

(b) the hiatus between the biggest and the smallest zone in the Railways;

(c) whether any zonal reorganization and rationalisation has been considered and implications evaluated; and

(d) if so, the broad details thereof?

**The Minister of State in the Ministry of Railways (Dr. Ram Subhag Singh):** (a) and (b). A statement showing the route kilometrage of the area served by and the number of staff employed on the open line of the eight Railway Zones prior to the formation of the South Central Zone on 2nd October, 1966 is laid on the Table of the Sabha. [Placed in Library. See No. LT-7422/66]. Consequent on the formation of the ninth Zone the route kilometrage of the Southern and Central Railways has been readjusted between the three zones, namely, Central, South Central and Southern and the particulars of route kilometrage, area served and the number of staff in respect of each of these readjusted Zones are also indicated in Part B of the Statement.

(c) and (d). The workload on each Zone and its impact on the functional efficiency of the Zone are under constant review in the Railway Ministry. Organisational changes like the setting up of a zone are considered whenever undue strain is noticed on any particular zone due to increase in workload.

#### Raw Materials supply to Rourkela Steel Plant

\*538. **Shri Subodh Hansda:**  
**Shri S. C. Samanta:**  
**Shri P. C. Borooah:**  
**Shri Bhagwat Jha Azad:**  
**Shri M. L. Dwivedi:**  
**Dr. M. M. Das:**

Will the Minister of Iron and Steel be pleased to state:

(a) whether the Rourkela Steel Plant is facing the problem of supply

of raw materials, such as iron ore, coal, sulphuric acid and manganese ore, after so many years of its commissioning;

(b) whether this has affected the production in the plant;

(c) if so, to what extent; and

(d) whether the problem has since been solved?

**The Minister of Iron and Steel (Shri T. N. Singh):** (a) and (b). The Rourkela Steel Plant experienced some difficulties last year in procurement of iron ore and manganese ore. These were overcome and there was no short fall in production.

Due to shortage of foreign exchange and overall world-wide shortage of sulphur the Rourkela Steel Plant could not secure its full requirement of sulphuric acid and production was affected to some extent.

(c) The approximate loss was 24,000 tonnes of production.

(d) The difficulties regarding sulphur still persist. However, apart from meeting the requirements by imports to the extent possible, the Steel Mill has been asked to investigate the feasibility of using substitutes for sulphuric acid.

#### Price of Automobiles

\*539. **Shri P. C. Borooah:**  
**Shri Bhagwat Jha Azad:**  
**Shri S. C. Samanta:**  
**Shri Subodh Hansda:**  
**Shri M. L. Dwivedi:**  
**Shri Maheswar Naik:**  
**Shri D. J. Naik:**

Will the Minister of Industry be pleased to state:

(a) whether a meeting of the representatives of automobile and ancillary industries was recently called to discuss means for improving the standard, increasing production and reducing the prices of automobiles;

(b) if so, the main observations made and decisions taken at the meeting; and

(c) the steps taken in the light thereof?

**The Minister of Industry (Shri D. Sanjivayya):** (a) The Automobile Division of the Directorate General of Technical Development had called a meeting of the Automobile and Ancillary manufacturers with Government on the 4th and 5th October, 1966 to assess the progress made by individual units in indigenisation, import substitution, Standardisation, and ancillary development.

(b) The various components which were still being imported by the vehicle manufacturers were reviewed in detail with a view to expediting the process of import substitution to the fullest extent possible.

Both the vehicle and ancillary manufacturers were asked to standardise the components to the utmost extent practicable without prejudice to quality and performance, to accelerate the development of manufacturers of the ancillaries required and to expedite the indigenisation of the vehicles with a view to reduce the foreign exchange expenditure on the import of components/raw materials.

The manufacturers' attention was drawn to the fact that complaints were being received about the quality of vehicles and it was brought home to them that they should assume full responsibility for putting in the market vehicles of acceptable standards which should cover items of their own manufacture as well as bought-out ancillary items. The need to stabilise the selling prices of their vehicles was also impressed upon them.

The importance of the manufacturers fostering more useful and cordial dealer/customer relations and aftersale service was emphasised.

(c) Necessary follow up action for early implementation of the various

decisions taken has been initiated by the Directorate General of Technical Development.

#### **Loan From Export Import Bank, Washington**

\*540. **Shri D. C. Sharma:**  
**Shri Maurya:**  
**Shri Yashpal Singh:**  
**Shri P. C. Borooah:**  
**Shri Ram Sewak Yadav:**

Will the Minister of Railways be pleased to state:

(a) whether United States Export Import Bank of Washington has authorised a \$12,750,000 loan to the Government of India to finance purchases in the United States of diesel locomotive components for assembly at the Banaras Diesel Locomotive Works;

(b) if so, the terms and conditions thereof;

(c) how it is proposed to be utilised; and

(d) the steps taken or proposed to be taken to manufacture these locomotive components indigenously?

**The Deputy Minister in the Ministry of Railways (Shri Sham Nath):** (a) Yes, Sir.

(b) The loan bears interest at 6 per cent per annum and is repayable in 20 semi-annual instalments, commencing on September 15, 1968. Commitment fee of  $\frac{1}{2}$  per cent per annum from the date of authorisation of the loan is also payable on the amount of the loan undisbursed.

(c) The loan is proposed to be utilised for covering the foreign exchange cost of acquisition from the United States of America, of components and materials that are not yet available indigenously for the manufacture of diesel locomotives at the Varanasi Works during 1967/68 and related technical services.