October 16, 1985, the Chief Executives of the integrated steel plants of SAIL were advised that keeping costs down should be one of their major objectives.

Cost of production is expected to be controlled through higher production and productivity, better utilisation of capacities, better technological norms, saving in energy utilisation and containment of labour costs. These objectives will be achieved in the VII Plan through technological upgradation, better maintenance and debottlenecking of the plants.

The following measures, some of which are of a continuing nature, have been taken by SAIL to control the costs of production :

- (i) There is regular monitoring of cost of production both at the corporate and plant level. The variances are brought to the notice of management and discussed for corrective action.
- (ii) The Corporate management has laid greater emphasis on the need to reduce cost of production by stressing necessity for optimal utilisation of available sources within the organisation.
- (iii) The costs like overtime, demurrage are being controlled through strict monetary limits,

(iv) SAIL has drawn up programmes of Energy conservation. These have been discussed at the Board level for implementation.

(v) A programme of modernisation is being undertaken to improve the condition of the plants.

These efforts are in the direction of bringing all round cost consciousness among officers and workers at all levels.

D. A. to Public Servants

877. SHRI P.R. KUMARAMANGALAM

SHRI CHINTA MOHAN :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Dearness allowance paid to Central Government employees does not neutralise the hikes in prices of essential goods; and

(b) if so, whether Government propose to suitably revise the present periodicity of one year and 8 points as is being done by L.I.C., banks and other public sector units ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Under the present scheme of Dearness Allowance, full neutralisation is ensured to Central Government employees receiving pay upto Rs. 400/- and 75% neutralisation for those getting pay of Rs. 400/- and upto Rs. 1000/-. The level of neutralisation tapers off at senior levels.

(b) No proposal for changing the present scheme is under consideration.

Purchase Centres for Jute in Bihar

878. DR. G.S. RAJHANS : Will the Minister of TEXTILES be pleased to state :

(a) whether in spite of repeated announcement by the Union Government, the Jute Corporation of India (JCI) and Bihar State Cooperative Marketing Union have

not opened adequate number of purchase centres in the jute growing areas of the State;

(b) if so, whether the Union Government have inquired as to why adequate number of purchase centres have not been opened by the agencies in Bihar;

(c) whether the State Government have demanded any financial assistance for this purpose; and

(d) if so, what and when adequate number of purchase centres of jute will be opened in Bihar state?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). There are at present 38 purchase centres in Bihar. 26 purchase centres (including 3 new centres opened this season) are run by the Jute Corporation of India and 12 purchase centres are run by Bihar State Cooperative Marketing Union (BISCOMAUN). An Advance of Rs. 1.00 crores has been given to Bihar State Cooperative Marketing Union in two instalments for stepping up purchases of raw jute in Bihar. A total quantity of about 1.75 lakh bales of raw jute have been purchased in Bihar upto 18 November, 1985 and further purchases are in progress.

Steps to Check Wasteful Expenditure

879. SHRI C. MADHAV REDDI :

SHRI K. RAMACHANDRA
REDDY :

DR. CHANDRA SHEKHAR
TRIPATHI :

Will the Minister of FINANCE be pleased to state :

(a) whether in the light of the urgent necessity of resource mobilisation for the Rs. 1,80,000 crores Seventh Five Year Plan, Government are considering ways and means to locate areas of avoidable expenditure; and

(b) if so, the steps contemplated by Government to check wasteful expenditure

in Government Departments and Public Sector Undertakings ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Measures are taken on a continuous basis to curb in essential and non-productive expenditure. In recent times, Government issued orders banning creation of posts/filling up of vacancies, except in the most exceptional circumstances. Efforts are made through work measurement studies conducted by the Staff Inspection Unit of the Ministry of Finance/Internal Work Study Units in various Ministries/Departments to identify and locate surplus staff and prevent creation of avoidable posts. Measures have also been taken to curb office expenses like those on telephones, Staff cars, consumption of petrol and performance of air journeys by non-entitled officers. Proposals of the administrative Ministries for incurring expenditure above Rs. 3 crores on schemes/projects are scrutinised through the mechanism of Expenditure Finance Committee and Public Investment Board chaired by Secretary (Expenditure) to ensure that only essential and viable schemes are approved for execution.

A Working Group has also been set-up under the Chairmanship of Cabinet Secretary to review all on-going activities and organisations and to discontinue those which have lost their utility. The results of this review will be known in due course.

Instructions have also been issued to various Ministries/Departments to take effective steps to curb non-essential expenditure and effect a minimum of 5% reduction in the total non-Plan provision made in the Budget Estimates of 1985-86.

The Bureau of Public Enterprises have issued instructions on similar lines to the Central Public Sector undertakings.

Assessment of Results of Revised Policy of Income-Tax Assessment

880. SHRI HUSSAIN DALWAI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have made