

(b) and (c) Payment of each instalment of Dearness Allowance to Central Government employees and relief to pensioners costs the exchequer approximately Rs. 70 crores and Rs. 8 crores per annum respectively. Therefore, the question of payment of each instalment of Dearness Allowance has to be considered carefully with regard to their impact on the economic situation and the budget. The question of sanction for payment of this instalment is receiving the attention of the Government. It is, however, not possible to indicate any time limit for taking a decision in this regard.

**Proposal for setting up and modernisation of steel plants**

707. SHRI SATYAGOPAL MISRA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the proposals of Government to set up new steel plants or modernise steel plants during the Seventh Five Year Plan period; and

(b) the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b) The Seventh Five Year Plan for the Steel Sector has not yet been finalised. However, Government have decided in principle to set up steel plants in Vijayanagar in Karnataka and in Daitari in Orissa. The commencement of work on the projects will depend upon the investment decisions which have not yet been taken. A Steel Plant at Visakhapatnam in Andhra Pradesh is already under construction.

Schemes for the modernisation of steel plants at Durgapur, Rourkela and Burnpur have also been formulated.

**Setting up of Mint/Press for Printing Currency at Panagarh, West Bengal**

708. SHRI SATYAGOPAL MISRA  
SHRI NIRMAL KHATRI :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken any decision to set up a mint/press for printing currency at Panagarh, West Bengal; and

(b) the present position of the project ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA PODJARY) (a) and (b) Government have taken a decision to set up a new Mint at NOIDA, Distt. Gaziabad, U.P. Land has been acquired for the new Mint. An Officer on special Duty has been appointed in January 85. A Project Report is also under preparation.

It has also been decided, in principle, to set up a new Press for printing currency notes, for which Panagarh in West Bengal has been suggested as a site.

**Allocation of funds for public sector steel plants during seventh Five Year Plan**

709. SHRI BANWARI LAL PUROHIT :

SHRI PURNA CHANDRA MALIK :

SHRI V. SOBHANADREESWARA RAO :

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

(a) whether attention of Government has been drawn to a news item captioned "Steel plants need more funds" appearing in 'The Hindustan Times' of 26 June, 1985;

(b) if so, the amount allocated for public sector steel plants during the Seventh Five Year Plan period;

(c) whether his Ministry has taken up the matter with the Planning Commission; and

(d) if so, the reaction of the Planning Commission thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) (a) Yes, Sir.

(b) to (d) The allocations for the VII Plan period for the steel sector will be finalised shortly in consultation with the Planning Commission.

**Shortage of coins and small currency Notes**

710. SHRI BANWARI LAL PUROHIT :

SHRI R.M. BHOYE

SHRI SYED MASUDAL HOSSAIN :

SHRI B.K. GADHVI :

PROF. NARAIN CHAND PARASHAR :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that there is still shortage of coins and small currency notes in the country in spite of bringing out new coins and new small currency notes by the RBI daily;

(b) whether Government have investigated the causes of disappearance of the coins and small currency notes from active circulation;

(c) if so, the full facts thereof; and

(d) the steps Government have taken/propose to take to meet the shortage of small currency notes and coins in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) and (c) There have been reports about hoarding of coins especially in big cities/commercial centres and also about melting of certain coins and use of coins for other purposes. Veracity of these reports could not, however, be established. Reports about sale of one rupee notes at premium have also been received from time to time. However, there have been no reports about hoarding of notes. Short supply, and

hoarding of coins and short supply of notes are the principal contributory factors for the shortage experienced by the public.

(d) Government have initiated necessary steps to augment production of notes and coins at the Note Presses and Mints. These include the modernisation and expansion of the present facilities in Presses and Mints, increase in working hours and introduction of incentive schemes to augment production. It has also been decided to set up a new Mint at NOIDA in Uttar Pradesh. Further, a decision has been taken to set up a new Bank Note Press. For immediate augmentation of supply of coins, 2,000 million pieces of coins are being imported.

**Proposal to wipe out system of overdraft by States**

711. SHRI BANWARI LAL PUROHIT :

SHRI NARSINH MAKWANA :

SHRI CHITTA MAHATA :

PROF. P. J. KURIEN :

SHRI SATYENDRA NARAYAN SINHA :

SHRI ANANTA PRASAD SETHI :

SHRI K. PRADHANI :

Will the Minister of FINANCE be pleased to state :

(a) whether there is a proposal under the consideration of Union Government to wipe out the system of overdrafts by the States;

(b) if so, the details thereof and when the said proposal will be implemented.

(c) the amount of overdrafts presently with each State; and

(d) to what extent the system will check inflation ?