

(a) whether it is a fact that the Central Government have decided to issue mining leases in respect of virgin coal fields in the country to National Coal Development Corporation only;

(b) if so, whether Government of Madhya Pradesh are adhering to this policy; and

(c) whether there is any truth in the report that mining leases of some virgin coal fields in Shahdol District of Madhya Pradesh are proposed to be given to Messrs Pench Valley Coal Co. Ltd.?

The Parliamentary Secretary to the Minister of Mines and Fuel (Shri Thimmaiah): (a) No, Sir.

(b) Does not arise.

(c) The proposal for the grant of mining lease to the Pench Valley Coal Co. Ltd. of a virgin area in Shahdol District of Madhya Pradesh is under consideration.

Shri Tridib Kumar Chaudhuri: What is the policy with regard to the working of virgin coalfields? Will the N.C.D.C. take it up or will it be handed over to the private sector enterprises?

Shri Thimmaiah: The Industrial Policy Resolution, while explaining the classification of industries into those which are reserved for the public sector and those in which the private sector may continue to operate, specifically mentioned that the two categories may overlap to some extent and that too great or rigid application will defeat the very purpose in view, the main purpose being to accelerate the rate of economic growth and speed up the industrialisation.

Shri Tridib Kumar Chaudhuri: Sir, that is not my question.

Mr. Speaker: Order, order. Let him have the patience to hear the full answer.

Shri Thimmaiah: Thus, it would be seen that it would be incumbent on

the Government to keep up the tempo of economic growth and industrialisation. Therefore, we have to ask for the contribution of the private sector also. In order to get the contribution of the private sector...

Shri Tridib Kumar Chaudhuri: I only wanted to know if Government have laid down any specific criteria by which they decide which virgin fields are to be given to the private sector and which virgin lands/fields are to be taken up by the National Coal Development Corporation.

The Minister of Mines and Fuel (Shri Alagesan): If there is an application from a private sector colliery and if the virgin field is contiguous to the field which they are working, it is favourably considered. When it is not so contiguous, it is considered whether the N.C.D.C. will be interested in taking over the field for mining purposes. If it is not so, then we have to think whether private parties can usefully exploit that.

Shri Tridib Kumar Chaudhuri: May I know....

Mr. Speaker: The Question Hour is over.

SHORT NOTICE QUESTION

बोकारो इस्पत कारखाना

- +
- श्री प्रकाशचंद्र शर्मा :
  - श्री स० भो० बहर्जी :
  - श्री कपूर सिंह :
  - श्री यशपाल सिंह :
  - श्री बूढा सिंह :
  - श्री इन्द्रजीत गुप्त :
  - श्री वाचियर :
  - श्री आर० उमानाथ :
  - श्री इम्बीचिवावा :
  - श्री नम्बियार :
  - श्री हरि विष्णु कामत :
  - श्री नाथ पाई :
  - श्री हेम बरझा :
  - S.N.Q.४. श्री प्र० रं० चक्रवर्ती :
  - श्री श्रीकारलाल बरवा :

श्री माते :  
 श्री भइश्वर नायक :  
 श्री डॉ० चं० शर्मा :  
 श्री धवन :  
 श्री बिशन चन्द्र सेठ :  
 श्री सुरेंद्र पाल सिंह :  
 श्री बड़े :  
 श्री बजरज सिंह :  
 श्री अ० प्र० सिं :  
 श्री कडवाय :  
 डा० लक्ष्मीमल्ल सिववी :  
 श्री बालकृष्ण वासिष्ठ :  
 श्री भागवत झा आजाद :  
 श्रीमती रेंगू चक्रवर्ती :  
 श्री प्र० चं० बरुआ :

क्या इस्पात और भारी उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि बोकारो कारखाने के लिए अमरीकी सहायता में हाल में कुछ सन्देश पैदा हो गया है ; और

(ख) यदि हाँ, तो इस बदती हुई स्थिति में सरकार ने क्या करने का निर्णय किया है ?

**The Minister of Steel and Heavy Industries (Shri C. Subramaniam):** At the outset, I should apologise to the House for the delay in answering the short notice question. But this was unavoidable.

2. (a) and (b). When the Third Five-Year Plan was framed, it included a proposal to set up a steel plant at Bokaro of a capacity somewhat similar to the three existing steel plants in the public sector. The further studies which we made of the subject showed that having regard to the likely increase in the demand for steel in this country, as well as the potential of the Bokaro site and the latest advances in steel technology, it would be of advantage to plan for a much bigger project with an ultimate capa-

city of 4 million tonnes. These conclusions were reinforced by a team of U.S. experts on steel which had been sent to India at our request by the U.S. Government which also drew attention to the advantages and economy in the long run of setting up a larger plant. The experts also emphasised the need to reassure ourselves regarding the raw materials for a 4 million tonne plant.

3. At the same time we were giving thought to arrangements for financing this plant which would have entailed a far larger expenditure in foreign exchange, because of its increased capacity, than had been envisaged in the Third Plan document; and approached the U.S. Government for assistance. We found the American Administration's attitude towards financing this plant to be sympathetic and although there was no definite commitment, the Administration made it clear that the scheme had its support, subject, of course, to the ultimate approval of the U.S. Congress. The House will recall that at a press interview earlier this year, President Kennedy himself had spoken in favour of assistance for the Bokaro Scheme.

4. In recent months, we have been following closely from press reports and information received from our Embassy in Washington, the Congressional discussions on the U.S. Administration's proposals regarding their Foreign Aid Programme, including in particular aid for Bokaro. On the 22nd of August, the Congress included in its foreign aid legislation a clause which unless it undegoes further change would shut out Bokaro from the American Foreign Aid Programme for a year. In view of this and the trend of discussions in the Congress generally and the urgency of the project from our point of view, the Government of India have reviewed the position regarding foreign assistance for this project and have come to the conclusion that in the interests of the speedy execution of the project and of preserving and further developing the

basic friendship and sympathetic understanding between our country and U.S...., the time has come for us now to withdraw the Bokaro Steel Plant from the list of projects for which we seek U.S. aid. In doing so I should like to emphasise that we are deeply appreciative of the efforts made by the U.S. Administration and, indeed, President Kennedy himself to help us. I should also like to make it clear beyond doubt that this withdrawal is being made with a view to avoiding any further embarrassment to the Administrations of both countries in the long term interests of Indo-American friendship and co-operation and also with a view to not losing time on a project which we consider an urgent necessity. We have accordingly informed the American Government who have fully appreciated the reasons for our proposal.

5. The U.S., as the House knows, is the largest single source of aid to India. During the period 1959 to 1963, the U.S. has given us a total of nearly 1·80 billion dollars in assistance both for the public and private sectors, of which roughly half has been for the public sector, including the Railways, the Fertilizer Plant at Trombay, and the Atomic Power Plant at Tarapore. Furthermore, as the House is aware, the two countries are cooperating closely in a number of fields. Under the circumstances no more significance need be attached to our action in withdrawing this project from American aid and also to the Congressional debate over Bokaro than what I have indicated in this statement. The withdrawal of our request for assistance for Bokaro also connotes no lessening of United States' interest in aiding India as evidenced by the level of U.S. aid pledged by the U.S. Government at the meeting of the World Bank Consortium, which is higher than that to any other nation.

6. I would like to emphasise that all necessary action to progress the project, short of placing orders for the foreign equipment, is being and has been pursued energetically. For a project of this magnitude, it is always necessary to have a detailed project report on which the ordering of equipment and further work is based. A detailed project report for this project has already been obtained from a firm of Indian Consultants and this report is now being scrutinised by a team of technical experts who are expected to complete their examination within the next two or three months. In addition, land is being acquired, and the development of raw material and water resources has been taken in hand. In other words, I should like to clarify that the time of about a year and half spent in our attempts to obtain U.S. assistance for this project has not been lost, but has been fully utilised in progressing very many other developments which would have been necessary for proceeding with the project and which would have taken time in any case.

7. I also propose to take urgent steps to initiate action on detailed engineering of the project. In this, it is our intention to associate as closely as possible Indian talents and Indian expertise and also make full use of the indigenous capacity already available and being built up to produce equipment for steel plants. Based on this, we will be in a position to invite tenders for equipment from various countries of the world, including U.S.A. Depending on the offers and the availability of credits already promised or which may be specifically obtained for equipment for this project, we propose to place orders for the plant. At this stage it is not possible to spell out more definitely the countries from which the equipment will be obtained.

8. Let me assure the House that it is the Government's intention to go

ahead with Bokaro as a public sector steel plant with as little further delay as possible.

**श्री प्रकाशवीर शास्त्री :** श्री मंत्री जी ने अपने वक्तव्य में कहा कि अमरीका कांग्रेस के प्रतिनिधियों की ऐसी राय है कि अगर इस में कुछ परिवर्तन कर लिए जाएं तो यह सहायता हमें वहां से प्राप्त हो सकती है। मैं यह जानना चाहता हूँ कि क्या सरकार ने यह जानने का यत्न किया कि वह किन-किन बातों में परिवर्तन चाहते थे? और उस की रूप-रेखा क्या है?

**अध्यक्ष महोदय :** अब इस का सवाल कैसे पैदा होता है जबकि हम ने उसे वापस ही ले लिया।

**श्री प्रकाशवीर शास्त्री :** यह बात इतने लम्बे समय तक चली है। इसलिए मैं जानना चाहता हूँ कि वे लोग किन-किन विषयों में परिवर्तन चाहते थे जिन के कर लेने से हम को यह सहायता मिल सकती?

**अध्यक्ष महोदय :** जब वह बात चल रही थी उस वक्त तो यह सवाल ही सकता था। लेकिन अब तो इस मजिज़ पर आ कर हम ने उस को वापस ही ले लिया।

**Dr. L. M. Singhvi:** It is an important question. We are entitled to know as to what led to the failure of negotiation with the U.S.A. in obtaining the assistance. After all, the House is entitled to know what was the area of difference between this country and the U.S.A. We are entitled to know what were those differences.

**Shri C. Subramaniam:** As far as the Administration was concerned, they were quite willing to help the project, as it was. As far as the Congressional discussion was concerned, I am sure the hon. Members are aware of the trend of discussion in the Congress as much as I know because all this was obtained only from

the press reports. Therefore, I do not think I can add anything to that.

**श्री प्रकाशवीर शास्त्री :** क्या मैं यह जान सकता हूँ कि इस अथवा किन्हीं अन्य देशों से भी सहायता प्राप्त करने के सम्बन्ध में भारत सरकार की कोई योजना है, अथवा उन देशों ने इस प्रकार की सहायता देने के लिए अपने को प्रस्तुत किया है? यदि हाँ, तो उसकी रूप रेखा क्या है?

**Shri C. Subramaniam:** I have stated that we will try to call for tenders and then try to obtain the equipment from those countries from which credit is already available or from which credit may be arranged later on. I have already stated it may not be possible to spell out more definitely with regard to countries from which we will obtain the aid.

**Shri S. M. Banerjee:** The hon. Minister has said that he will call for tenders from other countries. I would like to know specifically from him as to whether after this U.S.A.'s rejection of financial aid, the Soviet Union has offered to give us any financial aid.

**अध्यक्ष महोदय :** यही सवाल तो शास्त्री जी ने किया था।

**Shri S. M. Banerjee:** He said that the tenders will be invited. I want to put a specific question as to whether the Soviet Union has offered to give us the aid.

**Shri C. Subramaniam:** There is no specific offer from any country.

**Shri Kapur Singh:** I would put this question in this form.....

**Mr. Speaker:** There is one thing that I must most respectfully tell the hon. Member, namely that he can always avoid this introduction, because he always says that he would put the question or he is going to put that question in a particular form. That introduction might be just eliminated.

**Shri Kapur Singh:** Is there any substance in the prevalent impression that the reluctance of the US Authorities has proceeded from their unfavourable assessment of the managerial aspect of our public sector—should I be more explicit?

**Shri C. Subramaniam:** First of all, as I have already stated, as far as the US Administration was concerned, there was no question of reluctance. As far as the other part of the question is concerned, I think that the assessment was quite in favour of India.

**श्री यशपाल सिंह:** जबकि गवर्नमेंट कंट्रोल के मात त प्राइवेट सेक्टर इस काम को लेने के लिए तैयार है और ज्यादा ब्राउट-पुट ओफर करता है तो सरकार को इस पीछे को मानने में क्या दिक्कत है ?

**अध्यक्ष महोदय:** उन्होंने एक पालिसी फंसला कर लिया है ।

**श्री यशपाल सिंह:** सरकार यह बतलाये कि इस का मानने में बाधिर दिक्कत क्या है, जैसा कि मैंने सरकार काली तो इस जगह से बात को सरकार मानने के लिए क्यों तैयार नहीं है ?

**Shri C. Subramaniam:** It has been made clear that it will not be possible to undertake this project in the private sector. I may refer my hon. friend to the statement of Shri J. B. D. Tata in this connection who has made it clear that no private sector in India will be in a position to take up this project.

**Shrimati Renu Chakravarty:** The hon. Minister has stated in his reply that a team of technical experts will be going into the consultants' report and will give the final report in two or three months. May I know who these technical experts are, whether they are Indian or foreign, and whether we shall be in a position to start the work after about six months, that is, after three months from the submission of the report which itself would take about three months?

**Shri C. Subramaniam:** We are making use of the technical experts available in India.

**Shri Hem Barua:** May I know whether it is a fact that one of the reasons for the United States withholding aid to Bokaro is the Clay Committee's recommendation to the effect that the United States should not aid Government operated projects for that might ultimately compete with private enterprises abroad, although the United States is giving substantial aid to Canada to nationalise her power companies, and if so, may I know whether Government have ascertained from the US sources the basic reasons for this double standard, one set of conditions for us and another set of conditions for Canada?

**Shri C. Subramaniam:** The US Administration had made it quite clear and has assured us that the public-sector—private-sector controversy has nothing to do with this.

**Shri Hem Barua:** My question has not been answered.

**Mr. Speaker:** The answer has been given.

**Shri Hem Barua:** I could not follow it.

**Mr. Speaker:** He has given the answer that this is not the reason. He has said that the US Administration has assured this Government that this controversy over public versus private sector is not the reason.

**Shrimati Renu Chakravarty:** Is it lack of funds then?

**Dr. L. M. Singhvi:** Is it proposed to throw open the Bokaro steel plant to public subscription at least to a certain extent as suggested generally by the Estimates Committee of this House, who have recommended that public subscription should be permitted in public undertakings also?

**Shri C. Subramaniam** We do not propose to do it now, and it was made clear even at that stage that it would not be feasible just at present.

**Shri Nath Pal:** Is it a fact that whereas the US Administration found itself not in a position to offer help, it has communicated to the Government of India that they can have deals directly with private entrepreneurs in the USA? Secondly, how much is it true, as it appears to be reflected or echoed in a certain section of the press, that partially the Opposition of the Senate or the House of Representatives was influenced by considerations *vis-a-vis* Kashmir?

**Shri C. Subramaniam:** I cannot answer that question, how far other policies of ours influenced the House of Representatives. But we have taken note of the trend of the discussion there and we thought it would be wise on our part to withdraw the thing, not only wise, but it is desirable at this stage to withdraw it.

**Shri Daji:** Is it true that a separate corporation was to be set up for Bokaro? If so, will that still hold good, after American aid has been withdrawn? If so, why not HSL?

**Shri C. Subramaniam:** This decision was taken without reference to the Survey Committee or its report. Long before the Survey Committee came here, we took the decision that in view of the size of the steel sector which Hindustan Steel would be controlling, it would be desirable to have a separate body. As a matter of fact, I informed the team when they came here that the decision had already been taken.

**Shri Bade:** Is there any truth in reports which have appeared in the press that the Soviet Ambassador has seen the Prime Minister after President Kennedy had refused to give us help, and that he gave a promise to aid us in constructing the Bokaro plant? The news appeared for two days that he had seen the Prime

Minister and had given a promise to give us aid.

**Mr. Speaker:** That question has been answered that we have not received any positive offer from any country.

**Shri Bade:** My question is quite different, whether the Soviet Ambassador has seen the Prime Minister and there was a discussion about this.

**Mr. Speaker:** About offer, he has said that no offer has been received from any country.

**Shri Bade:** Was there any discussion about this plant when they met?

**Mr. Speaker:** No, no. Order, order. Shri D. C. Sharma.

**Shri D. C. Sharma:** The hon. Minister has said that we are going to build up the Bokaro plant with our indigenous resources, which is a very good thing.....

**Mr. Speaker:** No comments.

**Shri D. C. Sharma:** Also that we will get foreign components and exchange for this Bokaro plant from other countries. May I know what will be the percentage of this plant that we will be able to build with our own resources and what is the percentage for which we will have to ask from other countries of the world?

**Shri C. Subramaniam:** It would be very difficult to answer this question. But an estimate has been made in the detailed project report, according to which an estimate has been made with regard to what would be required in foreign exchange. For the 4 million tonne stage, it is estimated that we would require Rs. 227.5 crores worth of foreign equipment. But my own impression is that if we make an assessment of indigenous capacity and also build up capacity to a certain extent by marginal addition by way of capital investment, we would be able to reduce this figure also considerably.

**Shri Hari Vishnu Kamath:** When the Minister was in the United States a few months ago, did he get the impression—and even otherwise are there reasons to believe—that though India has an able Ambassador in Washington, there is somehow a strange lack of a sustained publicity drive and efficient public relations in so far as the US Congress and Press are concerned? If so, how far was this a contributory factor in the attitude of the US Congress to this particular project?

**Shri C. Subramaniam:** I was not in the USA recently.

**Shri Hari Vishnu Kamath:** He was there a few months ago. But I said 'even otherwise'.

**Mr. Speaker:** Order, order. That was also what I was going to say.

**Shri Hem Barua:** His neighbour, TTK, was there.

**Shri Hari Vishnu Kamath:** I said 'even otherwise'.

**Mr. Speaker:** Even if he was not there recently, were the other factors he mentioned contributory to this decision on the part of Congress?

**Shri C. Subramaniam:** I cannot really answer this question. I think it should be put to somebody else.

**Shri Hari Vishnu Kamath:** I did not hear the answer.

**Mr. Speaker:** He cannot say whether they have contributed to this decision. It should be put to somebody else.

**Shri Hari Vishnu Kamath:** Somebody else? Is the Prime Minister to answer it?

**The Minister of Finance (Shri T. T. Krishnamachari):** May I answer that question?

**Mr. Speaker:** If he desires to. Otherwise, I have not permitted him.

**Shri T. T. Krishnamachari:** I would like to say that the basis on which the hon. Member draws his conclusions is wrong. Our Ambassador is doing extremely good work. Anybody can see that.

**Shri Hari Vishnu Kamath:** On a point of order. The Minister mishears the question, is not attentive. I said though India has an able Ambassador in Washington, somehow there is a strange lack of publicity drive and public relations so far as the US Congress and press are concerned.

**Mr. Speaker:** He asked how far this was a factor in that decision, and the Minister answered he could not say. What else does he want?

**Shri Hari Vishnu Kamath:** Why should the other Minister butt in and make a wrong statement here, attribute something wrong to me: I never said.

**Mr. Speaker:** Order, order. The answer has come.

**Shri Hari Vishnu Kamath:** But what is the answer?

**Mr. Speaker:** The answer has come that the Minister cannot say whether this also contributed to coming to this decision.

**Shri Hari Vishnu Kamath:** Why should the other Minister answer that part of the question? It is not relevant; is it to be expunged or what about it?

**Mr. Speaker:** It would remain as it is.

श्री श्रीकारलाल बेरवा : मैं यह जानना चाहता हूँ कि श्रीर देशों की श्रीर से वीकारो के लिए जो एड, सहायता, देने का आश्वासन दिया गया है, क्या वह एड

अमरीका के बराबर दी जायगी; यदि नहीं, तो क्या फिर भी अमरीका से सहायता मांगी जाएगी।

**अध्यक्ष महोदय :** इस का जवाब स्टेटमेंट में दे दिया गया है।

**श्री श्रीकारलाल बेरवा :** मैं यह जानना चाहता हूँ कि क्या वह एड अमरीका के बराबर दी जायगी या नहीं।

**अध्यक्ष महोदय :** बराबर का कौन कह सकता है।

#### WRITTEN ANSWERS TO QUESTIONS

##### Gold Deposits in Andhra Pradesh

\*617. { **Shri D. C. Sharma:**  
**Shri Sezhayan:**

Will the Minister of Mines and Fuel be pleased to state:

(a) whether the Geological Survey of India has found the existence of gold deposits in Chittoor and Anantapur districts of Andhra Pradesh; and

(b) if so, the particulars of the find along with qualitative and quantitative analysis of the find made, if any?

**The Minister of Mines and Fuel (Shri Aiyagesan):** (a) Yes, Sir. Occurrences of gold have been reported at Bisanattam and Kalahatti in Chittoor District and Ramagiri in Anantapur District.

(b) In the Bisanattam and Kalahatti fields in Chittoor district the gold content is poor and deposits are neither extensive nor otherwise promising.

Ramagiri gold field in Anantapur district is 152 metres wide and stretches over a length of about 18,288 metres from Jibuti mines in the south to Kanapuram in the north. Detailed investigations of the deposit have been

undertaken and a realistic qualitative and quantitative estimate of the deposit can be made only after the investigations are completed.

##### Hill Development Board

\*618. **Shri P. C. Borooah:** Will the Minister of Home Affairs be pleased to state:

(a) whether a high powered hill development board has been set up for the integrated development of hill regions all over the country; and

(b) if so, the precise constitution and functions of the board?

**The Minister of Home Affairs (Shri Nanda):** (a) No, Sir.

(b) Does not arise.

##### Insurance of University and College Teachers

\*619. { **Shri A. V. Raghavan:**  
**Shri Pottakkatt:**  
**Shri P. Kumhan:**  
**Shri Koya:**

Will the Minister of Education be pleased to state:

(a) whether there is any proposal to institute a scheme of annuities or insurance for University and College teachers;

(b) whether the scheme has been finalised; and

(c) when the scheme is likely to be implemented?

**The Minister in Charge Ministry of Education (Shri Humayun Kabir):** (a) Yes, Sir.

(b) and (c). The scheme has not yet been finalised.

##### Free Books and Clothing for Students

\*620. **Shri Surendra Pal Singh:** Will the Minister of Education be pleased to state:

(a) whether it is a fact that a new scheme has been drawn up for the free distribution of books and clothing