

Supply of Coal to Bihar

3816. SHRI LALITESHWAR SHAHI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government are aware that North Bihar industries are suffering for want of coal ;

(b) whether Government are aware that Bihar is getting coal at higher cost than other places due to non-transport by rail ; and

(c) the steps, if any, proposed to be taken to meet the situation ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) to (c) With the increased coal production in Coal India, there is no difficulty in meeting fully the demand of consumers in North Bihar, However due to difficulties in rail movement the consumers having lower priority in rail movement are not getting their full requirements by rail. Consumers have been allowed to obtain their rail shortfall by road from specified collieries. Coal is also being made available at consuming points in different states through Coal India Ltd.'s stockyards as well as by arranging ex-wagon deliveries.

Government only fix pit head prices. The consumers' price of coal varies from place to place depending not only on the cost and mode of transportation but also on varying rates of royalty and other statutory charges.

Revision of Coal Prices

3817. SHRI LALITESHWAR SHAHI: Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the number of times coal prices have been revised since 1972-73 till date ;

(b) the price of coal in 1972-73 and its price now ; and

(c) the ratio between wages and price rise ?

THE MINISTER OF STEEL, MINES AND COAL : (SHRI VASANT SATHE) :

(a) Since nationalisation of coal mines, coal prices have been revised six times.

(b) At the time of nationalisation, the average pit-head price of coal was Rs. 37.50 per tonne. At present the average pit-head price of coal produced by Coal India Limited is Rs. 183.00 per tonne and that of the Singareni Collieries Company Limited is Rs. 192.00 per tonne.

(c) The average earning per man-shift of workers at current price in 1973-74 was Rs. 16.49 and in 1983-84 was Rs. 81.51. Compared with 1973-74 both the wages and prices have increased by about five times.

Note Sent by Unions of L.I.C. Employees Reg. Splitting of L.I.C.

3819. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether Life Insurance Corporation of India Employees unions have sent him a note pointing out that splitting up of the Corporation could have dangerous consequences ;

(b) if so, his reaction thereto ; and

(c) whether he proposes to consider greater decentralisation of L.I.C. work among branches as an alternative as suggested in the note ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) and (b) Government have received a number of representations from several quarters regarding the possible implications of a reorganisation of LIC and have noted the contents thereof.

(c) Decentralisation of L.I.C. work to the Branches from procurement of new business to settlement of maturity claims has already been effected in all the Divisions except Bombay and Calcutta.

Benefits to Service Exports

3820. SHRIMATI KISHORI SINHA : Will the Minister of COMMERCE be pleased to state :

(a) whether he expects the volume of "Services Exports" to grow in the coming years;

(b) if so, whether "Services Exports" also will be eligible for the same type of benefits as are available to export of commodities and manufacturers; and

(c) if so, the details thereof ?

**THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI P. A.
SANGMA) :**

(a) Foreign exchange earnings from consultancy services were about Rs. 1 crore in 1973-74 and have increased to about Rs. 62 crores during 1983-84. Federation of Indian Export Organisations (FIEO) has proposed to raise the level of consultancy exports to about Rs. 250 crores by 1989-90.

(b) and (c) The following incentives and facilities are available to Indian Consultancy Organisations :

- (1) Consultancy services exporters whose annual foreign exchange earnings by way of export at services are not less than Rs. 5 lakhs, are eligible for foreign exchange facilities for business development, purchase of tender document, payment of commission, bid bonds etc.
- (2) In order to cover risks, ECGC has designed policies to cover specific transactions of service exports.
- (3) Ad-hoc applications for import of designs and drawings, office equipment, instructions, tools and accessories and other items may be considered from technical consultancy firms, construction agencies, and design engineering firms.
- (4) Marketing Development Assistance is provided to consultancy organisations which are registered with FIEO for undertaking market studies, opening of foreign offices, publicity campaigns and feasibility studies.
- (5) Under Section 80-0 of the Income Tax Act, consultancy organisations are entitled to the deduction upto 50% of the net foreign exchange earnings in computing total income.
- (6) EXIM Bank has introduced a scheme under which deferred payment facilities are available from EXIM Bank in respect of consultancy jobs to be undertaken from India.

**Purchase of Conveyor Belts by Bokaro
Steel Plant**

3821. SHRI CHINTAMANI JENA :
Will the Minister of STEEL, MINES AND
COAL be pleased to state :

(a) whether Bokaro Steel Plant had placed orders for purchase of conveyor belts in the month of February, 1985;

(b) whether orders were placed on much higher rates than the lower offers received causing a loss of about four million rupees to the plant;

(c) whether the firms which gave lower offers were the approved suppliers of Bokaro Steel Plant; and

(d) if so, the reasons for placing orders at higher rates ?

**THE MINISTER OF STATE IN THE
DEPARTMENT OF STEEL (SHRI K.
NATWAR SINGH) :**

(a) Yes, Sir.

(b) Orders are placed on lowest technically acceptable offers from parties who could supply proven quality. Since Conveyor belts are critical items, orders are divided between the lowest, the second lowest and in some cases upto third lowest suppliers depending upon the quantities.

(c) Yes, Sir.

(d) For critical applications only three suppliers were considered proven sources by the Plant. For non-critical applications all suppliers on the approved list are treated on identical footings and order is placed considering rate, delivery and service performance. Lower offers were not accepted on account of their being either technically unacceptable or being from sources not proven earlier. In some cases orders were divided to diversify the sources of supply.

**Orders Placed by Bokaro Steel Plant in
February, 1985.**

3822. SHRI CHINTAMANI JENA :
Will the Minister of STEEL, MINES AND
COAL be pleased to state :

(a) whether Bokaro Steel Plant had placed several orders to purchase different items in February, 1985;

(b) whether Tender Committee was constituted in all the cases;