

SHRI B. K. P. SINHA: May I know, Sir, if at this formative stage of our economy it is proper for Government to establish steel plants on other than economic and technological considerations, i.e., political considerations? At this stage when our funds are limited, would it be proper to depart from economic and technological considerations and establish our plants on the basis of pulls that the States exercise?

SHRI T. N. SINGH: I would not accept the insinuation made by the hon. Member that economic considerations are not being given due weight. As a matter of fact, the Visakhapatnam proposal and the Salem plant proposal are now under technical examination and certainly decisions will be taken giving due weight to all questions.

DR. S. CHANDRASEKHAR: May I know whether the Government's policy on this question is not only combining both economic reasons and technological considerations but also regional imbalances in the overall economic and industrial development of the country, and will not the Government re-examine the question of having one at Salem and one at Visag?

SHRI T. N. SINGH: I think the Government's policy in regard to proper and equitable distribution of industrial activity is well known. I have nothing to add to that. We stick to that.

*99. [*The questioners (Shri P. K. Kumar and Raja Shankar Pratap Singh) were absent for answer, vide cols. 532-33 infra.*]

MINING AND PROCESSING OF NON-FERROUS METALS

*100. **SHRI M. M. DHARIA†:**
SHRIMATI SHAKUNTALA PARANJPYE:

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

(a) whether Government decided to do away with the public sector monopoly in the mining and processing of non-ferrous metals; and

(b) if so, what are the details of the decision?

†The question was actually asked on the floor of the House by Shri M. M. Dharia.

THE DEPUTY MINISTER IN THE MINISTRY OF MINES AND METALS (SHRI SYED AHMAD MEHDI): (a) There has been no departure from the policy of mining and processing of non-ferrous metals.

(b) Does not arise.

SHRI M. M. DHARIA: Sir, with your permission may I draw the attention of the hon. Minister to the news that appeared in the Times of India dated the 27th May, 1966? "State Monopoly Goes: Non-Ferrous Metals" "Exploitation by private Firms too" "The Union Government has decided to do away with the public sector monopoly in the mining and processing of non-ferrous metals by throwing open small areas with known deposits for exploitation by the private sector. The decision to release to the private sector areas reserved for the public sector represents a significant shift in policy, pursued rigidly since the adoption of the industrial policy resolution ten years ago. ***Under the industrial policy resolution, mining and processing of all non-ferrous metals is the exclusive responsibility of the State. The industry is one of the 17 included in Schedule "A" whose development can be only in the public sector." May I know whether this news as has appeared in the Times of India dated the 27th May, 1966, is correct or incorrect?

SHRI SYED AHMAD MEHDI: That news as has appeared in the Times of India is certainly not correct. Certain States have been told that they are free to give very small specified areas, containing copper and certain other metals, that are not economic to be exploited in the Public sector. That is envisaged in the industrial policy resolution of 1956 under which the present policy is laid down.

SHRI M. M. DHARIA: May I know what are the reasons that led the Government to allow some small areas for exploitation by the private sector?

SHRI SYED AHMAD MEHDI: In spite of our best efforts all the schemes that are going to be taken under the Third Plan and the Fourth Plan will be extremely short of metals like copper. We are importing at the moment about Rs. 16 crores worth of copper alone, and the estimate is that by the end of the Fourth Plan we

will be short of about 2.1 lakh tonnes of copper, that will be about Rs. 100 crores worth of copper or something like that. With all that in view it was considered that all small areas which are not economic to mine or process in the public sector may be thrown open to the private sector.

SHRI M. M. DHARIA: Is it a fact that the various Trading Corporations that are established in the various States are prepared to do this in the public sector and, if so, in spite of it may I know why this opportunity is being given to the private sector?

SHRI S. K. DEY: I would like to state that if a particular State wishes to exploit these limited ores in the area, that State certainly will work it under its own Corporation rather than get it worked by private parties. The option is with the State Government.

SHRIMATI SHAKUNTALA PARANJ-PYE: I would like to know how many States have accepted to hand this over to the private sector.

SHRI SYED AHMAD MEHDI: We have not received any information so far.

SHRI B. K. P. SINHA: May I know if Government's attention has been drawn to the fact that a certain area in Andhra Pradesh has been given over for exploitation to private enterprise and that one of the foreign firms associated with that project is Messrs. Ashland—I will not give nationality because that will excite some Members here. The reports are that they have been given prospecting and mining rights in those properties in those areas. Is that report correct? If so, may I know what are the reasons that led the Government to make these concessions?

SHRI S. K. DEY: I presume the hon. Member is referring to the Agnigundla area in Andhra Pradesh. There is no intention whatsoever of transferring the right of exploitation to any private party in India. It will be done under the public sector. There may be collaboration with outside parties from the other parts of the world.

SHRI M. GOVINDA REDDY: In view of the answer given, may I know whether

the Rajasthan copper area is considered economic or not and whether it is being exploited by the State or by the Centre or by a private party?

SHRI S. K. DEY: I do not know exactly what area the hon. Member is referring to because copper exists in smaller and larger deposits in all parts of the country and all parts of the world. If he is referring to the Kalihan and Khetri area, this is going to be exploited exclusively by the public sector worked by the Central Government.

SHRIMATI TARA RAMCHANDRA SATHE: The hon. Minister has said that it will not be economic to have it in the public sector. Are we to understand that only the private sector can do it economically rather than the public sector?

SHRI S. K. DEY: I hope the hon. Member will appreciate that there are certain limitations imposed on the operation of public sector enterprises by an organisation like the Government, if it wishes to run enterprises economically. It is small private entrepreneurs who can deal with smaller enterprises. If it is a big enterprise, that alone can be worked by the public sector.

SHRI CHANDRA SEKHAR: May I know from the hon. Minister if it is not a fact that in the industrial policy resolution we accepted that there should be State monopoly in this? While the Central Government has got the power under the Mining Act to direct the State Governments, many of the State Governments have given the mining rights, have leased the mining rights to individuals. Especially in Uttar Pradesh a representation has been made by the public, by many people, that on a nominal amount a mining lease has been given to an ex-landlord at the request of some big people in the Government. Is this a fact or not? It is not only there but in Madras also it happened, and will the hon. Minister lay a statement on the Table of the House showing in how many cases these rights have been given to individuals, who are those individuals in the country and how much work is being done by the Government itself?

SHRI SYED AHMAD MEHDI: As I have said before, the only thing that has

been done is that the States have been told that if they consider that there are small deposits which cannot be economically taken up in the public sector, they may allow the private sector to mine them. But if the hon. Member knows of a few cases in which there has been a certain departure, I hope he will let us know and we will enquire about them. The point is that the industrial policy resolution of 1956 is still adhered to and this is not a departure from that policy.

UNDER-BRIDGES AND OVER-BRIDGES IN DELHI

*101. SHRI I. K. GUJRAL: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Deputy Minister of Railways had called a meeting of Civic Bodies to finalise plans for under-bridges and over-bridges in Delhi;

(b) if so, whether any scheme for execution of these projects was finalised; and

(c) whether the work on Mehrauli Road under bridge has started?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI SHAM NATH): (a) and (b) Yes, Sir.

(c) No, Sir.

SHRI I. K. GUJRAL: May I ask if the hon. Minister still remembers the fact that he gave an assurance on the floor of the House that work on the Mehrauli Road under-bridge would start after the monsoon of 1964? May I ask him why it is that up till now the work has not been taken on hand because all the other pre-ambles are now ready?

SHRI SHAM NATH: This work has not been taken up in hand. But the Railways are not responsible for delay and we have been trying to expedite this project as much as possible. We submitted our estimates to the New Delhi Municipal Committee and then they deposited the required amount of money in 1965. Afterwards some plans were sent to them which they returned only in September, 1965. After that, certain other details had to be finalised. And it was only in the last month that those details have been mostly

finalised. Now it is expected that this work will be taken up in hand soon.

One thing more. It has to be done by the NDMC, that is to provide a diversion road in the non-railway area.

MR. CHAIRMAN: The Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS CONSUMER COMMODITY CORPORATION

*93. { SHRI S. K. VAISHAMPAYEN :
SHRI N. R. M. SWAMY :

Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal under Government's consideration to set up a Consumer Commodity Corporation; and

(b) if so, what are the details of the proposal?

THE MINISTER OF COMMERCE (SHRI MANUBHAI SHAH): (a) and (b) Amongst the export commodities already being handled by the State Trading Corporation are an increasing number of consumer products, such as shoes, garments, etc. In addition, a subsidiary of the State Trading Corporation called the Handicrafts and Handlooms Export Corporation of India Ltd. is dealing with the exports of the important group of consumer products produced by the handicraft and handloom industries. It is being considered whether, by some readjustment of functions between these two Organisations, exports of all consumer products could not be concentrated in one of them and the remaining products handled by the other. Examination of this possibility has just been initiated, and the details have yet to be worked out before any final decision can be taken to set up a separate consumer commodity Corporation, in substitution of the Handloom and Handicrafts Exports Corporation.

INDIA'S BALANCE OF TRADE WITH ECM

*99. { SHRI P. K. KUMARAN :
RAJA SHANKAR PRATAP
SINGH :

Will the Minister of COMMERCE be pleased to state: