

foreign personnel in operations maintenance, engineering, design and construction/erection work.

(d) The estimated expenditure for 1965-66 will be approximately Rs. 126 lakhs.

Plant for Special Steel

2299. Shri D. C. Sharma: Will the Minister of Steel and Mines be pleased to state:

(a) the progress made in the consideration of the proposal submitted by Tata Iron and Steel Co. to set up a plant for manufacturing special steel in India;

(b) if approved, the broad outlines thereof with estimated cost and the extent of foreign collaboration, if any; and

(c) when it is likely to be implemented?

The Minister of Steel and Mines (Shri Sanjiva Reddy): (a) and (b). A letter of intent has been issued to Tata Iron and Steel Co. on 25-8-1965 for the establishment of a new industrial undertaking in Bihar for the manufacture of 50,000 tonnes of alloy and special steels per annum. The total cost of project is estimated at Rs. 21 crores with a foreign exchange expenditure of Rs. 9 crores. Foreign financial and technical collaboration is envisaged with the Nishho Co. Ltd. and Kobe Steel Works of Japan.

(c) The plant is expected to go into production three years after negotiations for technical collaboration and equity participation by the collaborators and allocation of yen credit have been finalised.

Bharati Textile Mill at Pondicherry

2300. Shri Indrajit Gupta: Will the Minister of Commerce be pleased to state:

(a) whether the Sri Bharati Textile Mill at Pondicherry has been totally closed down since 20-11-1965;

(b) whether the closure is due to the gross financial mismanagement and mal-administration of the present owners; and

(c) whether Government propose to take over and run the mill with the co-operation of the workers?

The Minister of Commerce (Shri Manubhai Shah): (a) Yes, Sir.

(b) and (c). It was reported that due to defective management and unsound financial conditions the working of the mill had been fast deteriorating. An Investigation Committee under Section 15 of the Industries (Development and Regulation) Act was appointed on 16-11-1965 to investigate the affairs of this Mill. Suitable action will be taken on receipt of the report of the Committee.

Machine Tool Plants

2301. Shri Hari Vishnu Kamath: Will the Minister of Industry and Supply be pleased to state:

(a) whether Government have decided to establish a number of Machine Tool Plants in India, in fact at least one in each State;

(b) if so, whether the turn of Madhya Pradesh will come in the very near future;

(c) if so, when; and

(d) if not the reasons therefor?

The Minister of Heavy Engineering in the Ministry of Industry and Supply (Shri T. N. Singh): (a) to (c). There is no proposal at present for setting up one machine tool factory in each State. During the Fourth Plan period, Government will set up two new machine tool factories, one at Bhavnagar in Gujarat and the other at Ajmer in Rajasthan. Besides, the Hindustan Machine Tools Ltd. will be undertaking expansion of their existing units in Punjab, Kerala and Andhra Pradesh; in addition they plan to set up two new units. These new units may be set up by the end