

half of it has not been tapped so far ? Besides, I want to know whether he will get the project I referred to completed ?

[English]

SHRI JANARDHANA POOJARY : So far as this project is concerned, sanctioning of the foreign assistance is likely to be over by the end of October. About the completion of the project, it is better that the question is directed to the concerned Ministry, as to when it is going to be completed. They may be able to give a precise answer, with exact accuracy, to the question.

[Translation]

SHRIMATI USHA CHOUDHARI : I had expected a definite answer from the hon. Minister in this regard and had hoped that he would strongly recommend it, but he has not given any such reply here-

MR. SPEAKER : Hope has turned into despair.

SHRIMATI USHA CHOUDHARI : You have furnished many figures about the World Bank loan and have also stated how much employment it will generate, but I would like to say that Upper Wardha Project in Vidarkha, which was scheduled to be completed during the last Five Year Plan has not been completed so far and in spite of getting assistance from the World Bank, our projects pass over from one Five Year Plan to another Five Year Plan. As a result of it, the cost of the project goes up causing loss to the crops. Delay in the completion of the project has resulted in considerable loss in Amjavati and Wardha. I want to ask whether you have ever assessed this loss ? You formulate long term plans which take long time for completion and results in a lot of loss. I want to know whether you would draw up this scheme by making fresh provisions, so that the project could be completed within the stipulated time with the assistance of the World Bank ?

[English]

SHRI JANARDHANA POOJARY : I have already stated that the precise and

exact time cannot be given by me. As per the schedule it has to be completed by 1990. The total cost of the project is Rs. 387 crores. The amount that is provided in the year 1985-86 is Rs. 563 million, that is Rs. 50 crores; in 1986-87 it is Rs. 63.2 crores, in 1987-88 it is Rs. 89 crores, in 1988-89 it is Rs. 91 crores and so on.

MR. SPEAKER: You can lay it on the Table of the House.

SHRI JANARDHANA POOJARY : That is why I stated that the accurate or precise date cannot be given by me. I have given the schedule.

[Translation]

DR. CHANDRASHEKHAR TRIPATHI: So far we have observed that the irrigation projects, whether they are started with the World Bank aid or with our own resources, prove useless due to their non-completion within the scheduled time and the entire money spent on them is wasted and the objective of irrigation is also not achieved. Will the Government and the Ministry see to it in future and endeavour to complete the schemes within the scheduled time so that the funds are not wasted ?

[English]

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : There is a group which is going into the slippages in various projects to ensure that the slippages are not there in future.

New foreign markets for iron-ore export

*355. **SHRI SRIHARI RAO :** Will the Minister of COMMERCE be pleased to state :

(a) whether export of iron-ore to some countries has now declined;

(b) if so, the names of countries to which export of iron-ore has declined of late and the reasons for the same and the details of the foreign exchange lost; and

(c) the steps taken by Government to recapture the lost market or to locate new foreign markets ?

THE MINISTER OF STATE IN
THE MINISTRY OF COMMERCE
(SHRI P. A. SANGMA) : (a) to (c)
A statement is given below.

Statement

(a) Yes, Sir.

(b) Overall exports of iron ore (excluding Kudremukh concentrates) have gone up to Rs. 442.74 crores in 1984-85 and showed a growth of 15.4% in value terms and 15.2% in quantity terms as compared to 1983-84. Exports to following countries who are not our major buyers, however, declined during 1984-85 over 1983-84.

- (i) Czechoslovakia
- (ii) Bulgaria
- (iii) Dubai
- (iv) Saudi Arabia
- (v) Oman
- (vi) Turkey, and
- (vii) Malaysia.

There were Rs. 5 crores of lesser export earnings from these countries in 1984-85 as compared to 1983-84. Some of these countries are not our regular buyers of iron ore. In case of others, the export earnings declined mainly due to their internal financial problems and lack of import requirements.

(c) Constant liaison is being maintained through our embassies leading trading houses, MMTC's foreign offices as also directly with important consumers of iron ore in the world with a view to locate new markets and to exploit export possibilities in other markets.

SHRI SRIHARI RAO : The hon. Minister has stated in his reply that there is a decline in our exports of iron ore to some countries. In view of this, I want to know who the major buyers, who import our iron ore, are and what is the position of Japan? Is it the first? Or, what is its position in the order?

SHRI P.A. SANGMA : If we take the export of iron ore as a whole, there is no decline. In fact, there is an increase of

15.4 per cent in terms of quantity and 15.2 per cent in terms of value. But there has been some decline in exports to some countries which are not actually our traditional importers. Their value is in small quantities. On the whole there has been an increase of a little more than 15 per cent both in quantity and value. Our major buyer is Japan. In fact, MMTC has entered into a 10-year long contract for 30 million tonnes of iron-ore which is valued at US \$ 600 million.

SHRI SRIHARI RAO : Is there any plan to import ships from Japan?

SHRI P.A. SANGMA : The question relates to iron-ore and not ships.

SHRI G.G. SWELL : I would like to know whether a Chinese team lead by a Minister is currently in India looking for a source to supply iron-ore in order to increase their steel production from 45 million tonnes to 90 million tonnes. I would like to know whether you had serious discussion with the Chinese team. If so, how far these discussions have progressed?

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : The Industry Minister from China had come and he met us. We had given our side for export of iron-ore. He had mentioned that price-wise Indian iron-ore was competitive. We are taking up further dialogue with China.

[*Translation*]

SHRI MANKURAM SODI : I want to know from the hon. Minister the names of places in the country from where iron ore is supplied to foreign countries? Is it a fact that an agreement was reached with Japan for export of iron ore from Beladilla district of Madhya Pradesh and whether some cut has been effected in that agreement? Whether it is also a fact that in view of the cut so effected, there has been some decline in the export earnings from Japan and whether there is a proposal under consideration of Government to reach a new agreement with the Government of Japan?

[*English*]

SHRI P.A. SANGMA : The list is there in the main answer.

SHRI SHANTARAM NAIK : When Goa became independent in 1961 we had thought that more and more iron-ore would be utilised in this country, but still it has not been done. May I ask the Government whether the Ministry of Commerce in collaboration with the Ministry of Industry has got any scheme to utilise more and more iron-ore indigenously so that export is not done to that extent and iron-ore is available in the country ?

SHRI P. A. SANGMA : Our annual production in the country is 38 to 40 million tonnes. And the steel plants that we have in the country can consume only 16 to 17 million tonnes. Therefore, the iron-ore which is not being consumed by the indigenous industry is exported.

DR. KRUPASINDHU BHOI : Is the MMTC not purchasing iron-ore which has got Fe content of more than 58 per cent and very less silica content ? Due to difficulty in exporting iron-ore from Paradip, will the Ministry channelise its export of iron-ore from some other port in Orissa ? Has he received any proposal from South Africa regarding which Mr. Vasant Sathe was telling the other day ? People are very much interested to know about that proposal. Will the Government purchase iron-ore from Keonjar which is the Rhur of India where all types of minerals with higher contents of basic raw materials are preserved ?

So, I would like to know whether he has got some substantial proposal or not.

SHRI P. A. SANGMA : In fact, our exports from Paradeep Port have increased. In 1983-84 we exported to the tune of 16.29 million tonnes and in 1984-85 to the tune of 19.81 million tonnes.

As far as the Paradeep Port is concerned, we have a problem there. It can carry only ships of 55,000 DWT. There is a proposal from South Korea to deepen it to accommodate ships of about 2,00,000 DWT. This matter is being processed by the Ministry of Shipping and Transport.

Misutilisation of Banks funds under I.R.D.P.

356 PROF. NIRMALA KUMARI
SHAKTAWAT :
SHRI MUKUL WASNIK :

Will the Minister of FINANCE be pleased to state :

(a) whether misutilisation of bank funds is reported in several areas of the Integrated Rural Development Programme (I.R.D.P.);

(b) whether the reasons given for the misuse are defective identification of beneficiaries, wrong design of schemes and misjudgement of their viability; and

(c) if so, the steps Government are considering to solve the problem ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) A Statement is given below :

Statement

Studies conducted to evaluate the performance of Integrated Rural Development Programme have revealed quite a few shortcomings responsible for improper utilisation of bank funds. The major deficiencies brought out are lack of coordination among various departments and agencies, lack of infrastructure and marketing linkages, wrong design of schemes, faulty appraisal of projects, defective identification of beneficiaries and inadequate supervision.

The shortcomings have been brought to the notice of the respective State Governments for taking corrective steps.

[*Translation*]

PROF. NIRMALA KUMARI SHAKTAWAT : Hon. Speaker, Sir, from the reply given by the hon. Minister, it is undoubtedly clear that we have not been able to achieve the objective with which I.R.D.P. was started and the hon. Minister has himself admitted a number of shortcomings in this programme. I want to know from the hon. Minister how much