

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) The programme for the import substitution is a continuous process and is under constant review.

(b) As a result of the organised measures taken it has been possible to achieve a sizeable reduction in the import of capital goods as also components and raw materials in a number of industries. The saving in foreign exchange on this account during the year 1967 has been about Rs. 30 crores. It is expected that saving in foreign exchange as a result of the import substitution measures will progressively increase from year to year.

(c) A statement is placed on the Table of the House.

STATEMENT

The following steps are being taken on a continuous basis to implement the import substitution programme in each of the industry, which are considered quite comprehensive :

- (i) substitution of imported raw materials, components and spare parts with indigenously manufactured materials and components of same specifications or of comparable specifications ;
- (ii) reduction in the consumption of imported raw material and components per unit of production ;
- (iii) progressive change over of production of chemicals and chemical products from intermediates to their production from basic raw materials ;
- (iv) acceleration of phased manufacturing programmes to achieve a greater indigenous content in the shortest possible time ;
- (v) more rigorous scrutiny of the request for capital goods imports with a view to ensuring that the plant and equipment etc. which are already being produced in the country or are likely to be produced in the near future, are not allowed to be imported ;

(vi) instructions to the concerned authorities both in the Central and State Governments to associate the DGTID with the planning of the projects from the very early stages, to ensure that the items of equipment which are capable of being developed within the country are not allowed to be imported for lack of timely planning ; and

(vii) a scheme for giving encouragement to the work in the field of import substitution is also under operation under which awards are given to the individuals and institutions for bringing practical ideas for the developmental work in field which should reduce the imports further.

Fifth Steel Plant

***659. SHRI GADILINGANA GOWD : SHRI MURASOLI MARAN :**

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

(a) whether Government have taken any decision about setting up of a fifth steel plant during the Fourth Five Year Plan period ; and

(b) if so, whether Government have considered the location of the plant at Vishakapatnam ?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL, MINES AND METALS (SHRI P. C. SETHI) :

(a) and (b) . The Government had earlier obtained site location studies on different regions including Bailadila-Vishakapatnam for setting up of new steel plants. The decision regarding setting up of new steel plant (a) its location etc. are however expected to be taken by the Government only after the recommendation of the Steering Group which has been appointed to help the Government to formulate its Fourth Plan development programme for iron and steel, are available. It is expected that the recommendations of the Steering Group in this regard will be available shortly.