

the answer, a bank does not insist on everything. They insist on one or the other. They do not insist that there must be both guarantee as well as affidavit. In some cases, they are satisfied with the affidavit, in some other cases, they are satisfied with the indemnity bond. It is left to the discretion of the bank manager. We cannot issue any directions as to what should be accepted in each case because we do not know the facts of each case.

I am not aware that the estate duty clearance certificate is asked for in case of payment of these things. I will enquire it and give the necessary information.

Delay in the Expansion of Bhilai and Bokaro Steel Plants

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*380. SHRI KUMBHA RAM ARYA:
SHRI CHHANGUR RAM:

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

(a) whether expansion of the Bhilai and Bokaro Steel Plants has been considerably delayed and heavy losses on account of cost escalation are anticipated as a result thereof;

(b) if so, the extent of delay in the expansion of these steel plants stating reasons for the delay in the completion of work;

(c) the extent of cost escalation as a result thereof; and

(d) the measures taken by Government to complete the expansion work expeditiously to avoid further cost escalation?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (d). A Statement is laid on the Table of the House.

Statement

(a) Yes, Sir. These projects have been delayed.

(b) For the expansion of Bhilai Steel Plant to 4.0 MT, Government approved in April, 1971 the preparation of a DPR which envisaged completion of the expansion scheme by December, 1976. A critical review of the various activities made in May, 1974 indicated that the commissioning would be possible by the end of 1979. Subsequently in February, 1975 having regard to all relevant factors, the schedule was revised to December, 1981. However, on account of further slippages in various activities having taken place, the commissioning is likely to be further delayed by about 10 months.

As to the expansion of Bokaro Steel Plant to 4.0 MT, the original schedule finalised in March, 1973 (excluding cold rolling mill expansion) envisaged its completion by March, 1977. A review in August, 1974 indicated an overall delay of 9 months and envisaged the completion by December, 1977. This schedule was approved by Government in 1974. A subsequent review in March, 1976 indicated further slippages and projected the commissioning of the 4.0 MT stage (excluding cold rolling mill expansion) by June, 1979 and cold rolling mill expansion by July, 1981. The revised schedule was approved by Government in December, 1976. However, in June, 1977 consequent upon the change suppliers of equipments for cold rolling mill expansion the commissioning date of this unit was revised to December, 1982.

The construction schedules had to be revised, inter-alia, due to delay in the supply of equipment, periodical shortages of cement and diesel and severe power cuts affecting adversely civil construction and structural erection work at sites.

(c) The approved cost of the expansion of Bhilai Steel Plant to 4.0 MT was Rs. 937.7 crores (based on 1974 prices) and the present estimated cost is Rs. 1422.5 crores (base date 2nd quarter, 1980). The sanctioned cost estimate of the expansion of Bokaro Steel Plant to 4.0 MT was Rs. 947.24 crores (base date 3rd quarter, 1974) and the present estimated cost is

Rs. 1204.13 crores (base date 4th quarter 1979). The increases in the estimates are due to various factors including escalation since 1974. However, it is not possible to quantify the increases due to slippages alone at this stage.

(d) The progress of the construction work of the projects is frequently reviewed by the Plants, Steel Authority of India Limited and Department of Steel to impress upon the agencies to take necessary measures to adhere to the committed schedules. The concerned Ministries Organisations are also approached for assistance for overcoming shortages in input supplies.

श्री कर्मा राम आर्य : सभा पटल पर रखा गया विवरण प्रश्नकर्ता को तो मिला नहीं इसलिए उसमें क्या लिखा गया है यह पता नहीं है लेकिन मैं पूछना चाहता हूँ कि इस केस में जो देरी हुई है उसकी वजह से कितनी हानि हुई है और अब आगे इसको पूरा करने में और कितनी हानि सरकार को उठानी पड़ेगी ?

SHRI PRANAB MUKHERJEE: In the case of statements, the normal practice is that we send copies, which are kept in the outside lobbies. I am sorry, he did not get it. But so far as the question of the hon. Member is concerned, if he means by losses what would be the additional expenditure because of the delay, I can inform him what additional expenditure would be required.

MR SPEAKER: What is the loss?

SHRI PRANAB MUKHERJEE: We will have to incur additional expenditure on account of the delay; we are not going to lose anything. But we have to spend more. If he calls that loss, I can give him those figures. So far as Bhilai is concerned, according to the original estimate, if it was completed in time the cost of expansion would have been Rs. 937.7 crores and the revised estimate now is Rs. 1,422.5 crores. Therefore, the additional expenditure required for Bhilai would be Rs. 484.8 crores. In regard to

Bokaro, the original estimated expenditure was Rs. 947.24 crores and the revised estimate is Rs. 1,2804.13 crores and the additional expenditure would be more than Rs. 300 crores.

श्री कर्मा राम आर्य : आगे इस कार्य में देरी नहीं होगी उसके लिये क्या व्यवस्था की है सरकार ने ?

SHRI PRANAB MUKHERJEE: We are trying to expedite it. There is no doubt that these projects have been delayed inordinately; in the case of Bhilai, it is nearly five years; in the case of Bokaro also it is likely to be some years. The basic constraints are non-availability of equipment and a certain delay in the construction project also. It is known to the hon. Member that even when the Soviet team, those who are providing technical assistance to these projects, when they came here, they also expressed their concern, and we are trying to expedite it. According to the present indications, Bhilai may be completed by October 1982 and of course the 7th blast furnace construction would be in September 1983 and that Bokaro will be completed by December 1982 without the cold rolled mill.

श्री मलिक एम. एम. ए. सां . मंत्री जी ने बताया कि जहां इक्विपमेंट के सिल-सिले में डिले हुई हासिल करने में वहां कंस्ट्रक्शन में भी डिले हुई है। जनरली जो एग््रीमेंट होता है कम्पनी और कंस्ट्रक्टर के बीच में उसमें एक क्लॉज होता है कि अगर कंस्ट्रक्शन में डिले होगी तो उसके हर्जे-खर्चे की जिम्मेदारी ठेकेदार पर होगी। तो क्या ऐसा क्लॉज एग््रीमेंट में शामिल है ? यदि हां, तो क्या हर्जे-खर्चे का हिसाब आपने लगाया है और ठेकेदार के जिम्मे डाला है ?

SHRI PRANAB MUKHERJEE: As the hon. Member is aware, these do not go to the private companies. HEC is a public sector undertaking. I have mentioned that there are three reasons for the delay. One of the reasons, of course, is the non-availability of equipment. The other reason is the delay in the construction itself.

श्री नीलक एम. एम. ए. सां : क्या एग्जीमेंट में ऐसा क्लॉज है, इसका जवाब मंत्री जी ने नहीं दिया ।

MR. SPEAKER: That is not under contract.

DR. SUBRAMANIAM SWAMY: The Minister has in his reply said that one of the reasons for cost escalation is non-availability of equipment on time. In view of the fact that the Soviet Union is the biggest supplier for Bokaro and Bhilai, I would like to know whether it is a fact that the Soviet equipment has not been received in the order in which it should come and whether after it has arrived the Indian engineers have to re-design it or bring it to our own specifications. I would also like to know whether it is a fact that the Soviet supply to Bokaro and Bhilai is not according to schedule.

SHRI PRANAB MUKHERJEE: We are receiving marginal sophisticated equipment from the Soviet Union. But the majority of the equipments have to come from HEL and MAMC and the delay is largely because of non-availability of the indigenous material.

DR SUBRAMANIAM SWAMY: I have to move a privilege motion, because the Minister has come with a different reply earlier.

Raw Jute purchased by Jute Corporation of India

*381. SHRI AMAR ROYPRADHAN: Will the Minister of COMMERCE be pleased to lay a statement showing:

(a) the quantity of raw jute purchased by the jute Corporation of India from the jute growers in 1977-78, 1978-79, 1979-80 and 1980-81 so far;

(b) the quantity of raw jute sold to the mills by the Jute Corporation of India in the above period; and

(c) the quantity of raw jute produced in these years?

THE MINISTER OF COMMERCE AND STEEL & MINES (SHRI PRANAB MUKHERJEE): (a) to (c). A statement is laid on the Table of the House.

Statement

Year	Production of raw jute (lakh bales)	Procurement by JCI from primary markets (principally from growers) (excluding procurement by co-operatives) (lakh bales)	Sale of raw jute by JCI (lakh bales)
1977-78	71.54	Nil	0.67
1978-79	83.33	1.61	Nil
1979-80	80.28	1.77	4.50
1980-81	80.00 (estimated)	2.36	5.68 (upto 29-11-80)

SHRI AMAR ROYPRADHAN: Mr. Speaker, Sir, with reference to this question, I have to draw your attention to my Unstarred Question No. 2758 dated 5th December, 1980. The question which I asked was: "The quantity of jute purchased by the Jute Corporation of India from the jute growers till October 1980". In reply to this, the hon. Minister stated:

"The Jute Corporation of India has purchased 6.04 lakh bales of jute till the end of October 1980."

But in reply to this question here, you will find that the quantity of procurement is 2.36 lakh bales, though it is mentioned "excluding procurement by cooperatives". To my previous question he might reply 'including cooperatives', but now he has mentioned 'excluding cooperatives'. It is convenient for the hon. Minister to say sometimes 'excluding cooperatives' and sometimes 'including cooperatives'. But it is a fact that the JCI has totally failed to serve the purpose of the jute growers. The jute was purchased by