

Rapid Growth in Savings

2954. SHRI R. N. RAKESH: Will the Minister of PLANNING be pleased to state:

(a) whether it is a fact that there has been rapid growth in savings ratio implying slowing down of consumption and demand and recession and resulting credit squeeze;

(b) whether it is also a fact that as per independent estimates, per capita income grew at 1 per cent during 1970--80 as against 1.2 per cent in the sixties and 1.8 per cent in fifties; and

(c) what are the corrective steps in the Government pipeline to meet this grave economic situation?

THE MINISTER OF PLANNING (SHRI S. B. CHAVAN): (a) Over the '70s, country's saving rate (net) as a percentage of NDP is rising. But this period has not been diagnosed by Economists as a period of recession. Indeed the two need not be necessarily related. Between 1978-79 and 1980-81 the saving ratio declined. In 1979-80 it was 17.4. In 1980-81 it came down to 16.7. The Quick Estimates of 1981-82 give figure of 17.5. Therefore, the apprehension that there is a rapid rise in the saving ratio and that it implies recession is not substantiated by facts. Regarding the credit squeeze, it can not be related to saving rate per se. It is a policy measure mainly to tackle inflation. However, there is no evidence that there is any recession at present caused by a credit squeeze policy.

(b) The Honourable Member has not given details of the 'independent' source. However, the official estimates prepared by the Central Statistical Organisation indicate that the per capita net national product, at constant 1970-71 prices, increased at an annual compound rate of 1.8 per cent during 1950-1960, 1.3 per cent during 1960-1970 and 1.1 per cent during 1970-80.

(c) The corrective steps have been spelled out in the Sixth Plan document, Annual Plans, Economic Surveys etc. The economy showed a significant recovery in 1980-81; consolidated the process of recovery and gathered substantial additional

strength in 1981-82; showed appreciable degree of resilience in 1982-83; and with the available framework is expected to be able to perform better in the coming years. Per capita income at 1970-71 prices, increased by 5.7 per cent in 1980-81 and by 2.8 per cent in 1981-82.

Vijaynagar Steel Project

2955. SHRI R. N. RAKESH: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that Vijaynagar Steel Project has been in the pipeline for ten long years leading to prohibitive escalation of costs due to avoidable human failure and if so, the reasons for the same;

(b) whether Government will derive some lessons from such failure and avoid such delays in future; and

(c) whether Government will adhere to a tight time schedule in arriving at decisions in such cases which would help reduce corruption and lobbyists visiting the Ministries and corridors of power?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL AND MINES (SHRI N. K. P. SALVE): (a) to (c) Government's intention to build steel plant at Vijaynagar was announced in 1970. Some preparatory work, namely, acquisition of land and land development has been undertaken, but construction work on the project has not been commenced as yet. A Detailed Project Report for a direct reduction technology based steel plant is under preparation and an investment decision will be taken after considering this report. The time frame for construction of the plant will be decided as a part of the investment decision

उद्योगों में मांग में गिरावट

2956. श्री राजनाथ सोनकर शास्त्री क्या उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या देई में ट्रेक्टरों, सिलाई की मशीनों, घरेलू रेफ्रिजरेटरों तथा कागज की मांग में कमी हुई है ;

(ख) यदि हां, तो इसके कारण क्या हैं; और

(ग) क्या मांग में गिरावट से प्रभावित उद्योगों की स्थिति सुधारने के लिए सरकार का अपनी आर्थिक तथा वित्तीय नीतियों में परिवर्तन करने का विचार है ?

उद्योग मंत्री (श्री नारायण दत्त तिवारी) : (क) से (ग). देश में सिलाई की मशीनों, घरेलू रेफ्रिजरेटोरों और कागज के उत्पादन में कोई खास कमी नहीं आई है। किन्तु 1982 के दौरान मांग की कमी के कारण ट्रैक्टरों के उत्पादन में कमी देखी गई थी जो ऋण अधिसंकुचन की वजह से थी 1982 की अंतिम तिमाही के दौरान ऋण देने में ढील देने के कारण ट्रैक्टरों की मांग और उत्पादन में कुछ वृद्धि हुई है।

Fall in demand for some particular types of Steel

2957. SHRI RAJNATH SONKAR SHASTRI: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether some fall has been noticed in the demand for particular types of steel and steel made articles in the country;

(b) if so, the causes thereof; and

(c) whether Government propose to bring some change in its economic and financial policies so as to improve the position of slump affected industries?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL AND MINES (SHRI N. K. P. SALVE): (a) to (c). The offtake of certain steel items such as semis, bars & rods, HR Coils etc. from SAIL during the period April 1982 to January 1983 has been less compared to the offtake during the corresponding period of 1981-82. This is mainly due to the resource constraints faced by the consuming sectors. SAIL have offered price rebates and quantity discounts on

certain categories of steel items in order to increase the offtake. Also credit facilities on a selective basis have been offered. Import policy has been made more restrictive with a view to curb avoidable imports which adversely affect the offtake of indigenous materials.

No specific data about steel made articles is available.

Efforts to find out markets for Kudremukh concentrates

2958. SHRI K. MALLANNA: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Government's attention has been drawn to the Hindustan Times, dated 13 November, 1982 that despite vigorous efforts, the Kudremukh Iron Ore Company (KIOCL) has not been able to find markets for its concentrates; and the only deal entered into by the KIOCL is with Romania for the export of 3.5 million tonnes of concentrates in a period of three years beginning from October, 1981, but this was a condition for awarding the pelletisation plant contract to Romania;

(b) whether it is also a fact that the latest review of the working of the KIOCL by the Government has found that all the works concerning the project has been completed; and

(c) if so, the details regarding the commercial production of the Kudremukh unit?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI N. K. P. SALVE): (a) and (b). Yes, Sir.

(c) The production of concentrate by the Plant has been as follows:

1981-82	(million tonnes)
(from October 1981)	0.43
1982-83	
(upto February 1983)	1.04