

some compensation to the Steel plants for uncovered costs and cost escalations, will leave around Rs. 200 crores for utilisation towards the approved development outlays on this sector. Necessary adjustment in the pricing structure will continue to be made to ensure that SAIL does not incur any loss due to the pooling of prices between the imported and domestic steel.

In deciding on these price increases Government have carefully considered their possible impact on the general price levels and are satisfied that this impact would not be significant. I may also add that even the revised prices will be lower than the prevailing domestic prices of steel in most of the other countries.

I would also invite the attention of the House to the fact that these price increases are in the form of development surcharges which would go into the Steel Development Fund and will not result in increased realisations in the hands of the producers both in the public or in the private sector. Only a small part of the accretions to the Fund will be utilised for most compensations, and that too on the basis of studies of the actuals by the Bureau of Industrial Costs and Prices once in six months. The bulk of the accretions to the Fund will thus be used for financing outlays which are essential for creating new capacities.

12.42 hrs.

MATTERS UNDER RULE 377

MR. SPEAKER: Shri Qureshi wants priority as he has to go for his prayers.

(i) LAW AND ORDER SITUATION IN JAMMU AND KASHMIR.

SHRI MOHD. SHAFI QURESHI (Anantnag): Since Mr. Bhutto's execution, violent demonstrations have gripped the entire valley in Jammu and Kashmir. The security forces at

the United Nations Military Observers' Headquarters of Srinagar opened fire and more than four persons were killed on the spot. Reports of trouble having spread to other parts of the State are disturbing and the police at various places has resorted to unprovoked fire, killing so far more than 8 persons. It seems that the State Government is not in a position to deal with the situation effectively. The Home Minister should have come to the House and made a statement of his own, so that full facts could have been placed before the Parliament. The Central Government cannot remain an idle spectator in such a situation. The House will join me in expressing our sympathies to the families of the persons who were killed in the police firing. It has also been reported in the press that part of Srinagar City has been handed over to the army, which indicates that the situation is very serious. I would request the Home Minister . . .

SHRI K. P. UNNIKRISHNAN: Where is the Home Minister.

MR. SPEAKER: This was allowed after 10 O'clock. I have not given notice to him.

SHRI MOHD. SHAFI QURESHI: I would request the Home Minister to pay an immediate visit to the State for an on-the-spot study of the situation and report back to Parliament. It is a matter of concern in all of us that a church, which could have been saved, was destroyed because of the inaction of the authorities of the State Government.

(ii) METRO RAILWAY PROJECT IN CALCUTTA.

SHRI SOMNATH CHATTERJEE (Jadavpur): The recent announcement in the press that the Planning Commission has advised the postponement of the execution of the works in Phase III for the Metro Railway Project has caused very great concern and shock to the people of Cal-