

Statement II laid on the Table of the House. [Placed in Library, See No. LT-2057/68].

(e) The export target of the Corporation for the year 1968-69 is Rs. 51.50 crores. It is expected that exports approximating Rs. 45 crores will materialise. No target has yet been fixed for the year 1969-70.

#### BHARAT HEAVY ELECTRICALS LIMITED

289. SHRI PREM CHAND VERMA : Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) the authorised and paid up capital of Bharat Heavy Electricals Limited at the time of its setting up and as on the 31st March, 1968;

(b) the amount of loan owed by the Company on the 31st March, 1968 and how much of it was from Central Government, banks or other parties;

(c) how much money has been paid as interest by the Corporation during the last three years; and

(d) what are the working results of the Company during the last three years, what was the extent of profit and if loss was incurred, what were the main causes for the loss and what are the estimates for 1968-69 ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) On the 17th November, 1964, the date of formation of Bharat Heavy Electricals Ltd., its authorised capital was Rs. 40 crores and the paid up capital, Rs. 24,11,12,964. On the 31st March, 1968, its authorised capital was Rs. 65 crores against which the paid up capital was Rs. 64,69,12,000. Shares worth Rs. 30,88,000 were pending allotment on that date.

(b) The amount of loans owed by the Company as on 31-3-1968 is indicated below :

(i) From Central Government	Rs. 72,18,97,500
(ii) From Banks	Rs. 3,01,82,237
(iii) Deferred credits (from Suppliers)	Rs. 5,57,54,869
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	Rs. 80,78,34,606

(c) Interest paid by the Company including the interest accrued, but not due payment during the year is indicated below for the last 3 years :—

1965-66	Rs. 56,95,004
1966-67	Rs. 1,39,75,696
1967-68	Rs. 4,26,03,433

(d) The working results of the Company for the last 3 years are indicated below :—

Year	Loss (Rs.)
1965-66	Rs. 1,43,70,199
1966-67	Rs. 5,82,74,364
1967-68	Rs. 5,77,10,619

The manufacture of specialised and highly sophisticated electrical equipment undertaken by Bharat Heavy Electricals Ltd. involves very large capital outlay at the initial stages and also inevitably involves a long gestation period for building up expertise and experience. It will take a number of years for the different plants to reach such levels of production as will result in profits. The units of the Company are in the initial stages of production and the same is being built up gradually. Until certain optimum levels of production are reached, losses are inevitable.

During the year 1968-69, a loss of Rs. 660 lakhs is anticipated.

#### NATIONAL COAL DEVELOPMENT CORPORATION

290. SHRI PREM CHAND VERMA : Will the Minister of STEEL, MINES AND METALS be pleased to state :

(a) when the National Coal Development Corporation Limited was set up and the objects to be achieved as a result;

(b) whether the targets of setting up units according to project reports, production and development targets have been achieved; if not, reasons therefor;

(c) whether any foreign collaboration was involved in the setting up of the Corporation and if so, the names of the countries which collaborated, the terms of collaboration and the amount of foreign exchange received as aid;

(d) the quantity of production and sales during the last three years and the quantity exported; and

(e) whether there are any difficulties with which the Corporation is faced at present

and how do Government propose to remove them ?

THE DEPUTY MINISTER IN THE MINISTRY OF STEEL, MINES AND METALS (SHRI RAM SEWAK) : (a) The National Coal Development Corporation was registered as a Company on September 5, 1956 with its headquarters at Ranchi in Bihar. The main purpose in setting up this Company was to organise and carry on the production of coal and associated activities. The Government of India transferred to this Company the then existing State Collieries, 11 in all, together with their assets and liabilities. This Company was also called upon to devise and put into operation schemes for the production of coal from new coal fields and new mines, towards attaining the targets of the Five Year Plans for production of coal in the public sector.

(b) All the projects of the Corporation included in the Second Five Year Plan have been developed but the production has not reached the targetted level mainly due to the demand for coal not having come up as expected. Among the Third Plan projects, development of seven mines had to be suspended and the pace of development in several other mines had to be slowed down due to slackening of demand.

(c) No, Sir,

(d) Figures of production and sales during the last three years ending 1966-67 are given below. The accounts for 1967-68 have not yet been finalised.

	1964-65	1965-66	1966-67
Production in Million Tonnes	8.24	9.65	9.49
Value of sales (Rs. in crores)	19.72	24.91	26.23

The National Coal Development Corporation has not exported any coal.

(e) The principal difficulty faced by the Corporation has been the continued slackness in the growth of coal demand during the last few years. In view of the slump in coal demand, the Corporation has suspended the work on seven mines and restricted the production in some other mines to the level of off take. There has also not been adequate return on the capital invested. The Government had appointed a Committee in July, 1967 to

look into the working of the Corporation and suggest measures for its improvement. The report of this Committee is at present under the consideration of the Government.

REPORT OF M/s. DASTUR & Co. ON DEMAND FOR ALLOY & STEEL

291. SHRI UMANATH :  
SHRIMATI SUSEELA  
GOPALAN :  
SHRI K. RAMANI :

Will the Minister of STEEL, MINES AND METALS be pleased to state :

(a) whether M/s. Dastur & Co. appointed by the Hindustan Steel Ltd. to make a market survey on the demand for various categories of alloy and special steels in the country during the Fourth and Fifth Plan periods has submitted its report;

(b) if so, details of the report;

(c) decision taken on the report;

(d) whether the project Report for the expansion of the Durgapur Alloy Steel Plant has been prepared on the basis of M/s. Dastur & Co.;

(e) if so, details of the project report; and

(f) if not, when the report is likely to be submitted ?

THE DEPUTY MINISTER IN THE MINISTRY OF STEEL, MINES AND METALS (SHRI RAM SEWAK) : (a) Yes, Sir,

(b) The report presents a study of the demand for alloy steels in the country in 1970-71, 1975-76, and 1980-81. The report estimates that the alloy steel demand would be about 410,000 tonnes in 1970-71, 590,000 tonnes in 1975-76 and 856,000 tonnes in 1980-81. The report also reviews the probable future availability of these steels and the resultant short-falls.

(c) The report is under consideration.

(d) Preparation of a Project Report for the expansion of the Alloy Steels Plant will be considered after a study of the report submitted by M/s. Dastur & Co. has been carried out.

(e) and (f). Do not arise.