

the Fourth Plan round about 9 or 1 million ton is fixed as the target for special and tool alloy steel.

Shri J. P. Jyotishi: May I know whether Government is examining the prospect of having a steel plant at Sarguja which abounds in iron ore?

Shri P. C. Sethi: As has been stated the steering group has envisaged the target of 18 million tons, but the study is being carried on by HSL.

Shri Hem Barua: May I know if it is a fact that addressing the meeting of the Steel Advisory Council a couple of days back the hon. Minister said:—

“There is no immediate solution to the shortage of steel and we have to live with it.”

If so, may I know whether this is a statement of despair or whether Government proposes to take steps to minimise this inevitable shortage within the present framework of the Plan?

Shri C. Subramaniam: It was a statement of fact that our capacity to produce cannot be stepped up overnight. It takes a long time. Therefore till we step up production we have to live with these shortages and to the extent possible we have to import.

Pig Iron

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- Shri S. M. Banerjee:
 - Shri Indrajit Gupta:
 - Shrimati Savitri Nigam:
 - Shri Maheswar Naik:
 - Shri Ram Ratan Gupta:
 - Shri D. D. Mantari:
 - Shri M. L. Dwivedi:
 - Shri B. K. Das:
 - Shri Subodh Hansda:
 - Shri S. C. Samanta:
 - *274. Shrimati Renuka Ray:
 - Shri Oza:
 - Shri Koya:
 - Shri P. C. Borooah:
 - Shri P. R. Chakraverti:

- Shri A. K. Gopalan:
- Shri Basumatari:
- Shri R. Barua:
- Shri Daljit Singh:
- Shri Eswara Reddy:
- Shri S. N. Chaturvedi:

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

(a) whether it is a fact that there is still much difficulty in getting pig iron for small industries in U.P. and other parts of the country;

(b) if so, the further steps taken to increase the supply of pig iron; and

(c) the quantity of pig iron imported during this year?

The Deputy Minister in the Ministry of Steel, Mines and Heavy Engineering (Shri P. C. Sethi): (a) As the demand for foundry grade pig iron exceeds the availability, it has not been possible to meet the full requirements of the small scale foundries of not only Uttar Pradesh but other States also.

(b) As a result of a further re-assessment of availability and utilisation so far, the allocation for 1963-64 to the State list (small scale) foundries has been increased from 178,000 tonnes to 218,000 tonnes.

(c) No imports have been made during the year, so far.

Shri S. M. Banerjee: In view of the reply to a previous question which said that the pig iron quota of UP was reduced from 2 lakh tons to 14,000 tons and that of Bengal from 2½ lakh tons to 24,000 tons, I would like to know whether the position in these two States has improved and whether the small-scale industry and other industrialists have been able to work.

The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam): Merely a statement of the quota was illusory because they were not getting the entire quota. But now

we have taken into account the availability of pig iron and have indicated what would be available positively. As a matter of fact, as far as U.P. is concerned, originally 14,300 tons was fixed as the quota. Now it has been increased to 27,336 tons, nearly 100 per cent increase.

Shri S. M. Banerjee: From the answer of the hon. Deputy Minister it appears that Government has not imported any pig iron during this particular year. I would like to know how it reconciles with the statement of the hon. Minister which said that to meet the shortage we would like to import pig iron from Russian and other countries.

Shri C. Subramaniam: We are proposing to import from U.S.S.R. next year, in 1964, 1,50,000 tons.

Shri Indrajit Gupta: In view of the fact that the shortfall in pig iron production has been mainly due to the bad performance of the private sector, does the Government intend to rely entirely on the private sector for expanding production? Are they considering any possibility of setting up separate foundries for pig iron production of setting up separate foundries for pig iron production in the public sector also?

Shri C. Subramaniam: No doubt I am still hoping that the private sector may come up to a certain extent to meet this shortage. But I am not relying upon the private sector entirely. I am taking steps in the public sector to produce sufficient quantities of pig iron.

Shrimati Savitri Nigam: May I know if the hon. Minister is aware that some of the foundries which have been working since the last 20 years have been closed down because of this wrong distribution of pig iron and whether the hon. Minister is thinking of giving some immediate relief to some of these foundries which are on the verge of being closed down?

Shri C. Subramaniam: No foundry has closed down now because certain quantities at least have been assured to these people. I do agree that these quantities are not sufficient particularly with reference to some of the small foundries. But as I have already stated, when we increase the production even marginally and we import a little more, we may be able to help the foundries to a greater extent.

श्री म० ला० द्विवेदी : मैं यह जानना चाहता हूँ कि फाउंड्रीज की पिग आयरन की मांग को कुछ हद तक दूर करने के लिये क्या सरकार ने स्क्रैप, आयरन या दूसरे किस्म का आयरन देने का प्रबन्ध किया है ? यदि हाँ, तो किस हद तक ?

Shri C. Subramaniam: Scrap iron is not under control. Anybody can purchase scrap iron in the open market.

Shri S. C. Samanta: May I know whether because of the good quality of pig iron that we are producing, some demands from outside the country also have come?

Shri C. Subramaniam: But unfortunately we will not be able to export, particularly because of the shortage inside the country.

Shrimati Renuka Ray: May I know whether it is a fact that the delay in the completion of the Bokaro plant has had any effect on the shortage of pig iron?

Shri C. Subramaniam: To a certain extent, it is true. If Bokaro had been taken up according to schedule, it would have produced pig iron to a large extent during the Third Plan period. But that will not be available now.

Shri Ranga: Have the Government gone into the question as to why the private sector, private entrepreneurs, are not able to produce as much pig iron as is expected from them and

whether the Government are doing all that lies in their power to help them, if it is needed, in order to see that they fulfil the targets?

Shri C. Subramaniam: I thought the hon. Member should be aware of the conditions in the private sector more than I do. As far as the Government are concerned, we were prepared to give all possible assistance to them to set up these projects. But, as the hon. Member is aware, the private sector comes in only when there are large profits involved, and immediate profits. Perhaps, they think this will not give them immediate and large profits. That is why they are not coming forward.

Shri Jashvant Mehta: In Gujarat all the foundries are on the verge of being closed down. May I know whether the Government has received a representation from the Gujarat Government for removing the difficulties of small foundries and whether the Government have enquired into the defective system of the distribution of pig iron and what are the criteria. .

Mr. Speaker: Not so many questions combined. One question might be replied to.

Shri Jashvant Mehta: Only one question. I want to know whether proper distribution of pig iron is being done at present.

Shri C. Subramaniam: I have been getting reports from every State that all the foundries are on the verge of being closed down. Certainly that cannot be the real state of affairs because every year we have been making available increased quantities of pig iron. Therefore, the position should be a little bit on the improving side. For the purpose of getting a little more pig iron, these reports are coming from all States that all the foundries are on the verge of being closed down. I do not think that is the position.

Shri Sheo Narain: How long will the Government take to supply more quota to U.P. because we are running many small industries?

Shri C. Subramaniam: I have already stated that the quota for U.P. has been increased by 100 per cent.

Shri P. C. Borooah: Despite the fact that adequate capacity was licensed for pig iron, it has not been utilised. May I know what are the difficulties and whether the Government have taken steps for removing those difficulties?

Shri C. Subramaniam: I think I have already answered the question put by Shri Ranga with regard to this.

S.T.C. for Agricultural Commodities

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*278. { Shri Indrajit Gupta:
 { Shri D. B. Raju:
 { Shri Umanath:
 { Shri Prakash Vir Shastri:

Will the Minister of International Trade be pleased to state:

(a) whether there is any proposal for establishing a separate State Trading Corporation for agricultural Commodities; and

(b) if so, the main features thereof?

The Minister of International Trade (Shri Manubhai Shah): (a) and (b). Not yet, Sir.

Shri Indrajit Gupta: May I know whether such a proposal is at all under the consideration of Government?

Shri Manubhai Shah: No.

Shri Indrajit Gupta: In view of the fact that a separate State Trading Corporation has been set up for dealing with minerals, may I know whether similar considerations do not prevail in the case of agricultural commodities like raw jute etc.?

Mr. Speaker: Now, the hon. Member is trying to argue.

Shri Indrajit Gupta: I want to know the reasons. Why are they doing it in one case but not in the other case?