

we went down a little further it was found that it was a little bit different, and, therefore, different kinds of piling had to be done. That has now been undertaken and the piling has been finished. I do agree that the soil conditions were not properly tested at the time of preparing the detailed project report.

Shri Harish Chandra Mathur: My main question is this. Obviously, it was a bad case of preparation of project report. May I know whether the hon. Minister is taking any steps to remedy the position in future?

Mr. Speaker: The hon. Minister has just answered it.

Shri Harish Chandra Mathur: He has answered only about soil conditions. That is just one among various items mentioned.

Mr. Speaker: He has said that Government would learn by these mistakes and once the mistake has been committed they will take lessons from it.

Shri Harish Chandra Mathur: I want to know whether he has taken any steps. After all, this is public money. And it cannot be squandered like this.

Dr. L. M. Singhvi: After all, we should know what specific steps are proposed to be taken.

Shri Harish Chandra Mathur: We can understand condoning the past mistakes and the past loss of money, but at least we are entitled to know what steps are being taken to see that such things do not occur in the future?

Shri C. Subramaniam: I can assure the hon. Member that . . .

Mr. Speaker: He need not answer these questions. I have not allowed them.

Public Sector Industries

*1100. **Shri Jashvant Mehta:** Will the Minister of Steel, Mines and 323 (Ai) LSD—2.

Heavy Engineering be pleased to state:

(a) whether Government have taken any decision to review the cost of production of various types of finished goods by the public sector industries under the control of his Ministry; and

(b) if so, the nature thereof?

The Deputy Minister in the Ministry of Steel, Mines and Heavy Engineering (Shri P. C. Sethi): (a) and (b). Government have been reviewing the cost of production of various categories of steel produced by public sector steel plants. This Hindustan Steel Ltd. does a monthly review of the cost of production on the basis of data submitted by the three steel plants. This monthly review is sent to Government who examine the variations of costs with particular reference to the usage of raw materials, over-heads and the yield factor. Government have been keeping in view the target of reduction of 15 per cent in the cost of production of steel in 1963-64 over the comparable figures for 1962-63.

2. In respect of other public sector plants each concerned Corporation reviews its cost of production. It is the intention of Government to make this review more systematic and take this up at the Governmental level.

Shri Jashvant Mehta: How many of the public sector undertakings under this Ministry declare less than 4 per cent dividend?

The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam): Most of the projects under this Ministry are heavy and basic industries, and they take quite a long time to reach full production capacity.

As far as steel production is concerned, it was only in 1963-64 that we were able to attain full production in the case of two plants and about 90 per cent production in the Rourkela

plant. We are hoping that during 1964-65, all these steel plants would be producing better results and there would be profits also.

As far as the other public sector projects are concerned, many of them are under construction, and some of them have recently gone into production.

Shri Jashvant Mehta: The hon. Finance Minister had announced in his budget speech that the public sector projects should work in such a way as to yield profits. May I know whether in view of this, Government are thinking of reviewing the prices of the finished goods?

Shri C. Subramaniam: Yes, we continually review the cost of production. During my reply to the debate on the Demands of my Minister, I had also given an assurance that we would take all steps to see that they produced good profits.

Shri Shivaji Rao S. Deshmukh: What is the cost of production of the indigenous fertilisers manufactured in the private sector and also in the public sector projects, what is the sale price of these fertilisers and how do they compare with the cost of the imported fertilisers?

Shri C. Subramaniam: This question should be addressed to the Minister in charge of fertilisers.

Mr. Speaker: None of those questions is relevant to the main question.

Shri Shivaji Rao S. Deshmukh: The cost of production, in the public sector projects is the subject-matter of the main question . . .

Mr. Speaker: But everything cannot come under it. Fertilisers are in the charge of another Ministry.

Shri Shivaji Rao S. Deshmukh: It relates to cost of production in all industries.

Shri S. M. Banerjee: We were told in this House that the cost of steel produced in the public sector would

come down with increased production. To what extent have prices come down and how do they compare with prices in private sector industries? If our prices are more, is it due to top-heavy administration?

Shri C. Subramaniam: As far as steel projects are concerned, during 1963-64, Rourkela brought down the cost of production of saleable steel by 15 per cent over the cost during 1962-63, Durgapur brought it down by 13 per cent and Bhilai by 7 per cent. As far as the cost of production is concerned, it is comparable to that in the private sector. But our investment per ton is much more.

Import of Machinery for Small Scale Industry

1101. Shri Harish Chandra Mathur: Will the Minister of Industry be pleased to state:

(a) whether it is a fact that since November, 1962 not a single new application for import of machinery for small scale industry has been entertained by the National Small Industries Corporation;

(b) whether a circular was issued to all State Governments that no fresh applications should be forwarded from November, 1962, and

(c) other sectors, if any, for which such freeze orders have been issued?

The Minister of Industry (Shri Kanungo): (a) Yes, Sir, under the Hire Purchase Scheme except in the case of imports from rupee payment areas.

(b) Yes, Sir.

(c) The question does not arise as there is no scheme for supply of imported machinery on hire purchase basis for the other sectors.

Shri Harish Chandra Mathur: Does the hon. Minister remember that at the last meeting of the Small Scale Industries Board not only all official members and the Ministers from the various States, but even the Deve-