

Wednesday, February 22, 1961/
Phalguna 3, 1882 (Saka)

The Lok Sabha met at Eleven of the
Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

**Manufacture and Distribution of Iron
and Steel**

+
*207 { Shri Harish Chandra Mathur:
Shrimati Ila Palchoudhuri:

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

(a) what steps, if any, have been
taken by Government to re-organise
and streamline the administrative set
up for regulating the manufacture and
distribution of iron and steel; and

(b) what special arrangements if
any have been made to regulate the
export and import of Iron and steel?

**The Minister of Steel, Mines and
Fuel (Sardar Swaran Singh):** (a) and
(b). A statement is laid on the Table
of the House.

STATEMENT

(a) Government are constantly re-
viewing the system of control and the
administrative set up of the Iron and
Steel Control Organisation. With the
increasing availability of iron and steel
in the country, various changes have
been made in the procedure followed
by the Iron and Steel Controller. The
quota system has been abolished for
pig iron and all the categories of steel
except sheets of thinner gauges, tin-
plate and wire. A consumer can now
place his indents on the Iron and Steel
Controller or on a controlled stock-
holder for the entire quantity required
by him and it would normally be
planned fully by the Iron and Steel
1952 (Ai) L.S.D.—1.

Controller. Special attention is being
paid to the planning of indents on
producers and the work of planning
is now more or less up-to-date. For
the follow-up action after planning,
ledgers for various indentors have
been opened so that progress of supply
can be watched and regulated more
effectively.

Although the supply position in the
country has improved considerably,
supplies to some of the States like
Assam, Andhra Pradesh, Madras and
Kerala have been unsatisfactory mostly
due to transport difficulties. Special
steps have been taken by the Iron and
Steel Controller to despatch rake loads
of iron and steel to these States to
ease the situation.

(b) With increased indigenous pro-
duction imports of iron and steel will
become less and less. There would,
however, be marginal deficits and sur-
pluses and export and import will
continue to some extent. The import
licensing policy for items licensable
by the Iron and Steel Controller is
announced every half year. We have
been able to export substantial quan-
tity of pig iron and semi-finished steel
as the finishing mills in the new steel-
works had not been commissioned, but
with the commissioning of these mills
there may not be any surpluses of
these materials. It may, however, be
possible to export finished steel like
heavy structurals, rods, wide strips,
etc.

For the convenience of the indus-
tries borne on the Development Wing's
list, it has been arranged to issue
import licences centrally from New
Delhi from the period April-September
1960. With effect from October 1960-
March 1961 period, it has also been
arranged to issue import licences to
small scale industries of Delhi State
in this Licensing Cell at New Delhi.

The import procedure has also been simplified by abolishing the system of issuing customs clearance permits in most cases. Customs clearance permits are now required only in the following cases:

- (i) imports made against established importers' licences for imports of all categories other than tool, alloy and special steels, and
- (ii) imports of statutorily controlled categories of iron and steel, which on arrival, are to be distributed according to the Iron and Steel Controller's instructions.

Shri Harish Chandra Mathur: May I know if it is a fact that an American team of steel experts visited one of our steel plants and they have found certain serious deficiencies in the administrative and engineering working and have suggested certain improvements? May I know what is the position?

Sardar Swaran Singh: Representatives of American steel industry have visited the steel plants and also they have visited the headquarters. They had certain comments to make. But, it will not, perhaps, be correct to describe them as pointing out any serious deficiencies and the like.

Shri Harish Chandra Mathur: May I know what is the position, what improvements they have suggested, to step up our production, what are the bottle-necks? The whole question is about the administrative set-up, efficiency and changes.

Sardar Swaran Singh: They did not go into this question of production. Nor were they expected to go into production. They came here on a visit representing the steel industry. Questions about production are technical matters and they are constantly being considered. In the Board of Directors now, there is a Director in charge of Production, a man who has spent his whole life in steel. He is looking

after production matters concerning all steel plants.

Shri Harish Chandra Mathur: What is our next three years programme for manufacture and prospect of export of steel and iron?

Sardar Swaran Singh: There is no definite estimate about our capacity to export because most of the steel that we will be able to make is likely to be consumed in the country itself. There may be some marginal surpluses. Depending on what surpluses are created, efforts will be made to export them.

Shrimati Ila Palchoudhuri: Is it a fact that acute shortage of trained personnel has also been felt and some countries have offered or have been approached so that they may train some personnel? How many are going to be trained and which countries are going to train them?

Sardar Swaran Singh: The hon. Lady Member must be aware that we have trained our technicians at the engineering level as well as the operator level in hundreds in various countries. Now that our steel plants have gone into production, most of the training will be provided in the steel plants here rather than sending large numbers abroad. We may still require some people to be sent abroad. Their number will progressively decrease.

Shrimati Ila Palchoudhuri: It was not about engineering personnel what I was asking, because this question was regarding the administrative set-up and managerial and production management training. What I wanted to know is, which countries will train the production and management personnel, and how many.

Sardar Swaran Singh: It is not our intention to send people purely for managerial training. Training in production techniques is a technical matter. No special training for that purpose is required from any foreign countries. We will benefit by what-

ever may be the experience of other countries. But, we will have to stand on our own legs here.

Pandit D. N. Tiwari: May I know whether it is a fact that labour troubles in Rourkela is more than at the other two places, Bhilai and Durgapur due to defect in the administrative set-up?

Sardar Swaran Singh: For one thing, I do not think there is any serious trouble in Rourkela. There may be points of difference between the management and the workers. But, to describe it as serious labour trouble will not be correct. I do not accept that the management in Rourkela is defective.

Dr. Ram Subhag Singh: Is there any proposal to improve the distribution system of iron and steel allotted to the agriculturists and if so, how it is going to be improved?

Sardar Swaran Singh: With the easy availability of steel, most of the items that would be required for agricultural purposes would be easy of procurement. But difficulties may continue for some time with regard to sheets, particularly thinner gauges and wire. But, most of the steel that would be required for agricultural implements would be adequate in supply and I do not anticipate any serious difficulty in meeting the requirements of agriculturists.

Shri Tangamani: In the statement we find that supplies to some States, particularly Madras and Kerala is unsatisfactory due to transport difficulties. May we know what steps have been taken to transport this without difficulty, and whether steel is being transported by rail or by sea and if so, what is the percentage in each route?

Sardar Swaran Singh: As I have pointed out in the statement itself, there has been difficulty in transporting steel in sufficient quantities to the States of the south. Recent steps have been taken on a high priority basis and train loads actually have moved to places in the south. Transport by sea also is possible. Very energetic

steps are being taken, they have already been taken to move supplies. I anticipate that the situation will ease before long.

Shri Surendranath Dwivedy: Is it not a fact that non-observance of labour laws and regulations and code of discipline has been pointed out by the Labour Department of the Government of Orissa and yet the management has failed to do anything in the matter to restore better labour relationship?

Mr. Speaker: This small question has developed in general terms. We are allowing it as a matter of concession to hon. Members. This cannot be disposed of as a matter of policy; every blessed matter arising out of steel, import, export, manufacture, what else, I do not know. Hon. Members will wait and see. Where the hon. Minister's department comes up, I will give them ample opportunities to address themselves to all sorts of matters.

Shri Hem Barua: Here is a bottle-neck.

Mr. Speaker: There is always a bottle-neck. Next question. Why not the hon. Minister have a conference in the Central Hall and call them? There will be repeated questions brought here relating to his department.

Sardar Swaran Singh: With pleasure. I do not think that a conference will prevent any of us from raising these questions in the House. I am at the disposal of hon. Members. Twice in the course of the session, the Informal Consultative Committee meets and I will circularise the date when this meeting is fixed to all Members. Such of them as are interested are most welcome to attend the meeting.

Mr. Speaker: The hon. Minister may remember that a question was put here in the matter of distribution of steel and a number of Members were anxious to have more steel. Five per cent. and six per cent. was given; 120 per cent. was given to Calcutta.

Similar questions come up from time to time. In the short question-hour it cannot be explained. It is better the hon. Minister will invite a conference as soon as the question-hour is over. I would make an appeal to all hon. Ministers. When we are not able to dispose of a question in the question-hour, the next day, they might invite a press conference. A conference of Members is more important than a press conference. I would appeal to all hon. Ministers, whenever any doubt arises with regard to any particular question, the next day or the day after, they will take the earliest opportunity to invite all Members here and tell them, what the situation is. That would be useful.

Shri Tyagi: In this case, it is not only one Minister involved. He points out transport difficulty every time. Therefore, both the Ministers should sit together.

Shri Harish Chandra Mathur: At the next Consultative Committee meeting, this particular item regarding distribution of steel may be kept as an item in the agenda and a paper may be circulated to all the Members about the position.

Production of Naval Armaments

*208. **Shrimati Ila Palchoudhuri:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that expansion of the indigenous production of naval armaments is under the consideration of the Government of India; and

(b) if so, the details thereof?

The Minister of Defence (Shri Krishna Menon): (a) Yes, Sir. The expansion of indigenous production of naval armaments has been engaging the attention of the Naval authorities for the last 8-9 years and the progress made so far is considered satisfactory.

(b) It is not in the public interest to disclose any details on the floor of the House.

Shri Raghunath Singh: May I know the capacity of the dockyard acquired by the Defence Ministry, and may I

know the number of ships of at least 5,000 tons that we can construct in a year in the dockyard?

Shri Krishna Menon: These dockyards are capable of constructing ships, but the tonnage and so on would depend on the category of the ships. At the present moment they are making civilian ships for Government. Later on, when certain modifications have been made, they will probably go in for other production. And that is as far as I can go.

Shri M. R. Krishna: May I know what percentage of ammunition required for the navy is made indigenously? I am not referring to arms, I am speaking about ammunition.

Shri Krishna Menon: Most of our ammunition is manufactured in this country now except some very specialised items which have become less and less.

Oil Survey in Cauvery Basin

+

*209. { **Shri Osman Ali Khan:**
Shri Agadi:
Shri Sugandhi:
Shri Wodeyar:
Shri Subbiah Ambalam:

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

(a) whether Government of India have approached Rumania for the exploration of oil in the Cauveri Basin in South India and the reactions of the Rumanian Government thereto; and

(b) the results of the negotiations with Rumania?

The Minister of Mines and Oil (Shri K. D. Malaviya): (a) No, Sir

(b) Does not arise.

Shri Osman Ali Khan: May I know whether the attention of Government has been drawn to the statement of the Minister of Rumania who visited South India, that Rumania would be only too willing to spare her experts for exploration of oil in the Cauvery Basin in the South?