

COMMITTEE ON THE WELFARE OF  
SCHEDULED CASTES AND  
SCHEDULED TRIBES  
(1992-93)

*Shankar*  
*27-4-93*

(TENTH LOK SABHA)

TWENTIETH REPORT ON  
MINISTRY OF STEEL

RESERVATIONS FOR AND EMPLOYMENT OF SCHEDULED CASTES  
AND SCHEDULED TRIBES IN VISAKH/PATNAM STEEL PLANT

Presented to Lok Sabha on 27.4.93

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LOK SABHA SECRETARIAT  
NEW DELHI

April, 1993, Chaitra, 1914(5).

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COMMITTEE ON THE WELFARE OF SCHEDULED CASTES AND  
SCHEDULED TRIBES (1992 - 93)

Shri K. Pradhani ; Chairman

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## I N T R O D U C T I O N

I, the Chairman, Committee on the Welfare of Scheduled Castes and Scheduled Tribes, having been authorised by the Committee to submit the Report on their behalf, present this Twentieth Report (Tenth Lok Sabha) on the Ministry of Steel - Reservations for the employment of Scheduled Castes and Scheduled Tribes in Visakhapatnam Steel Plant.

2. The Committee took the evidence of the representatives of the Ministry of Steel and Visakhapatnam Steel Plant on 18.1.1993. The Committee wish to express their thanks to the officers of the Ministry of Steel and Visakhapatnam Steel Plant for placing before the Committee material and information the Committee wanted in connection with the examination of the subject.

3. The Report was considered and adopted by the Committee on 30 March, 1993.

4. A Summary of conclusions/recommendations contained in the Report is appended (Appendix).

NEW DELHI  
26 March, 1993

5 Chaitra, 1914-15 (Saka)

  
K. PRADHANI  
Chairman

27/4/93  
Committee on the Welfare of  
Scheduled Castes and  
Scheduled Tribes.

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## CHAPTER - I

### REPRESENTATION ON THE BOARD OF DIRECTORS

#### (a) Organisational Set Up

Rashtriya Ispat Nigam Limited (RINL), a Public Sector Undertaking, was incorporated on 18 February, 1982. Visakhapatnam Steel Plant which was a unit of SAIL till then, was brought under the control of RINL on 1.4.1982. The Plant has been constructed in two overlapping phases and its second phase units have been commissioned progressively during the years 1991 and 1992.

1.2 Rashtriya Ispat Nigam Limited has got a three tier organisational set up viz. Board of Directors, Full-time Chairman-cum-Managing Director and full-time senior level Executives in the rank of Executive Director/General Manager/Deputy General Manager etc.(who head the major functional Departments and Auxiliary/Service Departments) The Ministry of Steel is looking after the working of the Rashtriya Ispat Nigam Limited.

1.3 The major functional departments include Works, Construction and Associated Design<sup>and</sup> Engineering, Finance and Accounts, Materials Management, Marketing and Personnel and Human Resources Development, while Auxiliary/Service Departments include Management Services including Industrial Engineering, Corporate Planning, Town Administration including Township Maintenance, Medical and Public Health, Law, Vigilance and Public Relations.

(b) Composition of the Board

1.4 It has been observed from the Preliminary Material that the Board of Directors of Rashtriya Ispat Nigam Ltd. comprises of Chairman-cum-Managing Director, three functional Directors and five part-time Directors. There is no SC/ST Member in the existing Board of Directors.

1.5 The functional Directors on the Board are appointed by the Government in accordance with the guidelines issued by the Department of Public Enterprises. The selection of the incumbents is done by the Public Enterprises Selection Board (PESB). The recommendations of PESB are placed before the Appointments Committee of the Cabinet (ACC) for approval.

1.6 The Committee desired to know as to whether the Ministry of Steel or Chairman-cum-Managing Director of Visakhapatnam Steel Plant had ever suggested/recommended the name of any eligible SC/ST candidate to PESB for appointment as functional Director or part-time Director in the Plant.

1.7 It has been submitted that while PESB invites candidates working outside the Steel Sector, Ministry of Steel also recommends internal candidates for consideration by the PESB for appointment against these posts as and when vacancies arise. The criteria for recommending internal candidates followed by the Ministry of Steel has

been to obtain list of eligible executives and make recommendations. As there was no eligible SC/ST candidates in the feeder grades, no such candidates were recommended for appointment as functional Director.

1.8 The reply has been elaborated further :

"As the project, till recently, was still under implementation, the part-time Directors on the Board of Rashtriya Ispat Nigam Ltd. have been Government officials from the Ministry of Steel, Department of Coal, Railway Board and the State Government of Andhra Pradesh. Generally, the officials at senior level dealing with problems relating to the project have been associated. The nominations have been made on the recommendations of the concerned Department/Government."

1.9 It has been stated further that at present there is no Director belonging to SCs/STs on the Board of any of the 10 Public Sector Undertakings under the Administrative control of the Ministry of Steel.

1.10 During the course of evidence, the Committee desired to know as to whether the Visakhapatnam Steel Plant Authorities had ever taken up with the Ministry that there should be one Director from SCs/STs on their Board.

1.11 The Committee which also visited Visakhapatnam Steel Plant during the course of their on-the-spot Study Tour where they desired the Visakhapatnam Steel Plant to take up the issue of appointment of SC/ST Director on the Board of Visakhapatnam Steel Plant with their Adminis-

trative Ministry, desired to know from the witness as to whether the matter was taken up by the Visakhapatnam Steel Plant with their Administrative Ministry.

1.12 The witness stated :

"The policy regarding appointment of Directors in public sector enterprises is decided by the Department of Public Enterprises and the appointing authority is the Appointment Committee of the Cabinet. Earlier, a similar suggestion was examined by the Department of Public Enterprises and they decided that it was not necessary to appoint specifically SCs or STs Director on the Board of the Company with reference to 38th Report of the Committee on SC and ST."

1.13 The Committee then desired to know the views of the Ministry regarding the appointment of SC/ST on the Board of Directors, the witness submitted :

"My submission is, if a suitable candidate is available, certainly he should be appointed."

1.14 The Committee wanted to have an unambiguous response of the Ministry as to whether a member from Scheduled Caste and Scheduled Tribe should be appointed on the Board of Directors, the witness replied :

"We will take it up with the Department of Public Enterprises."

1.15 To a further query to this effect, the witness explained :

"We will abide by the Directives of Bureau of Public Enterprises."



1.16 To a specific query from the Committee as to give their views over the issue of such an appointment, the witness agreed to the suggestion of the Committee that a member from Scheduled Caste and Scheduled Tribe should be appointed on the Board of Directors.

1.17 The Committee observe that the functional Directors on the Boards of the Public Sector Undertakings are appointed by the Government in accordance with the guidelines issued by the Department of Public Enterprises and the selection of incumbents is done by the PESB. They further observe that at present there is no Director belonging to SC/ST on the Board of any of the 10 Public Sector Undertakings under the Ministry of Steel including the Visakhapatnam Steel Plant. The apparent reason for this has been attributed to non-availability of eligible SC/ST candidates in the feeder grades.

1.18 The Committee regret that at present there are no official or non-official Directors on the Boards of any of 10 Public Sector Undertakings under the Administrative control of the Ministry of Steel and that the Committee's oft repeated recommendation since 1980s (38th Report 7th Lok Sabha) that 'one Scheduled Caste/Scheduled Tribe person should be nominated as official or non-official Directors on the Board of each Public Sector Undertakings', has gone a begging acceptance by the Government.

1.19 The Committee very strongly recommend to the Department of Public Enterprises to issue necessary guidelines to all the Public Sector ~~Under~~ Enterprises including Visakhapatnam Steel Plant to the effect that one of the Directors on the Board of each of them belongs to SC/ST communities so as to ensure that the interests of SC/ST employees are safeguarded in a more meaningful way.

1.20 The Committee further recommend that the Public Enterprises Selection Board should also come forward with the panels of eligible SC/ST persons from different sectors who may be considered for appointment on the Board of all the Public Sector Undertakings including the Visakhapatnam Steel Plant.

1.19 The Committee very strongly recommend to the Department of Personnel (Department of Public Enterprises) to incorporate suitable provision in the Rules/By laws of all the Public Sector Enterprises including Visakhapatnam Steel Plant to the effect that one of the Directors on the Board of each of them belongs to SC/ST communities so as to ensure that the interests of SC/ST employees are safeguarded in a more meaningful way.

1.20 The Committee further recommend that the Public Enterprises Selection Board should also come forward with the panels of eligible SC/ST persons from different sectors who may be considered for appointment on the Board of all the Public Sector Undertakings including the Visakhapatnam Steel Plant.

RESERVATION IN SERVICES

(a) Recruitment made during the last three years

Year-wise recruitment made by Visakhapatnam Steel Plant from 1989 to 1991, has shown that a large number of vacancies in all categories of posts in respect of SCs and STs have been carried forward i.e., 302, ~~177~~<sup>257</sup> and 410 posts relating to SCs and STs have been carried forward in the years 1989, 1990 and 1991 respectively. The position in respect of filling up of reserved Group 'A' posts had not been satisfactory. The position in respect of ST vacancies in Group 'A' is all the more worse because number of carry forward vacancies of STs has been found either increasing or constant and during these <sup>three</sup> years only 45 STs had been appointed in Group 'A' Posts.

2.2 On being asked by the Committee to explain the reasons for carry forward of a large number of vacancies in respect of SCs and STs during the years 1989 to 1991 for all the categories of posts, it had been stated that the production units at Visakhapatnam Steel Plant were completed and commissioned during the years 1989, 1990 and 1991. With the commissioning/operation of the manufacturing units, the management had to resort to massive recruitment during these years. The total number of posts filled during 1989 were 2524; in 1990 were 1626 and in 1991 were 2987. The backlog of reserved vacancies at the end of

1989 was of the order of 302 (120 for SCs and 182 for STs). The intake of candidates belonging to SCs and STs during 1990 and 1991 put together was 1172 (SC 927 and ST 245). However, taking into account the vacancies reserved during the recruitment years of 1990 and 1991 and the backlog carried forward from 1989, the backlog of unfilled reserved vacancies at the end of 1991 increased to 410 out of which 121 were for SCs and 289 for STs.

(b) Staff Strength and Shortfalls

2.3 The staff strength and the shortfalls in all the categories of posts as on 1.6.1992 has been stated to be as under :-

Category of posts	Total No. of posts	Number of Employees		Percentage		Shortfalls		Percentage of shortfalls	
		SC	ST	SC	ST	SC	ST	SC	ST
A	2332	264	51	11.32	2.19	86	124	3.69	5.32
B	388	47	5	12.11	1.29	11	18	2.84	4.64
C	12161	1970	537	16.20	4.42	-	193	-	1.50
D	2434	385	288	15.82	9.37	-	-	-	-
<b>TOTAL</b>	<b>17315</b>	<b>2666</b>	<b>821</b>	<b>15.40</b>	<b>4.74</b>				

2.4 With regard to the position of the backlog vacancies in Visakhapatnam Steel Plant as on 1.1.1993, the following information has been furnished to the Committee :

Backlog as on 1.1.1993 in VSP

	<u>Group A</u>		<u>Group B</u>		<u>Group C</u>		<u>Group D</u>	
	SC	ST	SC	ST	SC	ST	SC	ST
Works	24	71	1	3	68	120	35	-
Construction	44	25	-	-	-	-	-	-
Non-Works	19	10	-	-	11	22	5	3
Total	87	106	1	3	79	142	40	3

(c) Reasons and Remedies for Shortfalls

2.5 Reasons for shortfalls in the employment of SCs and STs as against their reserved vacancies are:

"Non-availability of SC and ST candidates particularly in Group 'A' posts. In the case of STs, the shortage of candidates is more acute, inspite of continuous efforts to identify SC/ST candidates and also after giving relaxation".

2.6 As regards the remedial measures to wipe out the shortfall, it has been stated:

- (i) Special Recruitment Drive has been undertaken to fill the backlog vacancies of SCs and STs from time to time;
- (ii) In certain cases where SC/ST candidates could not qualify in the written tests for the posts of Trainee in different categories inspite of relaxation in qualifying marks, by giving further relaxation, some of the candidates have been taken as Special Trainees with extended training period in certain cases.

- (iii) In certain cases like Store Keepers, Secretarial Assistants etc., the posts were converted to Store Keeper Trainees, Secretariat Assistant Trainees etc. and SC/ST candidates having the minimum educational qualification but not possessing required experience, technical/professional qualification and/or the prescribed qualifying marks in the written examination are being considered for recruitment as Trainees and subsequent absorption in the regular posts after imparting training to them in necessary skills like stenography, typewriting etc.

2.7 It has also been mentioned that efforts are continuing to locate suitable SC/ST candidates by Special Recruitment measures like exclusive advertisement, notifying the posts to SC/ST Associations and advertising the posts through AIR, Doordarshan etc.

2.8 The Committee desired to know the reasons for the shortfall in Group A and B categories of posts in respect of SCs and STs and in 'C' categories of posts of STs as well and the steps proposed to be taken to reduce the existing shortfalls. In a written reply, it has been stated:

"The shortfall existing in Group A category in respect of SCs/STs and STs in Group 'C' categories of posts is mainly due to non-availability of suitable SC/ST candidates especially in technical streams. An exclusive advertisement is being issued for recruitment of 77 posts of Sr. Trainees (Group C and 61 posts of Management Trainees (Technical) (Group A) and a few other posts. As regards Group B, the posts in this group get mostly filled through promotion from Group C posts".



2.9 It has been further stated that Visakhapatnam Steel Plant has completed the ~~second~~ construction <sup>of second</sup> phase ~~units~~. Some manpower in construction has become surplus. This manpower is being re-deployed in work departments, in a phased ~~man~~ manner. After this process is completed, an exercise will be made as regards further recruitment etc.

2.10 Asked to state the special efforts made by Visakhapatnam Steel Plant to ensure that they get sufficient number of SC/ST candidates for Group A posts, Visakhapatnam Steel Plant management has stated in a written reply that factor contributing to this is that these posts are comparatively at higher levels in the managerial cadre which made it more difficult to find suitable SC/ST candidates in these categories.

2.11 During the course of evidence the Committee desired to know from the Visakhapatnam Steel Plant authorities as to how was it that they were not getting enough SC/ST technicians in 'C' category of posts, the representatives of the Visakhapatnam Steel Plant submitted :

"In Group C, we have two categories of people. One is technicians, whom we recruit at lower level; and another is Chargeman category whom we recruit at a higher level who will be promoted and go to the category B. The qualification is Matric and ITI for technicians and Diploma in Engineering for Chargeman. In both cases, candidates are in short supply. They are exposed to written test and many do not pass. This has also been accentuated because of the fact that our recruitment is very very

rapid in the last two or three years. Our Plant Units are commissioned within a period of almost two years. So, it is not that we have not got the people; but there is a shortfall still especially in STs."

2.12 On being questioned by the Committee to name the posts against which ST candidates were not available, the witness stated :

"In the case of executive and supervisory posts, the availability of the ST candidates is very very inadequate. As a matter of fact, we have made a number of exclusive advertisements to recruit them, but it has been a herculean task to get these people. We are facing a very difficult task with regard to a groups A and B posts. But we will be able to make up Group B posts by promotion from Group C."

2.13 As regards the availability of ST candidates, the witness during the course of evidence submitted that in spite of all the attempts, they were not getting ST candidates.

2.14 When Committee desired to know from the witness that if the particular category of persons especially STs were not available in any Group of posts, then how did they propose to fill up those posts in view of the existing backlog in Groups of posts, the witness explained :

"We are making an honest attempt. If we are not able to meet with success, then, as you advised, we will try to club certain posts and try to fill up those posts. Our last alternative would be that we will seek clearance of the Board to convert some posts of ST into SC."

2.15 As regards the backlog of ST candidates in Group A posts, the witness informed the Committee that 'we are confident that we will be able to make up this shortfall'.

2.16 The Committee desired to know from the witness the time span in which it was proposed by Visakhapatnam Steel Plant to make up the backlog as far as Groups 'B' and 'C' were concerned, the witness responded :

"Our planning is such that roughly within a period of 18 or 24 months, we should be able to make it up. And ~~an~~ other problems have also come in. While commissioning the plant, we have done a good job. We had to recruit a massive figure of 2500 people per year. We did not have breathing time. Suppose candidates have failed, we had to call them again. But that possibility is not there ..."

2.17 During the course of evidence, the witness reiterated his earlier commitment regarding clearing the backlog of Group 'B' and 'C' vacancies as follow:

"..... as I have mentioned earlier in reply to some of the questions put by some of the Members, it will be our considered and conscious efforts to see that within 18 to 24 months' time we fill up the backlog in SC/ST categories."

2.18 ~~In a written reply to the question as to whether~~ <sup>The Committee desired to know</sup> the Visakhapatnam Steel Plant had conducted any study about the non-availability of SC/ST candidates in technically specialised areas. <sup>2.19 In reply,</sup> it has been stated:

"During all these years, Visakhapatnam Steel Plant Management has concentrated on construction and commissioning of the plant and in putting constant efforts in securing adequate manpower to meet the urgent requirements of manpower. While the efforts have so far been to get as many SC/ST candidates as possible, no systematic study has been carried out about the non-availability of SC/ST candidates in technically specialised areas. Now that recruitment has tapped off, efforts will be made to conduct a study in this regard, which may help us in our efforts in filling the backlog."

2.20 The Committee note that despite the massive recruitment exercises undertaken by the Visakhapatnam Steel Plant during the years 1989, to 1991, to fill the backlog vacancies of SCs/STs from time to time and the special recruitment drives, there had been shortfall in recruitment of SCs and STs in Group A, B and C posts. The position has not improved much which is evident from the backlog position as on 1.1.1993 because there still exists a backlog of SCs and STs in Group A, B, C and D posts to the tune of 193, 4, 221 and 43 respectively. The backlog position in respect of ST candidates particularly has been found worse especially in A and C categories of posts. The Committee have been told during evidence that roughly within a period of 18 to 24 months, the undertaking would be able to clear the backlog.

2.21 The Committee are unhappy to note that the existing backlog of vacancies in Visakhapatnam Steel Plant in respect of SCs and STs in different categories of posts and especially for STs in 'A' and 'C' categories of posts continues to remain unfilled inspite of Special Recruitment Drives. They, therefore, recommend to Visakhapatnam Steel Plant to ensure that all the backlog is liquidated

within 18 to 24 months as has been mentioned by the management during the course of evidence and for this all the necessary measures like Special Recruitment Drive, conversion of posts as trainees and grouping of posts etc. should be taken. The Committee also desire that in view of the huge backlog of Scheduled Tribes, the conversion of ST posts to SC posts as far as possible should be avoided.

2.22 The existing shortfall in Group 'A' and 'C' posts has been ascribed to non-availability of suitable SC/ST candidates specially in technical streams. The Committee, therefore, recommend to Visakhapatnam Steel Plant to make earnest efforts to conduct a systematic study about the non-availability of SC/ST candidates in technically specialised areas because they feel that it would certainly help Visakhapatnam Steel Plant in their efforts in filling the backlog and to devise effective ways and means to achieve the purpose.

(d) Procedure for Promotions

2.23 The promotions among staff are regulated in accordance with the promotion policy and rules separately laid down for Executives and non-Executives.

(e) Concessions/Relaxations to SCs/STs in Promotions

2.24 It has been stated that in respect of Non-executive cases for vacancy based promotions, orders regarding reservations are being followed. In accordance with the Directive on the subject, since all promotions within Group 'A' are by selection only and no seniority lists are maintained for the purpose of promotions, those SC/ST Executives, who are senior enough in their respective lines of promotion (LOPs) so as to be within the number of vacancies for which promotion list is drawn up are also included in the select list if they are otherwise not found unfit for promotion.

(f) Promotions made during the last three years

2.25 The total number of employees promoted in Visakhapatnam Steel Plant in various groups of posts during 1989, 1990 and 1991, the number and percentage of SCs and STs amongst them and the shortfalls in promotions have been stated as under :-

Category of posts	Total promotions effected	No. of persons promoted		Percentage promoted		Shortfalls	
		SCs	STs	SCs	STs	SCs	STs
<u>1989</u>							
A	-	-	-	-	-	-	-
B	43	05	-	11.63	-	2	3
C	-	-	-	-	-	-	-
D	-	-	-	-	-	-	-
<u>1990</u>							
A	07	01	-	14.29	-	1	-
B	-	-	-	-	-	-	-
C	-	-	-	-	-	-	-
D	-	-	-	-	-	-	-
<u>1991</u>							
A	03	-	-	-	-	1	-
B	13	1	-	7.69	-	1	1
C	-	-	-	-	-	-	-
D	-	-	-	-	-	-	-

2.26 The Committee observed from the above statement that although 10 employees were given promotion in Group 'A' posts during 1989, 1990 and 1991, only one SC was promoted. Similarly, in Group 'B' posts although 56 employees were promoted during these years, only 6 SCs were given promotion. However no ST has been promoted in any of the Groups.



(g) Causes of Shortfalls in Promotions

2.27 The shortfall has been stated due to non-availability of eligible candidates for promotion.

2.28 In reply to an other query in this connection, it has been stated :

"Visakhapatnam Steel Plant was completed and commissioned in July 1992 and dedicated to the Nation by the Prime Minister on 1st August, 1992. During the period 1989 to 1992, most of the manufacturing units of Visakhapatnam Steel Plant were completed and commissioned in quick succession. With a view to ensuring operations of the manufacturing units, the management had to resort to large scale direct recruitment, and only a small percentage of posts were filled through promotions of employees who were recruited in earlier years. At the initial stages of the organisation, therefore, it was not possible to fix any quota between direct recruitment and promotions. As the organisation grows and more and more employees start becoming eligible for promotion, the aspect of fixing such quotas for recruitment and promotions will be considered."

2.29 Asked by the Committee to state the reasons for poor performance on the part of Visakhapatnam Steel Plant in giving promotions to SC and ST candidates in the Groups A and B, it was explained :

"It may be mentioned here that the details of promotions effected in the years 1989, 1990 and 1991 pertain to vacancy based promotions. It may be further mentioned that out of 10 employees promoted to Group 'A' during the year 1990 and 1991, 5 joined Visakhapatnam Steel Plant on transfer from SAIL plants when Visakhapatnam Steel Plant was a unit of SAIL."

The balance 5 are the employees who are directly recruited in Visakhapatnam Steel Plant. Out of 2 reserved points for SCs and 1 reserved point for ST, only 1 SC point could be filled as there was no other SC/ST candidates who were eligible for promotion to Group 'A' posts.

Subsequently, in the year 1992, the backlog was reduced by promoting 2 more SC candidates, one against the vacancy reserved for SCs and the second one by exchanging the post reserved for STs with an SC candidate. The current backlog is thus only for one SC candidate which will be filled as and when an SC candidate becomes eligible for promotion, subject to suitability etc.\*

2.30 As on date the position in regard to backlog in promotions in Groups 'A' has been stated to be as follows:

No. of vacancies filled by promotion	No. of posts reserved		Number promoted		Backlog	
	SC	ST	SC	ST	SC	ST
20	03	01	03*	-	01	-

\* One post reserved for ST exchanged for SC due to non-availability of suitable ST candidates.

2.31 Asked to explain the reasons for not effecting any promotions in 'C' category of posts during all these three years in Visakhapatnam Steel Plant, it has been stated :

"Bulk of the recruitment in 'C' category posts has been carried out in the years 1989, 1990 and 1991 by way of inducting Jr. Trainees and Sr. Trainees who were on training for a period of 18 months before they were absorbed in regular posts. They become eligible for vacancy based promotion on completion of 4 years of service. There was, therefore, no vacancy based promotions during 3 year period in Group 'C'."

2.32 During the course of evidence, while replying to another query, the witness stated they did not expect that there would be shortfall of candidates. Once the qualifying period of four years was over, there would be enough flow of candidates for promotions.

2.33 During the course of evidence while discussing in-service training for promotions and on the question of giving further relaxation to SC/ST candidates who could not qualify even after training for periods ranging from 18 months to 30 months, the witness responded :

"We will do it. We will work out that scheme to give some sort of relaxation. When the question of promotion from one cadre to the other cadre arises, we will give one or two more chances to SC/ST,"

2.34 From the figures of the years 1989 to 1991, the Committee observe that the position in regard to the promotion in Visakhapatnam Steel Plant in Groups A, B and C in respect of SCs/STs and more so in case of STs is not satisfactory. Shortfall in promotions has been attributed to the fact that there are no eligible SC/ST candidates for promotion.

2.35 The Committee further observe that in Visakhapatnam Steel Plant no separate quota for promotion and direct recruitment has been fixed in the recruitment rules for different categories of posts. However, they intend to fix the same as the organisation grows and more and more employees start becoming eligible for promotion. They have been told that in Visakhapatnam Steel Plant with a view to ensuring operation of the manufacturing units, the management had to resort to large-scale direct recruitment; and only a small percentage of posts were filled through promotion of employees who were recruited in earlier years.

2.36 The Committee are informed during the course of evidence by the Ministry of Steel that they do not expect that there will be shortfall of candidates as once the qualifying period of

four years is over, there will be enough flow of candidates for promotion. The management of Visakhapatnam Steel Plant also assured during the course of evidence that in order to give some sort of relaxation to SC/ST candidates, when the question of promotion from one cadre to other cadre arises, they will give one or two more chances to them in clearing the tests for promotion. Besides giving extra chances for passing promotion tests, the Committee recommend that minimum qualifying period of service may also be relaxed suitably for SC/ST candidates. It is also recommended that there is no occasion for carry-forward of reserve points as far as possible.

2.37 The Committee desire that Visakhapatnam Steel Plant should clear the shortfall in promotions in respect of Scheduled Castes and Scheduled Tribes in all the Groups of posts at the earliest and apprise them of the progress in this regard.

2.38 The Committee also recommend that separate quotas for direct recruitment and promotion for different categories of posts in the recruitment rules of Visakhapatnam Steel Plant should be fixed early so that the shortfall in promotions due to non-availability of eligible Scheduled Caste/Scheduled Tribe candidates can be made up by temporary diversion of promotional posts to direct recruitment quota and vice-versa.

CHAPTER III  
PROCEDURAL MATTERS

(a) RESERVATION DIRECTIVES

Percentage of reservations made in Visakhapatnam Steel Plant in favour of SCs and STs applicable to posts filled by Direct recruitment and posts filled by promotion are stated to be as under:

<u>Posts filled by Direct Recruitment:</u>	<u>SCs</u>	<u>STs</u>
a) Group 'A' i) Management Trainees	15%	7½%
ii) Others	16%	7½%
b) Group 'B', 'C' & 'D'	15%	6%
c) Posts filled by promotion	15%	7½%

3.2 When asked to explain the circumstances under which the reservation percentage on local or regional basis was made applicable to Group 'B' posts in Visakhapatnam Steel Plant, it has been stated that the percentages for Andhra Pradesh i.e. 15% for Scheduled Castes and 6% for Scheduled Tribes are being followed in respect of direct recruitment to Group 'B' posts.

3.3. It has been explained further that posts falling under Group 'B' in VSP comprised of non-executive category of posts which are primarily filled by promotion. However, at times, to meet urgent requirements of experienced persons, direct recruitment is also resorted to. The Direct recruitment is done for these posts through local employment exchange, attracting candidates from Andhra Pradesh Region.

3.4 During the course of evidence, in reply to a question as to how they have arrived at this decision, the representative of the Ministry of Steel Submitted :-

"In this case, most of the posts in <sup>Group B</sup>~~B, C and D~~ are filled up by promotion and therefore the extent of direct recruitment is small. According to my information, the company does it locally. Therefore it is not coming in the category of All India recruitment by either limited competitive examination or without it. Therefore they have adopted the original standard which the presidential directive says is applicable to C & D group, in respect of Group B also."

3.5 He submitted further :-

"It is because of the peculiar circumstances where most of the posts are filled up by promotion and there is very limited recruitment. They are doing it only locally."

3.6 The Chairman-cum-Managing Director of Visakhapatnam Steel Plant added :-

"There is an understanding reached with the Government of Andhra Pradesh that we must take all the people at this category from the local employment exchange only. That is why this cannot be kept as All India post. As for as promotion reservation is concerned, 15% for SC and 7½% for ST is earmarked."

3.7 When the Committee pointed out the fact that there were clear instructions in the Presidential Directives that Group 'B' posts were All India Posts (the percentage applicable to these posts should be 15% and 7½% for Scheduled Castes and Scheduled Tribes, respectively) and desired to know why the Presidential Directive had not been followed by the Visakhapatnam Steel Plant, the witness submitted :-

"The Project has to move and the work has to go on. So, it is a sort of a compromise formula. It is not that the entire category has been taken from them. We have resorted to All India selection for some posts of category 'B'. That means we have taken them from Steel Authority of India and other allied Steel manufacturing units to get experienced (SC/ST) candidates."



3.8 When the Committee pointed out that they have not come across any organisation in the country where the recruitment to Group 'B' posts had been localised and desired to know the basis for deviation from the Presidential Directive in this regard, the representative of the Ministry of Steel explained :-

"The Ministry have of course, issued a directive in 1991 and the understanding is that most of the posts in Group 'B' will be by promotion from Group 'C'. We agree with you that if it has to be open recruitment, it should be on all-India basis. As the CMD has pointed out, sometimes there are local difficulties which may strain the management. But the Ministry is not in favour of localising the recruitment."

3.9 When the Committee pressed for direct recruitment on all-India basis for Group 'B' posts the witness concluded :-

"We will take it up with the Management to make it All-India cadre to the extent there is direct recruitment."

3.10 The Committee regret to note that in Visakhapatnam Steel Plant in violation of the Presidential Directives, the percentages prescribed for Andhra Pradesh i.e. 15% for Scheduled Castes and 6% for Scheduled Tribes are made applicable in direct recruitment to Group 'B' posts whereas as per the Presidential Directives these percentages should have been 15% for SCs and 7½% for STs as the recruitment in Group 'A' and 'B' cases is normally made in all-India basis.

3.11 The Committee observe that the posts falling under Group 'B' in Visakhapatnam Steel Plant comprise of non-executive category of posts which they have been told are filled by promotion. However, the Committee further observe that at times to meet urgent requirements of experienced persons localised direct recruitment is also resorted to for Group 'B' posts. It has also been clarified during the course of evidence that the VSP has resorted to All India Selection for some category of posts in Group 'B' i.e., direct recruitment on all-India basis has been made in Group 'B' posts.

3.12 The Ministry of Steel have however, subscribed to the views of the Committee that if it has to be open recruitment, it should be on All India basis and that the Ministry is not in favour of localising the recruitment to Group 'B' posts. The Secretary, Ministry of Steel also agreed during the course of evidence to take up with the VSP management to make the recruitment to Group 'B' posts on all-India basis to the extent there was direct recruitment.

3.13 The Committee recommend to the Ministry of Steel to immediately take up this matter with the Visakhapatnam Steel Plant management and ensure that the recruitment by Visakhapatnam Steel Plant to Group 'B' posts is made on all-India basis to the extent there is direct recruitment to Group 'B' posts in Visakhapatnam Steel Plant as has been agreed to by the representative of the Ministry of Steel during the course of the evidence.

(B) RECRUITMENT PROCEDURE

3.14 As regards the procedure for recruitment of staff in various categories of posts in Visakhapatnam Steel Plant, it has been stated that recruitment to non-executive posts is carried out through Employment Exchange. However, in a very few exceptional cases where persons with experience in Steel Plant operation, maintenance and other related areas are required, such persons are recruited by negotiation or internal circulation among Public Sector Steel Plants and other organisations. With regard to the posts in executive category, bulk of the recruitment is carried out at the induction level, i.e. Management Trainees for Technical and Administrative streams through open advertisement on All India basis involving a written test, group discussion and interview. However, wherever persons with experience are required, recruitment is carried out at appropriate levels through open advertisements, circulation of posts in Public Sector Steel Plants and other organisation and also, in a few cases, by negotiation after identifying persons with requisite qualification, experience and background.

3.15 As regards, the sending of appointment/interview letters by registered post, it has been stated that letters calling for interview are sent under certificate of posting. Appointment Letters are invariably sent by Registered Post.

3.16 The Committee desired to know as to how many persons from SC/ST categories with requisite qualification, experience and background were identified and recruited after negotiations in Visakhapatnam Steel Plant during the last 3 years. In a written reply, it has been stated:-

"Visakhapatnam Steel Plant has been set up with advanced technologies with an investment of over Rs. 8500 crores. Most of its work force was fresh without any steel plant experience. Out of 15121 non-executive employees, 6032 were Displaced persons, whose lands/dwellings have been acquired for VSP. These employees belonged to agriculture background and have no exposure to steel industry. For the purpose of commissioning and operation of the manufacturing units of the plant, the need for experienced persons was felt. A small number of persons possessing specialised experience were therefore, included from other steel plants and contracting agencies. The number of such persons is about 100. There are however, no SC/ST candidates in this category."

3.17 The Committee further enquired whether the Visakhapatnam Steel Plant was intimating the reserved vacancies to the Director of SC/ST Welfare or Director of Social Welfare in the State/Union Territory concerned after the Employment Exchange expressed its inability to sponsor SC/ST candidates against the vacancies referred to it, in reply it has been stated :-

"The non-availability of suitable candidates is largely in the categories of STs and copies of the notifications involving posts reserved for STs are endorsed to the Project Officer, Integrated Tribal Development Authority, Paderu (which is a tribal area in Visakhapatnam region).... In the year 1992 we could select as many as 85 persons in Group 'D' against reserved posts for Scheduled Tribes through this process."

3.18 Asked to explain the rationale behind sending the letters calling for interview under certificate of posting and appointment letters by Registered Post, it was explained that the recruitment in each year in Visakhapatnam Steel Plant is about 2500 posts for the last 3 years. The number of candidates called for written test, physical test, interview, medical examination etc. was very large in each recruitment year. Due to this huge volume of recruitment, it has not been possible to send intimation letters for attending written test, physical test, etc. by Registered Post. Further, it may be mentioned that the recruitment is largely through the local employment exchange and notices about date, time, venue etc., of test/interview etc. are exhibited in the Notice Boards of Visakhapatnam Steel Plant. Also, the employment Exchange too displays the list of candidates sponsored against the requisition of Visakhapatnam Steel Plant. The percentage of number of candidates who appeared for interview vis-a-vis the number of candidates called for interview is 90% approximately.

3.19 During evidence the Committee pointed out that in some cases the letters were not reaching in time to people and even registered letters got delayed some time. This was more so in villages and thus, the very purpose of the letter was defeated. The Committee therefore, desired that it should be ascertained as to whether the letters had really been received by the candidates and if not, they must be given relaxation.

3.20 The Committee find that in Visakhapatnam Steel Plant out of around 100 persons recruited by way of negotiations or internal circulation of vacancies among Public Sector Steel Plants and other organisations, none belonged to SC/ST categories. The Committee recommend to the Visakhapatnam Steel Plant authorities to ensure that the interests of SC/ST persons are also duly taken care of whenever such recruitment is made in future.

3.21 The Committee note with appreciation that the copies of employment notifications involving posts reserved for Scheduled Tribes are endorsed by the Visakhapatnam Steel Plant to the Project Officer, Integrated Tribal Development Authority, Paderu (which is a tribal area in Visakhapatnam region), and this has helped them to select as many as 85 ST candidates in Group 'D' posts in the year 1992. The Committee, however, find that the Visakhapatnam is not intimating the reserved vacancies to the Director of SC/ST Welfare or Director of Social Welfare in the State after the Employment Exchange expresses its inability to sponsor SC/ST candidates against the vacancies referred to it by the Visakhapatnam Steel Plant.

3.22 The Committee recommend to the Visakhapatnam Steel Plant that the practice of intimating reserved vacancies to the Director of SC/ST Welfare in the State concerned after the employment exchange expresses its inability to sponsor SC/ST candidates against the vacancies referred to it; should be strictly followed by the Visakhapatnam Steel Plant as per the directives on the subject. The Committee feel that this would also, in turn, help the Visakhapatnam Steel Plant to fetch the requisite number of Scheduled Castes/~~s~~cheduled Tribe candidates with required standards.

3.23 The Committee do not agree with the argument put forward by the Visakhapatnam Steel Plant that due to huge volume of recruitment, it has not been possible to send intimation letters for attending the written test, physical test, etc. by registered post. The Committee feel that it would be better if all the important letters of appointment/interview etc. are sent to SC/ST candidates particularly those residing in hilly, backward and remote areas through Registered Post followed by a copy through ordinary post so as to ensure that at least one letter reaches the candidates well in time. They also urge Visakhapatnam Steel Plant Management to entertain in subsequent recruitment the earlier applications of those candidates who did not appear for written test/interview and also applications of those candidates which have been received directly.



(C) INDICATION OF THE REASONS FOR REJECTION OF SC AND ST CANDIDATES TO EMPLOYMENT EXCHANGES.

3.24 It has been stated in the preliminary material that the precise reasons for the rejection of Scheduled Caste and Scheduled Tribe candidates are not indicated by the appointing authorities in Visakhapatnam Steel Plant to the Employment Exchanges so as to facilitate the latter in sponsoring the right type of candidates belonging to these communities.

3.25 In reply to a query by the Committee as to why such practice was not being followed in Visakhapatnam Steel Plant despite the clear instructions to this effect in the revised Presidential Directives issued to Visakhapatnam Steel Plant by the Department of Steel, it has been stated that due to bulk recruitment carried out during the years from 1989 to 1992 in Visakhapatnam Steel Plant with an average intake of about 2500 persons in each recruitment year, the practice of intimating precise reasons for non-selection of SC/ST candidates to Employment Exchanges could not be followed. This was also due to meagre staff strength in the recruitment section of the Personnel Department. Hereafter, it will be ensured that this practice is followed in all cases of future recruitments.

3.26 During the course of evidence, the Chairman-cum-  
Managing Director submitted :-

"As I mentioned, the recruitments <sup>was</sup> ~~were~~ more particularly in the years 1989, 1990 and 1991. Our Personnel Department could not just manage to inform the failures or the deficiencies on the part of the Scheduled Caste and Scheduled Tribe candidates to the Employment Exchanges in view of the shortage of manpower available with us. Now the majority of the selection is over and for the rest part of it, we assure the Chairman that in future, we will bring out such cases to the notice of the Employment Exchanges."

3.27 The Committee have taken a serious view of the lapse on the part of Visakhapatnam Steel Plant in not following the practice of intimating precise reasons for non-selection of SC/ST candidates to Employment Exchanges despite the clear instructions to this effect in the revised Presidential Directives. They find the reply given by the Visakhapatnam Steel Plant Management as unsatisfactory and recommend that in all cases of future recruitments this practice should be followed by Visakhapatnam Steel Plant without fail as has been assured by the Visakhapatnam Steel Plant Management during the course of evidence.

(D) SENDING OF THE COPIES OF THE ADVERTISEMENTS FOR RECRUITMENT TO THE RECOGNISED ALL INDIA ORGANISATIONS OF SCHEDULED CASTES & SCHEDULED TRIBES.

3.28 In regard to sending of the copies of advertisements for recruitment to the recognised All India Associations of Scheduled Castes & Scheduled Tribes, it has been stated in the preliminary material that in some cases where the reserved posts could not be filled through normal method, the posts are notified to such Associations. But this practice is followed occasionally only.

3.29 When asked to explain the reasons as to why the above practice was followed occasionally only when there were clear instructions in the revised Presidential Directives issued to Visakhapatnam Steel Plant by the Department of Steel that simultaneously with the advertisement, the vacancies should be brought to the notice of recognised SC/ST Organisations, in a written reply, it has been stated :-

"Whenever exclusive advertisements for recruitment of SC/ST categories are issued, copies of which are invariably sent to the SC/ST Associations. In other cases, this practice has not been followed. This will be complied with strictly in future recruitments."

3.30 The Committee regret to note the omission on the part of Visakhapatnam Steel Plant in not complying with <sup>the</sup> instructions in the revised Presidential Directives that simultaneously with the advertisement, the vacancies should be brought to the notice of recognised SC/ST organisations. They desire that these instructions are complied with strictly in future as has been agreed to by the Visakhapatnam Steel Plant Management also.

CHAPTER IV - ORGANISATIONAL MATTERS

(a) Rosters

It has been stated that the rosters are maintained in the Visakhapatnam Steel Plant for direct recruitment and promotion from the inception of the organisation i.e. from April, 1982.

"Officials from the Ministry are deputed from time to time to visit the different undertakings for physical inspection of the state of affairs with regard to compliance with the reservation orders. The rosters maintained by the PSUs are also inspected during such visits. The roster of VSP was last inspected in September, 1989".

4.2 During the course of inspection of rosters by the officials from the Ministry on their visits, some serious shortcomings such as non-following of the procedure for exchange of reserved vacancies between SCs and STs, non-consideration of grouping of isolated posts in Group 'A' not properly filling the roster points etc. had been observed.

4.3 Asked to explain for these serious lapses in the maintenance of rosters in Visakhapatnam Steel Plant, the Ministry have stated in a written reply as follows:-

"The vacancies could not be exchanged as the backlog in both the categories has continued to exist. VSP Management could not get suitable candidates in each category for filling up the vacancies in respective category. As such, the question of exchange of vacancies thereby taking more than the number of vacancies reserved for the category has not arisen. However, the vacancies carried forward to the 3rd year and subsequent years have not been allowed to be lapsed but carried forward to future years. VSP was in the process of construction and completion. With a view to ensuring early completion of the project, the management has been concentrating more on the project and to provide necessary manpower for commissioning and operations. The question of grouping of posts in different categories will be taken up now.

The deficiencies pointed out in the plotting of SC/ST candidates has been removed and the rosters are being maintained and properly followed".

4.4 During the course of evidence the representative of the Visakhapatnam Steel Plant again submitted :-

"I may respectfully submit that the rosters are maintained properly. The Ministry officials visited in 1989. They explained some of the points. We are meticulously following all the guidelines".

4.5 The Committee find that a number of mistakes like non-exchange of vacancies, non-grouping of isolated posts in different categories etc., have occurred in the maintenance of rosters by Visakhapatnam Steel Plant. They would like to impress upon the Management of Visakhapatnam Steel Plant that the staff engaged on the maintenance of rosters should be imparted training in the proper implementation of reservation orders and correct maintenance of rosters. The Committee also recommend that the grouping of isolated posts in different categories should be taken up by the Visakhapatnam Steel Plant Management so that the backlog of SC/ST vacancies particularly in Group 'A' posts can be cleared.



(b) Special Recruitment Drive

4.6 It has been observed that in the Special Recruitment Drive exclusively for SCs and STs<sup>was</sup> launched by Visakhapatnam Steel Plant in 1989; in Group 'A', 'B', 'C' and 'D' categories of posts, 61, 4, 261 and 5 vacancies in Group 'A', 'B', 'C' and 'D' categories of posts respectively were filled up against the requirement of 131, 9, 540 and 5 posts respectively. It is seen that out of a total of 685 vacancies proposed to be filled up by SC/ST candidates in all categories of posts, vacancies to the tune of 331 only could be filled up by SC/ST candidates.

4.7 On being asked as to when did the Visakhapatnam Steel Plant propose to launch further Special Recruitment Drives to wipe out the remaining backlog vacancies, it was submitted by Visakhapatnam Steel Plant that the backlog position as on 1.1.1993 had been reviewed and a Special Recruitment Drive had already been initiated. It was expected that the recruitment will be completed by April-May, 1993.

4.8 When asked about the special efforts made by the Visakhapatnam Steel Plant to get sufficient number of SC/ST candidates for Group 'A' posts, it has been stated that a Special Recruitment Drive was launched in 1990 and 1991 for filling up of 76 SC/ST posts in Group 'A' in different disciplines. As a result of these efforts, 10 posts by SC/ST candidates could be filled up. The posts mostly in Works Division which were identified for Special Recruitment Drive could not be filled due to non-availability of suitable SC/ST persons with Steel Plant background and experience.

4.9 During the course of evidence, the Committee wanted to know as to how many times the Visakhapatnam Steel Plant had done Special Recruitment Drive during the last three years. In reply the witness stated:-

"We have done it two times in 1990 and in 1991 the special drive for recruitment of SCs and STs candidates. Right now we are having 77 posts in executive category for which special drive is on. We hope to fill this up by April-May 1993".

4.10. The Committee note that Visakhapatnam Steel Plant had conducted two special recruitment drives for SCs and STs in the years 1990 and 1991 and after reviewing the backlog position of SCs and STs as on 1.1.1993 a special recruitment drive had already been initiated by Visakhapatnam Steel Plant to fill up 77 posts of senior trainees reserved for ST in non-executive category and 61 posts of management trainees (technical) reserved for STs along with a few other backlog posts and it was expected that the recruitment will be completed by April-May, 1993.

4.11 The Committee appreciated that in Vishakpatnam Steel Plant, the efforts are on to fill up the backlog vacancies of SCs and STs particularly of STs by resorting to a special recruitment drive for them. The Committee however recommend that keeping in view the huge backlog of SCs and STs in Group A, B and D posts, the Visakhapatnam Steel Plant should resort to special recruitment drives in future as well. The Committee would also like to be apprised of the outcome of the special recruitment drive in hand; the recruitment in which is expected to be completed by Visakhapatnam Steel Plant in April-May, 1993.

(c) Grievances/Complaints

4.12 It has been stated that there is a regular Grievance Redressal Procedure for the employees of Visakhapatnam Steel Plant under which the SC/ST employees are also covered.

4.13 In addition, the members of the SC/ST Welfare Association functioning in Visakhapatnam Steel Plant frequently meet various department/divisional heads like the General Manager (Personnel & Administration), Chief Town Administration etc., and grievances, if any, of SC/ST employees are settled at the earliest.

4.14 It has been stated in the 9th Annual Report of Visakhapatnam Steel Plant (1990-91) that apart from the formal grievances handling machinery, a system of informal grievance handling has been introduced for quick redressal of the problems of the employees at the shop floor. This experiment has proved particularly successful in certain areas of the Plant like the Thermal Power Plant.

4.15 The Committee desired to know the number of complaints/grievances received from SC/ST Employees

during the last three years and also the nature of grievances/complaints received, normal time taken for their disposal and also the number of complaints disposed of. In response, the witness explained:

"In all 41 grievances have been settled in 1991 out of 51 grievances received. They were relating to the incentive scheme which has been implemented. In 1992 we received 71 grievances and 50 were settled. 21 were pending. All the grievances are settled, within one or two months".

4.16 As regards the nature of grievances/complaints received and the time taken for the disposal of the complaints, it has been stated in a written reply:

"The requests/complaints received from SC/ST Employees in the recent years were regarding accommodation for SC/ST Welfare Association, to clear backlog vacancies of SC/ST, for deduction of contribution from their salaries towards welfare fund for families of deceased SC/ST employees, management assistance for conducting Centenary celebrations of Dr. B.R. Ambedkar, etc. The complaints also related to service matters and delays in payment of Local Travelling Expenses, medical reimbursement etc. Such requests are agreed to by the management wherever feasible and the complaints on service matters are normally settled within a month".

4.17 During the course of evidence, the Committee impressed upon the Management that not only the service matters of SC/ST but their general welfare should also be discussed such as education of their children incentive, to deserving SC/ST people etc.

4.18 The Witness responded:-

There are many avenues or areas available for the SC and ST colleagues of ours where they do meet. There are Community Centres and Multi Purpose Halls. They meet there without any difficulty. We also inter-mingle with them. We spent quite a lot of money in setting up a park and putting Dr. Ambedkar's statue. We have quite a bit of interaction with these people".

4.19 The Committee regret to note that the complaints/grievances especially on matters like providing of accommodation for SC/ST Welfare Association, assistance for conducting centenary celebrations of Dr.B.R.Ambedkar, etc. arose in Vishakapatnam Steel Plant which in the first instance should have been settled by informal discussion. They would like the Vishakapatnam Steel Plant Management to be more considerate in dealing with the complaints/grievances received from the SC/ST Employees.

CHAPTER V - MEASURES TO IMPROVE REPRESENTATION  
IN SERVICES

(a) Manpower Planning

In reply to a query by the Committee as to whether there was any system in Visakhapatnam Steel Plant to assess manpower requirements, especially the requirement of SCs and STs for the specialised/technical posts, it has been stated that the manpower requirements of Vishapatnam Steel plant including the aspects of recruitment, training, placement etc. are reviewed continuously at different levels including at the Board level. While drawing up recruitment plans, the requirements of SCs and STs for various posts are also kept in mind.

5.2 During the course of evidence, however, it has been stated that planning is done every year. We plan for one year and we recruit people.

5.3 It was further submitted:-

“Actually what happens is that when we have a certain number of vacancies to be filled up,



automatically as per the roster and directions of the Government, certain posts are earmarked very clearly for SC and ST people. It is also known as to how many people we have to take in these categories".

5.4 The Committee observe that in Visakhapatnam Steel Plant, the manpower requirement (including that of SCs/STs) of the staff is assessed every year and there is no system of perspective manpower planning. The Committee feel that there should be manpower planning for a minimum period of 5 years which would in turn enable the Visakhapatnam Steel Plant to properly assess their requirement of SCs/STs for the specialised/technical posts and to take timely necessary measures for the selection and training of SCs and ST candidates so that suitable persons are available for appointment against the reserved vacancies as and when required. The Committee recommend the Visakhapatnam Steel Plant to introduce a system of Manpower Planning, particularly for the SCs and STs for a minimum period of 5 years and publicise the yearly manpower requirement in various cadres for the benefit of SC/ST candidates.

(b) Training Abroad

5.5 The Committee observed that out of a total of 102 employees/trainees sent abroad by Visakhapatnam Steel Plant for specialised training from 1989-1991, the number of SC/ST Employees/Trainees was 13.

5.6 When asked to explain as to why the number of SC/ST employees/trainees was low as compared to general category employees/trainees, it has been stated in written reply:-

"The cases of employees being sponsored for training abroad are mostly ~~being~~ in Technical areas covering operation and maintenance of steel plant equipments. The training is imparted as a part of the agreement/contracts signed with equipment suppliers, know-how supplies, etc. and the persons to be sent for such training are necessarily to be from the same department or area of specialisation. However, the interests of employees belonging to SC/ST are kept in mind while finalising the names of the employees for deputing to foreign countries for training".

5.7 During the course of evidence, the witness explained further:-

"Foreign training is based on specialised areas where there is a sort of MOU or agreement between the equipment supplier *Vishalsharma* and *Nizag* Steel Plant. Candidates are chosen in those particular areas as per the agreement and they are sent out for training. It all depends upon how many SC/ST candidates we have at that level in that particular area. It is purely a chance. Suppose, the training happens to be in the area of rolling mills and, by chance, SC/ST number is good, then the selected number becomes quite good. It may so happen that in a particular area, the number may be less, whereas the total number may be alright. It all depends upon the area of training. This is worked out with the equipment supplier. But, by and large, there is no discrimination. About 12% of the selected candidates are from SC/ST".

5.8 The representative of the Ministry of Steel further clarified:

"The question of training can be viewed from two angles. One is general purpose training. In Government, we sent staff for course abroad. The Committee's view is very valid and the staff should get the opportunity.

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5.7 During the course of evidence, the witness explained further:-

"Foreign training is based on specialised areas where there is a sort of MOU or agreement between the equipment supplier and Vizag Steel Plant. Candidates are chosen in those particular areas as per the agreement and they are sent out for training. It all depends upon how many SC/ST candidates we have at that level in that particular area. It is purely a chance. Suppose, the training happens to be in the area of rolling mills and, by chance, SC/ST number is good, then the selected number becomes quite good. It may so happen that in a particular area, the number may be less, whereas the total number may be alright. It all depends upon the area of training. This is worked out with the equipment supplier. But, by and large, there is no discrimination. About 12% of the selected candidates are from SC/ST".

5.8 The representative of the Ministry of Steel further clarified:

"The question of training can be viewed from two angles. One is general purpose training. In Government, we sent staff for course abroad. The Committee's view is very valid and the staff should get the opportunity.

The other is training of suppliers for particular installation or operation of equipment. There, the staff working in that area would be the proper candidates to be deputed and it cannot be envisaged that all the equipment will come in a particular area because different projects would be taken up at different times by the Company. Therefore, the staff in different areas may be required to go on training. By and large, the Company tries to do justice to the staff working in that area which includes SC/ST. You may accept this".

5.9 To this, the Committee reacted that if there are eligible SC/ST candidates in the areas required for training abroad the Visakhapatnam Steel Plant should try to send them for such training.

5.10 The Committee observe that the number of SC/ST employees sent for training to foreign countries is on the lower side. They, therefore, recommend that the Visakhapatnam Steel Plant should ensure that an adequate number of eligible SC and ST employees are deputed for training to foreign countries whether for general purpose of training or for training under agreement/contract signed with the equipment supplier, etc.



CHAPTER VI - OTHER MATTERS

(a) Annual Report

It has been observed from the Annual Report of the Visakhapatnam Steel Plant for the year 1990-91, that the statistics relating to representation of SCs and STs has not been incorporated properly in the Report as per the prescribed format in this regard.

6.2 When asked to explain the reasons for the same, it has been submitted in a written reply that in the Annual Report for the year 1991-92, a separate para with regard to representation of SCs/STs in employment has been included and it will be ensured that the information relating to SCs and STs in future Annual Report is furnished in accordance with the format prescribed under the Presidential Directives.

6.3.3 The Committee desire the Visakhapatnam Steel Plant to ensure that from hence onwards the information regarding the representation of SCs/STs in employment is included in the Annual Report of the Visakhapatnam Steel Plant in the format prescribed for the purpose, under the Presidential Directives.

(b) : SOCIO-ECONOMIC DEVELOPMENT

6.4 It has been stated in the Preliminary Material that, **Visakhapatnam** Steel Plant has not undertaken any special scheme for socio-economic development of SCs/STs by adopting village(s) predominantly inhabited by SCs and STs in the vicinity of the Plant.

6.5 The Committee desired to know as to why the **Visakhapatnam** Steel Plant has not undertaken any special scheme for socio-economic development of SCs/STs by adopting village/villages predominantly inhabited by SCs and STs in the vicinity of the Plant and which had a direct relevance to the advancement of SCs and STs. In a written reply, it has been stated that **Visakhapatnam** Steel Plant has been facing financial constraints from the very beginning because of inadequate allocation of funds by the Government in the annual budgets. Although the plant has been completed and commissioned, some works still remain to be completed. Government has, therefore, still to provide budgetary support to a great extent. In view of these difficulties, **Visakhapatnam** Steel Plant has not been able to formally adopt villages for development in the manner such activities are undertaken by other Steel Plants. **Visakhapatnam** Steel Plant has extended financial assistance for peripheral

development of rehabilitation colonies in which SC/ST population also exists. Recently a sum of Rs.20 lakhs is earmarked for such peripheral development like construction of Community Welfare Buildings, digging of borewells, distribution of cycle rickshaws and sewing machines to needy people and school bags for school children etc. In addition Vishakapatnam Steel Plant has introduced exclusive schemes for award of scholarships to the wards of SC/ST employees and also cash awards to the children of SC/ST employees for securing first and second positions in SSC.

6.6 : During the course of evidence, the Committee pointed out that Vishakapatnam Steel Plant had recently earmarked a sum of Rs.20 lakh. They desired the Ministry of Steel to come to their rescue because there were instruction from Government of India that every Department should earmark some amount in their budget proportionate to the percentage of SCs and ST employees for the socio-economic development of SCs/STs. They should quantify the amount. The Committee desired to know from the witness as to how much money had been

quantified by the Department of Steel for the development of SC and ST people. The witness submitted as follows:

"I beg your leave to submit a note on this. I must confess that the Ministry's budget is particularly very little these days. Most of the budget is met by the internal resources of PSUs. Those Undertakings which are heavily in deficit like the Vizag Steel Plant are given some money to complete their project. However, I will have a note for you on this subject".

6.7 The Committee pointed out to Vishakapatnam Steel Plant that they should spend some money from the Peripheral Development Fund for the Welfare of Scavengers Community who are the most vulnerable amongst SC people. They suggested that these scavengers can be given some benefits regarding education, employment etc. and desired to know from the witness their response in this regard.

The witness responded:

"We will certainly take note of it".

6.8 The Committee note that Vishakapatnam Steel Plant has extended financial assistance for peripheral development of rehabilitation colonies in which SC/ST population also exists and recently a sum of Rs.20 lakhs is earmarked for peripheral development. The representative of the Ministry of Steel, however, confessed during the course of evidence that Ministry's direct budgetary contribution was practically very little for supporting such activities of the Visakhapatnam Steel Plant.

6.9 The Committee recommend that Vishakapatnam Steel Plant should strive to undertake special schemes for socio-economic development of SCs/STs by adopting village/ villages predominantly inhabited by SCs and STs in the vicinity of the Plant. They further recommend that the Visakhapatnam Steel Plant should spend some money from their peripheral Development Fund for the welfare of the Scavengers Community who are the most vulnerable section amongst SCs/STs on the activities like education, employment, medical facilities, shelter... etc.

6.10 The Committee also desire the Ministry of Steel to come to the rescue of the Visakhapatnam Steel Plant by providing adequate funds from Special Component Plan and Tribal Sub Plan to them in undertaking the schemes having a direct relevance to the advancement of the SCs/STs.

NEW DELHI;

26 March, 1993

5Chaitra, 1914-15 (Saka)

  
K. PRADHANI

Chairman, 27/4/93

Committee on the Welfare of  
Scheduled Castes and  
Scheduled Tribes.

CONFIDENTIAL

SCTC No. 503

COMMITTEE ON THE WELFARE OF  
SCHEDULED CASTES AND  
SCHEDULED TRIBES  
(1992-93)

(TENTH LOK SABHA)

TWENTIETH REPORT ON

MINISTRY OF STEEL

RESERVATIONS FOR AND EMPLOYMENT OF SCHEDULED  
CASTES AND SCHEDULED TRIBES IN VISAKHAPATNAM  
STEEL PLANT.

PART II

MINUTES OF THE SITTINGS OF THE COMMITTEE HELD  
ON 18.1.1993.

Presented to Lok Sabha on 27.4.93

Laid in Rajya Sabha on 27.4.93

LOK SABHA SECRETARIAT

NEW DELHI

April, 1993/Chaitra 1915(S).



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L O K S A B H A S E C R E T A R I A T

N E W D E L H I

April, 1993/Chaitra 1915(S).

COMMITTEE ON THE WELFARE OF  
SCHEDULED CASTES AND  
SCHEDULED TRIBES  
(1992-93)

( TENTH LOK SABHA)

THIRTY THIRD SITTING  
18.01.1993

The Committee sat from 11:00 hrs. to 13.15 hrs.

PRESENT

Shri Anadi Charan Das - In the Chair

MEMBERS

LOK SABHA

2. Shri Mahendra Baiitha
3. Shri Birbal
4. Shri Ram Prakash Chaudhary
5. Shri Kalka Das
6. Shri Ram Kapse
7. Shri V.Sreenivasa Prasad
8. Shri Mangal Ram Premi
9. Shri Ram Singh
10. Shri K.D.Sultanpuri

RAJYA SABHA

11. Shri Prakash Yashwant Ambedkar
12. Shri Radhakishan Malaviya
13. Dr.Faguni Ram
14. Shrimati Kailashpati

SECRETARIAT

1. Shri N.M.Jain, Deputy Secretary
2. Shri Babu Ram, Under Secretary

Composition  
of the Board

After introduction during the course of evidence, the Committee desired to know as to whether the Visakhapatnam Steel Plant Authorities had ever taken up with the Ministry that there should be one Director from SCs/STs on their Board.

2. The Committee which also visited Visakhapatnam Steel Plant during the course of their on-the-spot Study Tour where they desired the Visakhapatnam Steel Plant to take up the issue of appointment of SC/ST Director on the Board of Visakhapatnam Steel Plant with their Administrative Ministry, desired to know from the witness as to whether the matter was taken up by the Visakhapatnam Steel Plant with their Administrative Ministry.

3. The witness stated:

"The policy regarding appointment of Directors in public sector enterprises is decided by the Department of Public Enterprises and the appointing authority is the Appointment Committee of the Cabinet. Earlier, a similar suggestion was examined by the Department of Public Enterprises and they decided that it was not necessary to appoint specifically SCs or STs Director on the Board of the Company with reference to 33th Report of the Committee on SC and ST".

4. The Committee then desired to know the views of the Ministry regarding the appointment of SC/ST on the Board of Directors, the witness submitted:

"My submission is, if a suitable candidate is available, certainly he should be appointed".

5. The Committee wanted to have an unambiguous response of the Ministry as to whether a member from Scheduled Caste and Scheduled Tribe should be appointed on the Board of Directors, the witness replied:

"We will take it up with the Department of Public Enterprises".

6. To a further query to this effect, the witness explained:

"We will abide by the Directives of Bureau of Public Enterprises".

7. To a specific query from the Committee as to give their views over the issue of such an appointment, the witness agreed to the suggestion of the Committee that a member from Scheduled Caste and Scheduled Tribe should be appointed on the Board of Directors.

8. During the course of evidence, the Committee desired to know from the Visakhapatnam Steel Plant authorities as to how was it that they were not getting enough SC/ST technicians in 'C' category of posts, the representative of the Visakhapatnam Steel Plant submitted:

Reasons and Remedies for Shortfalls

"In Group C, we have two categories of people. One is technicians, whom we recruit at lower level; and another is Chageman category whom we recruit at a higher level who will be promoted and go to the category B. The qualification is Matric and III for technicians and Diploma in Engineering for Chageman. In both cases, candidates are in short supply. They are exposed to written test and many do not pass. This has also been accentuated because of the fact that our recruitment is very very rapid in the last two or three years. Our Plant Units are commissioned within a period of almost two years. So, it is not that we have not get the people; but there is a shortfall still especially in STs".

9. On being questioned by the Committee to name the posts against which ST candidates were not available the witness stated:

"In the case of executive and supervisory posts, the availability of the ST candidates is very very inadequate. As a matter of fact, we have made a number of exclusive advertisements to recruit them, but it has been a herculean task to get these people. We are facing a very difficult task with regard to groups A and B posts. But we will be able to make up Group B posts by promotion from Group C".

10. As regards the availability of ST candidates, the witness during the course of evidence submitted that in spite of all the attempts, they were not getting ST candidates.

11. When Committee desired to know from the witness that if the particular category of persons especially STs were not available in any Group of posts, then how did they propose to fill up these posts in view of the existing backlog in Groups of posts, the witness explained:

"We are making an honest attempt. If we are not able to meet with success, then as you advised, we will try to club certain posts and try to fill up these posts. Our last alternative would be that we will seek clearance of the Board to convert some posts of ST into SC".

12. As regards the backlog of ST candidates in Group A posts, the witness informed the Committee that 'we are confident that we will be able to make up this shortfall'.

13. The Committee desired to know from the witness the time span in which it was proposed by Visakhapatnam Steel Plant to make up the backlog as far as Group 'B' and 'C' were concerned, the witness responded:

"Our planning is such that roughly within a period of 18 or 24 months, we should be able to make it up. And other problems have also come in. While commissioning the plant, we have done a good job. We had to recruit a massive figure of 2500 people per year. We did not have breathing time. Suppose candidates have failed, we had to call them again. But that possibility is not there...".

14. During the course of evidence, the witness reiterated his earlier commitment regarding clearing the backlog of Group 'B' and 'C' vacancies as follow:

"...as I have mentioned earlier in reply to some of the questions put up by some of the Members, it will be our considered and conscious efforts to see that within 18 to 24 months' time we fill up the backlog in SC/ST categories".

Causes of Shortfalls in Promotions.

15. During the course of evidence, while replying to another query, the witness stated they did not expect that there would be shortfall of candidates. Once the qualifying period of four years was over, there would be enough flow of candidates for promotion.

16. During the course of evidence while discussing in-service training for promotions and on the question of giving further relaxation to SC/ST candidates who could not qualify even after training for periods ranging from 18 months to 30 months, the witness responded:

"We will do it. We will work out that scheme to give some sort of relaxation. When the question of promotion from one cadre to the other cadre arises, we will give one or two more chances to SC/ST".

Reservation Directives

17. During the course of evidence, in reply to a question as to how they have arrived at this decision, the representative of the Ministry of Steel submitted:

"In this case, most of the posts in B, C and D are filled up by promotion and therefore the extent of direct recruitment is small. According to my information, the company does it locally. Therefore it is not coming in the category of All India recruitment by either limited competitive examination or without it. Therefore they have adopted the original standard which the presidential directive says is applicable to C & D group, in respect of Group B also".

18. He submitted further:-

"It is because of the peculiar circumstances where most of the posts are filled up by promotion and there is very limited recruitment. They are doing it only locally".

19. The Chairman-cum-Managing Director of Visakhapatnam Steel Plant added:-

"There is an understanding reached with the Government of Andhra Pradesh that we must take all the people at this category from the local employment exchange only. That is why this cannot be kept as All India post. As far as promotion reservation is concerned, 15% for SC and 7% for ST is earmarked".

20. When the Committee pointed out the fact that there were clear instructions in the Presidential Directives that Group 'B' posts were All India Posts (the percentage applicable to these posts should be 15% and 7½% for Scheduled Castes and Scheduled Tribes, respectively) and desired to know why the Presidential Directives had not been followed by the Visakhapatnam Steel plant, the witness submitted :-

"The Project has to move and the work has to go on. So, it is a sort of a compromise formula. It is not that the entire category has been taken from them. We have resorted to All India selection for some posts of category 'B'. That means we have taken them from Steel Authority of India and other allied Steel manufacturing units to get experienced (SC/ST) candidates".

21. When the Committee pointed out that they have not come across any organisation in the country where the recruitment to Group 'B' posts had been localised and desired to know the basis for/from the Presidential Directive in this regard, the representative of the Ministry of Steel explained:-

↳ deviation

"The Ministry have of course, issued a directive in 1991 and the understanding is that most of the posts in Group 'B' will be by promotion from Group 'C'. We agree with you that if it has to be open recruitment, it should be on all-India basis. As the CMD has pointed out, sometimes there are local difficulties which may strain the management. But the Ministry is not in favour of localising the recruitment".

22. When the Committee pressed for direct recruitment on all-India basis for Group 'B' posts the witness concluded:-

"We will take it up with the Management to make it All-India cadre to the extent there is direct recruitment."

Recruitment Procedure

23. During evidence the Committee pointed out that in some cases the letters were not reaching in time to people and even registered letters got delayed some times. This was more so in villages and thus, the very purpose of the letter was defeated. The Committee, therefore, desired that it should be ascertained as to whether the letters had really been received by the candidates and if not, they must be given relaxation.

Indication of Reasons for rejection of SC and ST Candidates to Employment Exchanges

24. During the course of evidence, the Chairman-cum-Managing Director submitted:

"As I mentioned, the recruitments were more particularly in the years 1989, 1990 and 1991. Our Personnel Department could not just manage to inform the failures or the deficiencies on the part of the Scheduled Castes and Scheduled Tribe candidates to the Employment Exchange in view of the shortage of manpower available with us. Now the majority of the selections is over and for the rest part of it, we assure the Chairman that in future, we will bring out such cases to the notice of the Employment Exchanges".

Rosters

25. During the course of evidence the representative of the Visakhapatnam Steel Plant submitted:-

"I may respectfully submit that the rosters are maintained properly. The Ministry officials visited in 1989. They explained some of the points. We are meticulously following all the guidelines".

Special Recruitment Drive

26. During the course of evidence, the Committee wanted to know as to how many times the Visakhapatnam Steel Plant had done Special Recruitment Drive during the last three years. In reply the witness stated:-

"We have done it two times, in 1990 and in 1991 the special drive for recruitment of SCs and STs candidates. Right now we are having 77 posts in executive category for which special drive is on. We hope to fill this up by April-May 1993".

Grievances/Complaints

27. The Committee desired to know the number of complaints/grievances received from SC/ST Employees during the last three years and also the nature of grievances/complaints received, normal time taken for their disposal and also the number of complaints disposed of. In response, the witness explained:



"In all 41 grievances have been settled in 1991 out of 51 grievances received. They were relating to the incentive scheme which has been implemented. In 1992 we received 71 grievances and 50 were settled. 21 were pending. All the grievances are settled, within one or two months".

28. During the course of evidence, the Committee impressed upon the Management that not only the service matters of SC/ST but their general welfare should also be discussed such as education of their children, incentive to deserving SC/ST people etc.

29. The witness responded:

"There are many avenues or areas available for the SC and ST colleagues of ours where they do meet. There are Community Centres and Multi Purpose Halls. They meet there without any difficulty. We also inter-mingle with them. We spent quite a lot of money in setting up a park and putting Dr. Ambedkar's statue. We have quite a bit of interaction with these people".

30. During the course of evidence, however, it has been stated that planning is done every year. We plan for one year and we recruit people.

Manpower planning

31. It was further submitted:-

"Actually what happens is that when we have a certain number of vacancies to be filled up automatically as per the roster and directives of the Government, certain posts are earmarked very clearly for SC and ST people. It is also known as to how many people we have to take in these categories".

32. During the course of evidence, the witness explained further:-

Training  
Abroad

"Foreign training is based on specialised areas where there is a sort of MOU or agreement between the equipment supplier and Vizag Steel Plant. Candidates are chosen in those particular areas as per the agreement and they are sent out for training. It all depends upon how many SC/ST candidates we have at that level in that particular area. It is purely a chance. Suppose, the training happens to be in the area of rolling mills and, by chance, SC/ST number is good, then the selected number becomes quite good. It may so happen that in a particular area, their number may be less, whereas the total number may be alright. It all depend upon the area of training. This is worked out with the equipment supplier. Thus by and large, there is no discrimination. About 12% of the selected candidates are from SC/ST".

33. The representative of the Ministry of Steel further clarified:-

"The question of training can be viewed from two angles. One is general purpose training. In Govt., we sent staff for course abroad. The Committee's view is very valid and the staff should get the opportunity. The other is training of suppliers for particular installation or operation of equipment. There the staff working in that area would be the proper candidates to be deputed and it cannot be envisaged that all the equipment will come in a particular area because different projects would be taken up at different times by the Company. Therefore, the staff in different areas may be required to go on training. By and large, the Company tries to do justice to the staff working in that area which includes SC/ST. You may accept this".

34. To this, the Committee reacted that if there are eligible SC/ST candidates in the areas required for training abroad, the Vishakapatnam Steel Plant should try to send them for such training.

Socio-Economic  
Development

35. During the course of evidence, the Committee pointed out that Vishakapatnam Steel Plant had recently earmarked a sum of Rs.20 lakh. They desired the Ministry of Steel to come to their rescue because there were instruction from Government of India that every Department should earmark some amount in their budget proportionate to the percentage of SCs and STs employees for the socio-economic development of SCs/STs. They should quantify the amount. The Committee desired to know from the witness as to how much money had been quantified by the Department of Steel for the development of SC and ST people. The witness submitted as follows:-

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36. The Committee pointed out to Vishakapatnam Steel Plant that they should spend some money from the Peripheral Development Fund for the Welfare of Scavengers Community who are the most vulnerable amongst SC people. They suggested that these scavengers can be given some benefits regarding education, employment etc, and desired to know from the witness their response in this regard.

The witness responded:

"We will certainly take note of it".

The witness then withdrew.

The Committee then adjourned.