

(d) what steps he is going to take to avoid recurrence of such cases?

THE MINISTER OF INFORMATION AND BROADCASTING (SHRI L. K. ADVANI): (a) and (b) No, Sir.

(c) and (d) Does not arise.

Black market sale of steel quota by bogus small units

10199. **CH. HARI RAM MAKKASAR GODARA:** Will the Minister of STEEL AND MINES be pleased to state:

(a) whether he is aware of the fact that there are many bogus firms which on the pretext of being small units get their quota sanctioned and then sell the same in black-market, harming the cause of the small-scale industries;

(b) if so, how many such firms have been detected during the last two years and the action taken against them; and

(c) what steps have been taken to see that quotas of small scale units is given to them and verifications made that it has been used by them only?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI KARIA MUNDA): (a) There is at present no statutory control on the pricing and distribution of any category of iron and steel and hence the question of sanctioning any quota or selling them in the "black market" does not arise. However, some consuming units are reported to have misutilised the supplies of steel made to them.

(b) Operation of clause 7 of the Iron & Steel (Control) Order, 1956 which requires the use of iron and steel to conform to conditions governing its acquisition has been revived with effect from 10-4-1978 and since then the various Regional Iron and Steel Controllers have carried out 1767 inspections which have resulted in suspension in 253 cases and debarment in 171 cases till the end of March, 1978.

(c) Small scale units are expected to procure their requirements from the Small Scale Industries Corporation of the State concerned to whom the supplies have been considerably stepped up. Apart from the inspections/surprise checks carried out by the Regional Iron and Steel Controller, independently, the State Governments and the Managing Directors of the various Small Scale Industries Corporations have been requested to ensure proper utilisation of the material, by the small scale units and report the cases of misutilisation, coming to their notice, to the concerned Regional Iron and Steel Controller for puritive action under the Iron and Steel (Control) Order, 1956/Essential Commodities Act, 1955.

Conditions of agreement between India and Iran regarding Kudremukh

10200. **SHRI PABITRA MOHAN PRADHAN:** Will the Minister of STEEL AND MINES be pleased to state:

(a) whether there had been any agreement with the Iranian Government to purchase steel from the Kudremukh steel factory;

(b) if so, (i) whether there was any clause in the agreement that the Iranian Government would suspend the disbursement of credit (ii) if so, what are the conditions laid down for suspension of credit disbursement; and

(c) whether there is any apprehension of stoppage of the credit due to change of Government in Iran?

THE MINISTER OF STEEL AND MINES (SHRI BIJU PATNAIK): (a) No, Sir. The Kudremukh Iron Ore Project is intended to produce iron ore concentrate and not steel.

(b) There is a clause in the Financial Agreement in terms of which the Government of Iran may suspend disbursement of credit if the project is interrupted or suspended or delayed (except on account of "force majeure").