

have investments in business concerns. As to whether they are evading taxes or in what manner taxes can be evaded the hon. Member knows that as long as the law provides it, if a person can take advantage of the law of the land and thereby avoid taxes, he is certainly entitled to do so.

SHRI TRIDIB KUMAR CHAUDHURI: That is not my question. Have Government found any discernible tendency, because of the existing set-up of laws on the part of business houses to take advantage of these things?

MR. SPEAKER: He has answered it already.

SHRI RAGHUNATH REDDI: We have undertaken a study of the entire operation of the trusts in relation to both the operation of the economic system of the country and the ramifications in the context of the tax laws also. As soon as it is completed the hon. Member may be informed.

SHRIMATI SUSHILA ROHATGI: Is it a fact that because of the working of these trusts, the trust reposed by the common man in these trusts has been belied? If so, what steps are Government taking to see that the trust reposed by the common man is restored once again?

SHRI RAGHUNATH REDDI: If the hon. Member will kindly let us know of any trust which has mismanaged its affairs, we will certainly try to look into it.

SHRI K. N. PANDEY: In the case of the charitable trusts, is there any machinery provided to see whether the main object of such trusts is implemented?

SHRI RAGHUNATH REDDI: There are a number of Acts dealing with the constitution of trusts, and, as I have already submitted, this subject of trusts is placed in the Concurrent List of the Constitution. Therefore, not only Parliament, but also various State legislatures are entitled to pass legislation in this regard, and in pursuance

of the various enactments passed by the State legislatures as well as Parliament a number of trusts have come into existence. Each legislature has provided both for the formation of the trust and also for the proper conduct of the trusts, and if any violation of the law is there, the law should take its course.

श्री शिव नारायण : मैं सरकार से जानना चाहता हूँ कि गाँधीयन फिलासफी के अन्तर्गत यह जितने बिजनेस हाउसेज देश के अन्दर हैं उन्हें एक ट्रस्टी के सुपुर्दे कर देने का कोई प्रोग्राम आपके पास है और यदि ऐसा न हो तो क्या आप उनको नेशनलाइज़ कर देने का भी विचार कर रहे हैं ?

I will put the question in English. May I know if this Government is ready to take over all the business houses in trust according to the Gandhian philosophy?

SHRI RAGHUNATH REDDI: I may very respectfully submit that this question does not arise from the question on record. I may state that a trust is held always in a fiduciary capacity and if the terms of the trust and the law governing the trust are violated, naturally the law would take care of it.

Bokaro Steel Plant

*153. **SHRI SRADHAKAR SUPAKAR:**

SHRI A. SREEDHARAN;
SHRI B. K. DASCHOW-
DHURY;
SHRI RAGHUVIR SINGH
SHASTRI:

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

(a) the progress made so far in the establishment of the steel plant at Bokaro; and

(b) whether the time-lag in the import of equipment has resulted in increase of overall cost of the project?

THE DEPUTY MINISTER IN THE
MINISTRY OF STEEL, MINES AND

METALS (SHRI RAM SEWAK): (a) and (b). A statement is laid on the Table of the House.

Statement

The site levelling work for the plant has almost been completed and small portion of work remaining is expected to be completed by 31st March, 1968. About 21,202 acres of land against the total requirement of 31,210 acres, have been acquired.

Civil engineering work in all the Zones, except Cold Rolling mills zone, has already started. Work in the cold rolling mills zone is scheduled to commence in March, 1968 as soon as working drawings are received. Till the end of January, 1968, 1.20 million cubic metres of earthwork and 9,216 cubic metres of concreting have been done against the total work of about 13.62 million cubic metres and 1.50 million cubic metres respectively.

About 64 per cent of equipment, 92 per cent of steel structures and 96 per cent of refractories required for the steel plant, are expected to be obtained indigenously, the balance being imported from the U.S.S.R. Against the contract for supply of 177,166 tonnes of equipment, steel structures, refractories and pipes, concluded by Bokaro Steel Ltd., with the Soviet organisation 'Tajpromexport' in May, 1966, 17,626 tonnes of equipment and material have been received from the U.S.S.R. till the end of January, 1968. It is expected that the schedule of deliveries of plant, equipment, material etc., will be maintained and the deliveries completed by July, 1970 as per the condition of the contract cited above.

Bokaro Steel Ltd., have placed orders for plant, equipment and structural on Heavy Engineering Corporation—98,000 tones. Mining and Allied Machinery Corporation, Durgapur—13,860 tonnes Heavy Electricals (India) Ltd., Bhopal—1,577 tonnes; Bharat Heavy Electrical Ltd., Hyderabad—1,900 tonnes, Bharat Heavy Electricals Ltd., Tiruchirapalli—1,900 tonnes, Bharat Heavy Electricals Ltd.,

Hardwar—218 tonnes; Instrumentation Ltd., Kota—600 tonnes; Indian Telephone Industries, Limited, Bangalore—50 tonnes, and for fabrication and erection of structurals to Hindustan Steelworks Construction Limited, Calcutta, who in turn have already awarded contracts for 97,200 tonnes, and the remaining about 40,000 tonnes is under consideration.

The steel plant township when completed will have about 10,000 houses. So far 1,772 permanent houses have been constructed, and another 2,520 houses are nearing completion. The Garga dam which will supply water for the township and for construction of the plant, has been completed. The Tenughat dam which will supply water for the operation of the plant is under construction.

There has been no time lag in the import of equipment from the U.S.S.R. Materials are being received according to the original delivery schedule. The question of increase in cost on this account does not, therefore, arise.

SHRI SRADHAKAR SUPAKAR: May I know why a long time of four years has been fixed as the delivery schedule for this project for equipment to be imported from USSR.

THE MINISTER OF STEEL, MINES AND METALS (DR. CHANNA REDDY): In view of the hugeness of the volume of the entire project and the programme that we have for commissioning, this is phased out.

SHRI SRADHAKAR SUPAKAR: How often has the over-all cost been revised? What was the original cost of the project, and what is the latest estimated cost of the project?

DR. CHANNA REDDY: The schedule has been revised only once, and the original project estimate was, as far as the first phase is concerned, Rs. 6,200 million.

SHRI SRADHAKAR SUPAKAR: What was the original estimate and what is the revised estimate?

DR. CHANNA REDDY : There was revision of the schedule once; after the agreement has been reached with Soviet Russia no revision has been made in the terms of the estimate.

SHRI RANGA : What is the latest estimate now?

DR. CHANNA REDDY : Rs. 6,200 million for 1.7 million tonnes.

SHRI A. SREEDHARAN : The statement issued in reply to this question is a bundle of contradictions. A clever attempt has been made to conceal facts, if not suppress them. It is stated here that 10,000 houses are going to be built but nothing has been mentioned about the officers' club that was built by spending several lakhs of rupees, with a swimming pool, as if our bureaucrats cannot exist without swimming pools and bathing beauties. Another contradiction I would like to point out is that in the statement it is said that the expect to import from U.S.S.R. equipment and other materials to the tune of 177,166 tonnes, while by 1966 we have imported only 17,626 tonnes. That means 159,540 tonnes are yet to be imported from U.S.S.R., and the Minister hopefully expects that by 1970 this will be completed. With this preface, I should like to ask a few important questions: (a) when will the project be completed? (b) what will be the tonnage that will be imported from the U.S.S.R. during the year 1968-69 and what will be the tonnage that will be imported during 1969-70? and (c) when will the Indian companies on whom these contracts had been placed complete the supply of equipment which they are expected to supply?

DR. CHANNA REDDY : Unfortunately, the hon. Member has some wrong notion about suppression of facts. It was not necessary to say so nor has there been any suppression. The blast furnace will be ready by September, 1970 and the first stage will be completed by the end of December 1971. The quantity of material that will be imported in 1968-69

is about 68,000 tons. For later years, we have to work out the details but the deliveries are expected to be completed by July, 1970. So far 1772 permanent houses have been constructed and another 2520 are nearing completion.

SHRI A. SREEDHARAN : You have cleverly suppressed that fact about the officers' club built at a cost of some lakhs.

DR. CHANNA REDDY : There is no question of suppression. A hostel has been constructed to accommodate 200 persons and the Soviet experts who come will be accommodated in the hostel.

SHRI B. K. DASCHOWDHURY : In the statement at the end it has been stated that the award of the contract for the remaining 40,000 tonnes of materials is still under consideration. What is the time-schedule which the Bokaro plant has and how are these materials to be supplied? Many Indian firms have been mentioned in para 4 of the statement. May I know whether the orders placed for 98,000 tonnes of material with the Heavy Engineering Corporation had already been completed and if not, is there any delay and if so who is responsible for the delay?

DR. CHANNA REDDY : The position of supply from the Heavy Engineering Corporation and the MAMC is being reviewed and last month a Soviet specialist and engineer were sent to the Heavy Engineering Corporation and another Indian engineer had been stationed at the MAMC to watch the schedule of production and deliveries.

श्री रघुबीर सिंह शास्त्री : मन्त्री जी ने अपने बयान में बतलाया कि जब यह टाउनशिप पूरी हो जायेगी तब इसमें 10,000 हाउसेज होंगे और 1772 मकान बन चुके हैं। मैं जानना चाहता हूँ कि क्या यह ठीक है कि इन 1772 हाउसेज में से ज्यादातर बड़े बड़े आफिसर्स के लिये हैं और छोटी तनख्वाह पाने

बाले लोगों के क्वार्टर बनाने की और अभी ध्यान नहीं दिया गया है। साथ ही क्या यह भी ठीक है कि सिविल कंट्रैक्ट देने में भ्रष्टाचार हुआ है तथा इस भ्रष्टाचार की सी बी आई द्वारा जांच हो रही है? यदि हाँ, तो उस जांच की रिपोर्ट कब तक आने वाली है। इस काम में देर होने का क्या एक यह भी कारण है कि हिन्दुस्तान स्टील कंस्ट्रक्शन कम्पनी और बोकारो स्टील लिमिटेड में यह झगड़ा चल रहा है कि कंस्ट्रक्शन वर्क का सुपरविजन कौन करे, और वह झगड़ा अभी तक हल नहीं हो पाया है?

डा० चन्ना रेड्डी : इस टाउनशिप में अब तक 1772 मकान बनाये गये। 600 टैम्पोरेरी हाउसेज भी हैं और 520 लेबर हटमेंट्स हैं। इसके साथ साथ जैसा मैंने जिक्र किया...

श्री रघुबीर सिंह शास्त्री : आफिसर्स के कितने हैं?

डा० चन्ना रेड्डी : लेबर हटमेंट्स 520 हैं और 1772 में 1000 से ज्यादा मकान ब्लक्स और छोटे स्टाफ के लिये हैं। 402 मकान आफिसर्स के लिये हैं। इसके अलावा अभी 2520 मकान छोटे लोगों के लिये बनाये जा रहे हैं, क्लास 4 और दूसरे छोटे एम्प्लायीज के लिये। इस पर 57 मिलियन रु० के खर्च होने का, अनुमान है और लगभग 80 परसेंट कंस्ट्रक्शन पूरा हो चुका है।

श्री रघुबीर सिंह शास्त्री : मैंने सी बी आई की जांच के बारे में पूछा था?

डा० चन्ना रेड्डी : इसमें कोई शक नहीं है कि कंस्ट्रक्शन के काम में कुछ बदउनवानियाँ हुई हैं। उसकी तफसीलात इस वक्त मेरे पास नहीं है, लेकिन एन्क्वायरी हो रही है। इस मामले में हिन्दुस्तान स्टील कंस्ट्रक्शन कम्पनी और बोकारो स्टील लिमिटेड में झगड़े का कोई सवाल नहीं है। लेकिन हिन्दुस्तान स्टील वर्क्स कंस्ट्रक्शन लिमिटेड के लिये चेअरमैन

और मैनेजिंग डायरेक्टर ठीक ढंग से नहीं मिले इसलिये स्ट्रक्चरल्स और कंस्ट्रक्शन वर्क किसी को लेट आउट करने में देरी हुई।

श्री अचल सिंह : जब देश में जो स्टील प्लान्ट्स हैं उनमें काफी लोहा तैयार हो रहा है और स्टील के मामले में काफी स्लम्प है, तब ऐसी सूरत में क्या बोकारो स्टील प्लान्ट बनाना चाहिये।

डा० चन्ना रेड्डी : इन सब बातों के बारे में जांच करके ही यह तय किया गया है क्योंकि अभी हमारा प्रोडक्शन 6.8 मिलियन टन है, लेकिन आगे चल कर हमारी जरूरत 15 से 20 मिलियन टन तक की हो सकती है।

SHRI S. KANDAPPAN: My question is rather similar to the previous one, with the difference that admittedly there is a glut in the steel market in India and also in the international world and the rightful demands of the Southern States for smaller steel plants at Salem and Visakhapatnam were vetoed on the ground that there is already a glut in the market. What is the imperative need for going ahead with the Bokaro plant in these circumstances?

DR. CHANNA REDDY: The decision on the Bokaro Steel Plant was taken some years back and, therefore, it cannot be said that these two should be set one against the other.

SHRIMATI JYOTSNA CHANDA: May I know whether any hospital has been constructed in Bokara and, if so, how many beds have been provided there?

DR. CHANNA REDDY: There is already a hospital where accommodation will be given. About 50 beds have already been provided.

SHRI C. C. DESAI: May we know whether the Russians have made a proposal for a laboratory in Bokara costing Rs. 60 crores to Rs. 70 crores, and does Government think that there

should be a laboratory for a plant like this, costing Rs. 60 crores to Rs. 70 crores?

DR. CHANNA REDDY: No, Sir There is no such proposal and Government has not taken any decision.

SHRI S. R. DAMANI: When the Bokaro steel plant was planned, it was started with the idea that most of the machinery and plant would be manufactured in the country. But now, according to the statement laid on the Table, many items of plant and machinery would be made available from the USSR. So, may I know reason why we are not manufacturing these goods in the country, in our Heavy Engineering Corporation, and why we have to import?

DR. CHANNA REDDY: Even now we, are importing as much as we are manufacturing. But the fact remains that we are actually producing 64 per cent of the equipment, 92 per cent of the structurals and 96 per cent of the refractories in our own country. Because of the hugeness of the plant, large quantities are being imported, but a considerable percentage is manufactured in our own country.

श्री रामा अक्षय्यार शास्त्री: जो बोकारो का कारखाना है उसके लिये मदद सोवियत यूनियन से मिल रही है, तो क्या सोवियत यूनियन ने इसकी व्यवस्था के सिलसिले में कोई सुझाव दिया है। साथ ही क्या आपने के सामने कोई इस तरह का प्रस्ताव भी विचाराधीन है कि इस कारखाने में मजदूरों को व्यवस्था में शामिल होने का कुछ मौका दिया जाये ?

डा० चेंनारैड्डी : अभी बोकारो का काम जारी है। उसकी व्यवस्था और उसके मैनेजमेंट का जो भी पैटर्न होगा वह अपने वाले कुछ सालों में इवाल्ब होगा।

SHRI D. N. PATODIA: Even at the construction stage, there are serious labour and other troubles in the plant, as a result of which about 15 days back, there was a temporary suspension

of the construction work. May I know whether the managerial staff at the senior level are also involved and whether an enquiry has been conducted by the management to find out the causes of trouble? Secondly, the Deputy General Manager, Mr. Pande, appears to have stated that every month's delay in the construction will cause a loss of Rs. 2 crores to the exchequer. Will the Minister explain in what manner the loss will accrue to such an extent?

DR. CHANNA REDDY: On the 8th of this month, about 700 or 800 people led by one of the workers did take out a procession and try to gherao the officers. But the situation was controlled and at the moment, law and order is being completely maintained and the works are in progress. The interruption in the work was very little, only in a section of the work and even that has been restored. As for the statement attributed to the Deputy General Manager, personally I have not come across it. But it was only an estimate. If the work is delayed the estimate of loss was given.

SHRI P. GOPALAN: May I know whether it is a fact that the progress of the Bokaro plant has been retarded to a great extent because of the differences existing between the Soviet experts and Indian experts working on this project?

DR. CHANNA REDDY: There is no difference of opinion. There is full coordination and both of them are working together.

MR. SPEAKER: Question No. 154 is postponed to 28th. The Prime Minister will answer it. Question No. 155.

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

(a) whether Government have received any representation from the