

(c) to (e). As per general instructions of the Central Government 15 per cent vacancies are reserved for Scheduled Caste candidates and 7-1/2 for Scheduled Tribes candidates.

The non-nationalised companies did not have any system of reservation and at the time of nationalisation, the employees of the erstwhile companies were transferred to the Life Insurance Corporation. Thereafter in 1971 Government gave directions to the Life Insurance Corporation to comply with the general national policy of reservation for Scheduled Castes and Scheduled Tribes. The Corporation has since been complying with the Government directions and has also given concessions in the matter of age, qualifications, etc. so as to fill up the required number of vacancies by such candidates.

News-item captioned 'Of Dubious Merit'

3441. SHRI HARINATHA MISRA: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Government's attention has been drawn to the Editorial comments of Times of India under the caption "Of dubious Merit" in its issue dated 6th November, 1981;

(b) if so, whether Government have decided to accept the British turn-key offer of a 1.5 million tonnes steel plant to be set up in Paradip; and

(c) whether it is a fact that—

(i) the estimated project cost for the Paradip plant of 2.8 billion dollars is only 100 million dollars less than the estimate submitted by Mecon for the proposed Vijayanagar Steel Plant;

(ii) whether the proposed Vijayanagar Steel Plant is for 3 million tonnes whereas the plant to be set up in Paradip will be only for 1.5 million tonnes;

(iii) the reasons for accepting the British turn-key offer, instead of

assigning it to an Indian engineering firm?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) Government have decided to entrust on turn-key basis the work of establishing Paradip Steel Plant to M/s. Davy McKee of U.K. subject to the satisfactory settlement of terms and conditions of the contract.

(c) (i) to (iii). The cost estimate of Paradip Steel Project is on firms basis, while the cost estimates of Vijayanagar are only indicative of the order of the magnitude and would require firming up. It is, therefore not possible to compare the cost estimate of Paradip with that of Vijayanagar. The decision to entrust the work on turn-key basis to a foreign party was taken because of constraint of resources. Under this arrangement, the project will be fully financed by grants and loans from foreign agencies. MECON, the public sector Engineering & Consultancy organisation, has already been appointed as Principal Consultant for this project.

Import of Cement from North Korea

3442. DR. VASANT KUMAR PANDIT: Will the Minister of COMMERCE be pleased to state:

(a) whether a deal has been finalised with North Korea for importing two million tonnes of cement;

(b) if so, at what price and the time scheduled of its delivery;

(c) whether there was any agency through whom this deal has been finalised, if so, his name and the terms of payment of brokerage or commission;

(d) whether it is a fact that imports of cement from North Korea were stopped or blacklisted due to previous defaults in supplies; and

(e) if so, the reasons for entering into new import deal and the measures taken to safeguard India's interest?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KHURSHEED ALAM KHAN): (a) A contract has been finalised by State Trading Corporation of India Ltd. with North Korea for import of one million tonnes of cement.

(b) The purchases have been made at competitive prices but it will not be in public interest to state the actual price. The delivery of the contracted quantity of cement is likely to take place between October, 1981 to June, 1982.

(c) No, Sir.

(d) No, Sir.

(e) Does not arise.

Constraints for larger purchase of jute in West Bengal

3443. SHRI CHITTA BASU: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the growers of jute in West Bengal have been forced to sell at a discount ranging from 15 per cent to 40 per cent over the statutory minimum price due to the late entry by J.C.I. in the market and limited off-take by the Mills, this year;

(b) quantity purchased by the Jute Corporation of India and Jute mills respectively; and

(c) constraints for larger purchases by them?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KHURSHEED ALAM KHAN): (a) It is a fact that the prices of jute specially of lower grades ruled and continued to rule below the minimum price fixed by the Government in all the markets in West Bengal and also in other jute growing States. Low

grade jute is currently being sold in West Bengal at a discount upto 15 per cent. Fall in prices has been mainly due to near absence of trade and industry in raw jute market and not due to late entry of JCI in the market.

(b) During the current season JCI has procured upto 9.18 lakh bales in West Bengal till 30th Nov. 81. As reported by IJMA, jute mills have procured 21.56 lakh bales in this season upto 7th Nov. '81. It is however difficult to say how much of it is ready purchase and how much, forward.

(c) The Mills appear to have got constraints for larger purchases on account of adverse liquidity position caused by accumulation of unsold stock of jute goods resulting from recessionary market conditions and acute competition from synthetic substitutes and Bangladesh out biddings in export market of jute industry.

Continuation of D.A. Scheme in preference to revision of Pay scales of Central Govt. Employees

3444. SHRI RAJNATH SONKAR SHASTRI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have accepted the recommendations of the Third Pay Commission to the extent that in the event of price level rise necessitating the grant of D.A. the Government would continue the D.A. Scheme in preference to revising the pay scales; and

(b) if so, the reasons for not automatically releasing the instalments of D.A. as they fall due?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAISINGH SISODIA): (a) The Third Pay Commission had recommended that should the price level rise above the level of 272 of the 12-monthly average of the All India average Consumer Price Index for Industrial Workers (General) (1960-100),