

1	2	3	4	5	6	7	8
July	311	324	297	325	330	353	394
August	321	321	298	327	331	360	397
September	334	319	302	331	336	363	402
October	335	316	304	330	340	365	406
November	331	315	306	330	340	368	411
December	326	306	306	330	335	374	408

Burden on the Exchequer due to delay in implementation of approved projects

3919. PROF. AJIT KUMAR MEHTA:

SHRI JAGPAL SINGH:

SHRI RAM VILAS PASWAN:

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

(a) whether it is a fact that certain important projects in the steel sector have been considerably delayed resulting in heavy burden on the Exchequer;

(b) if so, details thereof stating the reasons and the extent of increase in their cost anticipated as a result thereof; and

(c) the measures taken by Government for the expeditious implementation of the approved projects to avoid further escalation in their cost?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). The table below indicates the position:

Name of the Project	Approved commissioning schedule	Likely commissioning schedule	Sanctioned cost	Revised cost
(Rs. in crores)				
Bokaro	June, 1979	March, 1983	947.24	1396.90
4 MT Expansion	Dec., 1982 (CRM)	Sept., 1983		
Bhilai	Dec., 1981	Oct., 1982	937.71	1459.73
4 MT Expansion	June, 1983 (7th BF)	June, 1983		
Silicon Steel Project	Jan., 1981	Dec., 1982	109.73	153.05

The main factors responsible for slippages in the construction schedule are delays in equipment supply, non-availability of critical items from indigenous sources and inadequate resource mobilisation by some of the construction agencies. The expansion projects of Bokaro and Bhilai Steel

Plants were sanctioned in 1974 on the basis of the prevailing prices of that year and did not include any element of escalations during the period of construction. Therefore, there would have been a certain increase in their sanctioned costs in any case even

if the projects had been completed in time according to the original schedule. As it is, the increase on this account estimated on the basis of revised schedules are Rs. 186.33 crores and Rs. 258.20 crores respectively. It is difficult to segregate the amount attributable to escalations arising out of time over-run from normal escalations.

(c) Frequent review meetings are taken at various levels with the concerned agencies by the Plant, SAIL and the Department of Steel to impress upon them the need to adhere to the committed schedules by increase of resources and efforts; wherever possible, intervention of the concerned Ministries is also sought.

International airlines interested to touch Dum Dum again

3920. SHRI SOMNATH CHATTERJEE:

SHRI JYOTIRMOY BOSU:

SHRI ARJUN SETHI:

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government are aware that several international airlines which had earlier discontinued their services to Calcutta some years ago are now interested to touch Dum Dum again;

(b) if so, the names of those airlines;

(c) whether it is also a fact that some airlines have already approached Government for landing right permission;

(d) if so, names of those airlines;

(e) how long will Government take to give them landing right permission at Dum Dum?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI A. P. SHARMA): (a) No, Sir. No foreign airline has so far expressed its intention to reopen its air services to Calcutta within its bilateral entitlement, except that K.L.M. Royal Dutch Airline had made a request for operating a service to Calcutta as an additional flight over and above its entitlement under the air services agreement. This could not be agreed to.

(b) Does not arise.

(c) No, Sir.

(d) and (e). Do not arise.

Impact of increase in prices of Petroleum products on foreign assistance

3921. SHRI SAMAR MUKHERJEE: Will the Minister of FINANCE be pleased to state whether he is aware that the Centre's decision to raise the prices of petroleum products will further increase dependence on foreign assistance?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): Government does not believe that its recent decision to raise the prices of petroleum products will further increase our dependence on foreign assistance. The price increase provides resources to finance an expanded programme of oil exploration and production which will increase domestic production of oil. Further more, the increase in prices will moderate the growth of demand for petroleum products. Both factors will help to reduce import needs and therefore also reduce the Balance of Payments deficit thus reducing the need for external finance.

Foreign exchange reserves

3922. SHRI P. K. KODIYAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the foreign exchange reserves fell consi-