

2 P.M.

SHRI P. C. BHANJ DEO: May I know if there are any other States which have made no representation about their inability to bear the losses on account of loans which are not likely to be recovered from displaced persons?

SHRI A. P. JAIN: The States of Madras, Hyderabad and Travancore-Cochin made no representation.

SHRI P. C. BHANJ DEO: May I know, Sir, whether after the issue of instructions to the State Governments to ensure full recovery of Joans disbursed to displaced persons, "the percentage of new loans have increased in the States?

SHRI A. P. JAIN: I am unable to supply the information. If regular notice is given, I hope to supply the information.

SHRI P. C. BHANJ DEO: What is the likely percentage of the recovery of loans in Part C States by the Government and the Rehabilitation Finance Administration?

SHRI A. P. JAIN: The hon. Member knows that I am not dealing with the Rehabilitation Finance Administration. So far as that part of the question is concerned, it has to be put to the hon. the Minister for Finance. So far as the other part of the question is concerned, *i.e.*, the percentage of recovery in Part C States, I am not having the complete figures. If a regular question is tabled, I will supply this information.

SHRI P. C. BHANJ DEO: Is there any rate of interest charged on such loans, and if so, how much?

SHRI A. P. JAIN: The Centre advances loans to the State Governments at varying rates of interest; -formerly it was 3i per cent; of late, it has been increased to 4i per cent.

"POSTPONED QUESTION FOR ORAL ANSWER"

(Postponed from the 23rd November 1953)

AGREEMENT WITH JAPAN FOR SETTING UP OF A STEEL PLANT

♦23. SHRI S. M. HEMROM: Will the Minister for PRODUCTION be pleased to state:

(a) whether Government have entered into an agreement with Japan for the setting up of a half-a-million ton steel plant in India; if so, where it will be located;

(b) whether Government contemplate manufacturing vanadium steel;

(c) if the answer to part (b) above be in the affirmative, when and where the manufacturing will be started; and

(d) if the answer to part (b) above be in the negative, the manner in which Government propose to utilise the vanadium ores of the country?

THE MINISTER FOR PRODUCTION (SHRI K. C. REDDY): (a) No.

(b) to (d). The question of utilisation of vanadium ore and subsequently of the manufacture of vanadium steel will be examined.

SHRI C. G. K. REDDY: Is it not a fact that some months ago, the then Secretary of the Production Ministry did go to Japan to negotiate an agreement which was about to be implemented by the Government?

SHRI K. C. REDDY: This appears to be an altogether different subject. This question is with regard to vanadium steel and not whether an agreement has been entered into with Japan.

SHRI C. G. K. REDDY: Part (a) of the question is just steel plant; and part (b) refers to vanadium.

SHRI K. C. REDDY: What was the question, Sir?

SHRI C. G. K. REDDY: I would like to know if the then Secretary of the Production Ministry did go to Japan to negotiate an agreement and, if so, what was the result of that trip?

SHRI K. C. REDDY: In the first place, the then Production Secretary did not go to Japan to negotiate an agreement. I am afraid it is not a correct fact. As regards the outcome of the negotiations with the Japanese Government for the establishment of the Steel Plant in India that had been given up for the reasons I have already stated before in this House.

SHRI T. V. KAMALASWAMY: Is it not a fact that a non-official mission sponsored by the Tata Iron & Steel Company, consisting of some of their Directors and officers went to Japan, and that the Secretary of the Production Ministry accompanied this non-official mission?

SHRI K. C. REDDY: No, Sir.

DR. KALIDAS NAG: Is the hon. Minister aware that it was reported in some of the newspapers that a Japanese firm was negotiating with the Portuguese-Goan Government or some Goan mercantile corporation to have a steel plant there and that the latter were negotiating with the Japanese Iron-Steel Syndicate?

SHRI K. C. REDDY: I am not aware of any such report. Some talks may be going on with the Japanese for the establishment of a steel plant in India. Possibly, some private parties may have been discussing with the Japanese the question of establishing a steel plant in Goa.

DR. KALIDAS NAG: Will the hon. Minister be prepared to allow any private party to build up the steel industry in a territory in Goa which so far appears to be unfriendly to India?

SHRI K. C. REDDY: I require notice.

SHRI S. M. HEMROM: Is it not a fact that the Vanadium Steel Plant was started in Orissa?

SHRI K. C. REDDY: Sir, the company that the hon. Member is perhaps having in mind was the National Vanadium Trust Company which was started in Orissa in 1940. That factory went into production in 1945 and, within a few months after that, closed down. That was intended to manufacture only vanadium pentoxide for use in the paint industry and not vanadium steel. It is understood that the company's efforts to extract vanadium pentoxide on a commercial basis could not succeed due to the difficulty experienced in separating iron oxide from titanium.

PROP. G. RANGA: But, what is this vanadium?

(No reply.)

DR. D. H. VARIAVA: Why is it necessary, Sir, that we should send for foreign experts for working our iron and steel factories in India while Tatas and many other iron and steel factories are well-established and they can do the work? What is the point in asking foreign experts to come and establish factories here?

SHRI K. C. REDDY: Sir, this raises a very big question and it can't be answered in a sentence or two. The present proposal of the Government is to start a State steel project, and Government after taking all aspects into account decided that this should be done in consultation with experts of foreign firms.

PROF. G. RANGA: Has any decision been reached?

SHRI K. C. REDDY: The German experts have taken up the question. They are now busy discussing with the Government details regarding the constitution of a company and other matters. They are exploring the question of the site also, and have asked for certain data. It is likely that they will go to the various States and also go into the merits

and demerits of the various sites, and after that they will be in a position to make their recommendations.

SHRI C. G. K. REDDY: It is now six years since the question of establishing a State steel plant has been hanging in the air.

SHRI K. C. REDDY: A definite decision has been taken and it is being pursued.

STOCK-TAKING OF STORES IN RIVER VALLEY PROJECTS

•70. SHRI M. VALIULLA (ON BEHALF OF SHRI GOVINDA REDDY) : Will the Minister for IRRIGATION AND POWER be pleased to state:

(a) whether annual stock-taking of the stores in each of the River Valley projects under the Central Government is being done, with particulars of years, if any, when annual stocktaking was not done;

(b) whether in such stock-taking any stores found unusable or in excess were declared as surplus; and

(c) if the answer to part (b) above be in the affirmative, what are the particulars of such surplus and how they were disposed of?

THE DEPUTY MINISTER FOR IRRIGATION AND POWER (SHRI J. S. L. HATHI): (a), (b) and (c). A statement giving the required information is laid on the Table of the House. [See Appendix VI, Annexure No. 16.]

SHRI M. VALIULLA: May I know the value of the surplus articles in respect of the Kakrapar project?

SHRI J. S. L. HATHI: Rs. 40 lakhs in the Mechanical Division, Sir.

SHRI S. N. MAZUMDAR: Is it a fact, Sir, that a large amount of stores was lying in the open at Maithon at the mercy of nature and inclemencies of weather and these stores had to be declared surplus

because due to negligence proper care could not be taken of them?

SHRI J. S. L. HATHI: The information that is available to us indicates that there is no surplus of any articles so far as this whole project is concerned. Nothing has been declared surplus. That is the information received from the D.V.C.

SHRI S. N. MAZUMDAR: Will the hon. Minister make an enquiry into this matter?

SHRI J. S. L. HATHI: I will.

SHRI S. N. MAZUMDAR: Is it a fact, Sir, that two pile driving frames were purchased for the work of sheet piling in Maithon and Panchet but later on these were declared surplus and the work of sheet piling in Panchet was given to Messrs. Hindustan Construction & Co.?

SHRI J. S. L. HATHI: I will enquire into the matter. I have no information at present.

SHRI S. MAHANTY: Will the hon. Minister read out his answer at least so far as it relates to paragraph (a) of the question?

SHRI J. S. L. HATHI: (a), (b) and (c). A statement giving the required information is laid on the Table of the House.

SHRI S. MAHANTY: In that case I raise a point of order, Sir. In such important questions, Sir, it does not necessarily mean that only the questioner is interested. The whole House may be interested in them. Therefore, in that case it will be much better if the hon. Minister at least reads out relevant portions of his answer and gives us an indication whether the annual stock-taking is taking place.

SHRI J. S. L. HATHI: Generally, such statements are placed in the office but I have no objection in reading them.