

SHRI DHANIK LAL MANDAL (Jhanjharpur): On a point of clarification (*Interruptions*).

MR. SPEAKER: A number of amendments have been moved by Members to the Motion of Thanks. Shall I put all the amendments to the vote of the House together or does any hon'ble Member want any particular amendment to be put separately? I find nobody is pressing. I shall now put all the amendments together to the vote of the House.

All the amendments were put and negatived.

MR. SPEAKER: I shall now put the main Motion to the vote of the House. The question is:

"That an Address be presented to the President in the following terms:—

'That the Members of Lok Sabha assembled in this Session are deeply grateful to the President for the Address which he has been pleased to deliver to both Houses of Parliament assembled together on the 14th February, 1981.' "

The Motion was adopted.

12.56 hrs.

COMMITTEE ON PAPERS LAID ON THE TABLE

THIRD REPORT

SHRI G. S. NIHALSINGHWALA (Sangrur): Sir, I beg to present the Third Report (Hindi and English versions) of the Committee on Papers laid on the Table.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

REPORTED HIKE IN THE PRICES OF COAL, PIG IRON AND STEEL

श्री कमला मिश्र मधुकर (मोतिहारी): अध्यक्ष महोदय, मैं अविनम्रनीय लोक-महन्व के निम्नलिखित विषय की और माननीय वाणिज्य तथा इस्पात और खान मंत्री का ध्यान दिनाता हूँ तथा अनुरोध करता हूँ कि वे इस सम्बन्ध में अपना वक्तव्य दें ;

"कोयला, कच्चा लोहा और इस्पात के मूल्यों में वृद्धि, जिसके कारण उद्योगों और जनसाधारण को कठिनाई हो रही है, के समाचार"।

अध्यक्ष महोदय : मधुकर जी, अब इसको लचके बाद लेंगे।

The Lok Sabha then adjourned for lunch till Fourteen of the Clock.

The Lok Sabha reassembled after Lunch at Seven Minutes past Fourteen of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE—Contd.

REPORTED HIKE IN THE PRICES OF COAL, PIG IRON AND STEEL—CONTD.

MR. DEPUTY - SPEAKER: Now, the Minister may make the Statement.

THE MINISTER OF COMMERCE STEEL AND MINES (SHRI PRANAB MUKHERJEE): Sir, The compelling reason for the recent increase in iron and steel prices is the need to generate

*Amendment Nos. 1 to 96, 115 to 122, 210 to 221, 375 to 411, 421 to 428, 437 to 453, 463 to 471, 488 to 520, 538 to 517, 331 to 517, 359 to 563, 555 to 567, 589 to 594, 601 to 620 and 653 to 694.

[Shri Pranab Mukherjee]

resources for the development of the steel industry. A Steel Development Fund has been set up for this purpose and payments were being made into it. However, because of the steel increase in cost of inputs, the amount flowing into the Development Fund was found to be barely enough to pay for cost escalations, which are quantified by the Bureau of Industrial Costs and Prices. Thus nothing was left for developmental needs.

2. The annual plan for 1980-81 envisaged that Rs. 302.50 crores of the outlay would be met from internal resources of the Steel Authority of India, and from the Steel Development Fund. No cut back in plan outlay on ongoing schemes could be contemplated as these were important to enable the industry to meet the rising demand for steel. Massive resources were also needed for creation of new capacities and for expansion and modernization of the existing ones. There was no alternative therefore to strengthening the Steel Development Fund through an increase in prices of iron and steel. The whole of the increase is to be credited to the Steel Development Fund; and cost escalations to the producers are to be allowed only on the basis of proper cost studies. It is in this background and after taking note of the coal price increase, which for coking coal used by steel plants would be substantially higher than the increase in the average price of coal, that a price increase of 20 per cent over prevailing Joint Plant Committee prices of steel and Rs. 400/- per tonne on pig iron has been announced over two weeks ago.

3. The present increase is expected to add about Rs. 400/- crores per year to the Steel Development Fund. The accruals this year will naturally be much less, being of the order of only Rs. 50 to 60 crores.

4. Members are aware that the bulk of the production of bars and rods used for construction comes not from the main steel plants, but from the re-rol-

lers and mini steel plants, whose prices are set by market forces rather than by the Joint Plant Committee. Semis used for production of bars and rods are produced in substantial quantities by the mini steel plants, and are again sold at market prices. These market prices for bars and rods and semis have been substantially above the Joint Plan Committee prices for quite some time now. In view of the relatively smaller contribution of these products from the main steel plants, it has been decided to allow the main producers to get their own prices depending on market conditions. Semis are used by re-rollers for production of bars and rods; and this is another reason for treating semis at par with bars and rods for this purpose. This step will enable the producers to augment their internal resources for developmental needs, and lessen the draft on the Steel Development Fund. As Members would appreciate, the constraints on steel production have caused a substantial decline in profitability of the main steel plants; and affected adversely the generation of internal resources.

5. Coming now to coal; after the last increase in 1979; there were substantial increases in the costs of inputs like oil products, explosives, power and the increased payments due to workers because of increase in the consumer price index. This was leading to a difficult situation for the coal companies, where budgetary support would have been needed even to enable payment of their debt and interest, and to cover their cash losses. After a cost study, therefore, it has been decided to increase the average price of coal from Rs. 101.18 per tonne to Rs. 128.02 per tonne in case of Coal India Limited, and from Rs. 99.92 per tonne to Rs. 136.85 per tonne for Singareni Collieries Ltd. The increase is effective from the 14th of this month. The price of soft coke, which is used as a domestic fuel has been fixed at only Rs. 150/- per tonne; which is much below the cost of production.

श्री कमला मिश्र मधुकर (भोतीहारी) :
 उपाध्यक्ष जी आप जानते हैं कि प्रणव मुखर्जी बहुत तेज आदमी हैं लेकिन मैं उनको कहना चाहता हूँ कि इन समस्याओं का समाधान इस तरह से नहीं हो पायेगा। आपने जो कारण बताये हैं कि इन कारणों से दाम बढ़ाये हैं, ये कारण सही नहीं हैं। क्योंकि इन्हीं कारणों से 1979 में भी ऐसे ही दाम बढ़ाये गये थे और उस समय भी दाम बढ़ाने समय यहाँ बात कही गई थी कि हम स्टील का उत्पादन बढ़ाना चाहते हैं इसलिए हमें साधन चाहिए। इसी आधार पर उस समय दाम बढ़ाये गये थे। लेकिन उसका परिणाम क्या निकला? स्टील प्रोड्यूसिंग प्रा. इंडिया में 1978-79 में 44 करोड़ का मुनाफ़ा हुआ था वहाँ 1979-80 में उस केंद्रन 8 करोड़ का मुनाफ़ा हुआ। मुनाफ़ा है इस साल उसमें सो करोड़ रुपये के घाटे की संभावना है। इसलिए आपका अनुमान सही नहीं है।

दूसरी बात यह है कि इन बातों में आप अपनी बातों को छिपाना चाहते हैं। अपनी बात यह है कि राष्ट्रीय क्षेत्र में कोयला उद्योग में भारी इन्फ्लेशन उद्योग में भयंकर भ्रष्टाचार पैदा हुआ है। उस भिन्नता में आपने कुछ कदम उठाये हैं लेकिन आपको पूरी सफलता नहीं मिल रही है। इसलिए मैं चाहूँगा कि इन में भ्रष्टाचार को दूर करने के लिए काम नहीं रुके। इन उद्योगों में मैनजिगियल क्षेत्र में कुछ ऐसे लोग भी हैं—जिनका कि हम लोग रोज देखते हैं—जो यह चाहते हैं कि राष्ट्रीय क्षेत्र की बढ़नामी हो जिसमें कि प्राइवेट सेक्टर को बल मिले। अगर राष्ट्रीय क्षेत्र में मुनाफ़ा नहीं होता है तो हम में प्राइवेट सेक्टर को बल मिलता है। दुर्गापुर और राउरकेला की धमन भारतीय रोज भरत है और महीनों द रहती हैं। इसी प्रकार बोकारो की हालत है। यहाँ पर कार्यक्षमता का अभाव है और मिसमनेजमेंट है। जब ये कांटे-

नाइयां होंगी तो दाम बढ़ेंगे। बोकारो में करप्शन बढ़ रहा है। वहाँ पर कन्वेयर बेल्ट रेड्यूज गेट पर बेचा जा रहा था, लोगों को भ्रष्ट किया गया है। इस तरह से इन परिस्थितियों में दाम बढ़ेंगे। कोल इंडिया में भी मिसमनेजमेंट के कारण 92 करोड़ रुपये बड़े-बड़े उद्योग पतियों के यहाँ बकाया है। जून, 80 तक वसूल नहीं किया गया है। इन सब कारणों से दाम बढ़ाए गए हैं। कास्ट प्रा. प्रोडक्शन ज्यादा बढ़ा दी गई है, जिसमें दाम बढ़ाए जा सकें। इस तरह से दाम बढ़ा कर ये अपनी नाकाम-यावियों पर पदां डालना चाहते हैं। कास्ट प्रा. प्रोडक्शन बढ़ने में देश में मुद्रास्फीति बढ़ेगी, मुद्रास्फीति की प्रवृत्तियों को बल मिलेगा, महंगाई की प्रवृत्तियों को बल मिलेगा, भ्रष्टाचार की प्रवृत्तियों को बल मिलेगा, इसलिए इस कदम पर पुनर्विचार किया जाए। इस तरह की योजना बनाई जाए जिससे इन क्षेत्रों में पूरी क्षमता से काम हो सके इस बारे में श्री के. सी. खन्ना, चेयरमैन ने कहा है :-

"This steep decline was indicative of near collapse of infrastructural support to steel plant."

इसमें स्पष्ट है कि स्थिति कितनी भयावह है। मेरा पहला प्रश्न यह है कि किसानों के खेती के औजार एवं घरेलू इस्तेमाल में आने वाले लोह पदार्थों की कीमत में रियायत की व्यवस्था की गई है? जमे ट्रेक्टर है, डीजल है, इन सब के दाम बढ़ेंगे और किसानों को इससे नुकसान होने वाला है। इसलिए क्या आप किसानों के काम में आने वाले औजारों को बनाने के लिए रियायती दर पर स्टील मुहैया कराने की व्यवस्था करने जा रहे हैं? इसी प्रकार लघु उद्योगों को इस बढ़ती कीमत से बचाने की नीति भी योजना आपके पास है। कोयला उद्योग में प्राइवेट माइनिंग और टेका प्रथा अब खत्म करने जा रहे हैं। इसी प्रकार पिछड़े इलाकों में जहाँ पर उद्योग

[श्री: कमला निर मधुकर]

नहीं है, खामकर उत्तरी बिहार का इलाका, वहां कोई उद्योग नहीं है, वहां के लिए आपकी क्या योजना है। जब दाम बढ़ जाएंगे तो छोटे-छोटे उद्योग लगाने वाले कैसे उद्योग लगाएंगे? उनके लिए आपने क्या सोचा है?

मैं एक बात और कहना चाहता हूँ और वह वर्कर्स पार्टिसिपेशन इन मैनेजमेंट के बारे में है। वर्कर्स पार्टिसिपेशन इन मैनेजमेंट का सिद्धान्त स्टार्ट में पड़ा हुआ है। अगर इसको अमल में लाया जाता तो मजदूरों को प्रेरणा मिल सकती थी और उत्पादन को बढ़ाने के काम में वे मदद कर सकते थे। मैं जानना चाहता हूँ कि इस दिशा में आप कौन से कदम उठाने जा रहे हैं ताकि मजदूर वर्ग प्रबन्ध में भागीदार बन सके, प्रबन्ध में सक्रिय भाग ले सके और वह समझ चुके कि उत्पादन बढ़ाने में उसका अपना हिस्सा है? यह जो प्रेरणादायक कदम है इस दिशा में मैं जानना चाहता हूँ कि आप कौन से पग उठाने जा रहे हैं?

मैं यह भी जानना चाहता हूँ कि दाम बढ़ने से टाटा जैने लोगों का मुनाफा कितना बढ़ने जा रहा है? क्या दाम बढ़ाने से आप इन लोगों का मुनाफा ही बढ़ाने नहीं जा रहे हैं, क्या उनकी सेवा के लिए ही ये दाम नहीं बढ़ाए जा रहे हैं या सचमुच में आप यह समझते हैं कि दाम बढ़ाने से उत्पादन को बढ़ावा मिल सकता है?

SHRI PRANAB MUKHERJEE:

The hon. Member has covered quite a large area—from the theory of pricing to workers' participation in management; and asked whether this particular decision was taken, keeping an eye on enhancing the profitability of Tatas.

The hon. Member is well aware of

the fact that so far as the steel sector is concerned, it is more than 80 per cent in the public sector. Out of a total of 11.5 million tonnes capacity, Tatas have an ingot capacity of 2 million tonnes; and 9.5 million tonnes are under the Government. I have explained in the main statement, and that is why it is a little lengthy, the compelling reasons for enhancing the prices. Two points we shall have to take into account: whether we should have a mechanism through which, if the public sector units incur loss, we should make up the loss by providing budgetary support; and to provide budgetary support, whether we should resort to taxation or deficit financing. In either manner, you cannot avoid inflation. If your point is that by enhancing the prices you are contributing to inflation, even by providing subsidies either through heavy doses of taxation or by resorting to deficit financing, you cannot avoid that.

The second point is, whether by better management, by efficient use by economization we could have reduced the cost of production, and in that manner we could avoid the price hike. When the cost of inputs goes up, merely by better management or efficiency in the use of raw materials or improving the functioning, you cannot improve the economy of the unit concerned. To some extent, you can improve the functioning. If there be greater profit, the overhead costs will be less. Naturally it will have some effect. But if the cost of an essential raw material goes up, the more you produce, naturally, you will have to incur more losses. As far as steel sector is concerned, the hon. Member is well aware that we have serious constraints on the infrastructural side, as a result of which upto September the level of production was extremely low. In fact, upto September, our monthly average production was barely 319,000 tonnes. But whenever the power position

starts improving. I am happy to inform the hon. Member it is clearly reflected in the production of steel; i.e., from 319,000 tonnes it has gone upto 362,000 tonnes. And, in fact, from April to January, the total production has been a little more, as compared to the corresponding period of last year. That means: if the rate of production is the same as it was upto November, production would be much less. But we have reversed the process, and it would be possible for us to produce a little more, so far as finished steel is concerned.

So far as pig iron is concerned the hon. Member would appreciate that last year's total production was roughly about 900,000 tonnes and this year, we are expecting that with the present trend of production, it would be about 1.3 million tonnes. But still we are not happy, because the capacity utilization in the integrated steel plant is far below the satisfactory level.

Secondly, it may be asked: "You are trying to create resources by enhancing the prices. What is the guarantee that you will be able to do it, as you did when the earlier scheme was there." And when the scheme was introduced, the idea was to have a development fund to generate internal resources. Actually, 15 per cent price hike was there. It was roughly about Rs. 400 per ton. According to BICP study, the cost upto September had risen by Rs. 393. Therefore, this is a question of the general management of the economy. One individual sector cannot just answer it. The Government as a whole will have to take a view and we are trying to control the economy. To what extent we attain success there will also get reflected in the steel sector as well as in the coal sector.

But, so far as the present arrangement is concerned, I have made it quite clear to the individual plant Managers that I am not going to subsidise their inefficiency. While

reimbursing towards cost escalation, we shall take into account wherever there is a reasonable rise in the cost of essential inputs. But if because of their inefficiency, there is less production and poor profitability, they will have to account for it. The hon. member has mentioned that it is mainly due to the inefficiency of the management. It is not so. It would not be correct to come to a conclusion that public sector Managers are by and large inefficient. On the other hand, by and large, they are efficient. We have developed a culture over the period of years where there are a large number of people who could have got better salary and amenities anywhere else. You will be surprised to know that every day I get 3—4 letters of resignation from various public sector undertakings. They are getting assignments in different parts of the world. Two or three people from the steel industry left their jobs and have gone outside. They are recognised as experts over there. Therefore, such type of blanket allegation that by and large the public sector Managers are inefficient or corrupt would not be correct; and it would not help them. There may be one or two black sheep. It would be our effort to identify them and to take necessary action against them.

The hon. member has raised a question whether we can ensure that we will provide steel material to the farmers or to the common users or to the small scale industry at concessional rates. I am afraid, at this juncture, it will not be possible to say anything about it. What I am trying to do is to provide the necessary material to meet their demand to their entire satisfaction, and our efforts are to bridge the gap between the demand and the supply. If we can maintain that and if the normal market forces can be allowed to operate, and if there is not a big gap between the demand and supply, I hope it would be possible for us to take care of it. The second point which the hon. member

should take into account is that it is not a fact that when we fix a price at a particular level, the consumers are getting it at that price; it is not so. Take the case of bars and rods. Thirty two-thirty three per cent of bars and rods are being produced by the integrated steel plants. They are the main producers. The secondary producers are producing nearly 62-66 per cent of them. Therefore, they are selling them at the market price. Steel produced at the mini steel plants is sold at the market price. Therefore, JPC price has not that much relevance there. Actually, when the consumers are purchasing it from the market, they are getting it at a higher price. If the hon. member is interested, I can quote the figures which prevail at the market and tell him the difference between the JPC price and the normal market price. Therefore, it would not be possible to give them at concessional rates. But we are trying to streamline the procedure of distribution so that we can meet their demand to a considerable extent and we can augment production.

SHRI HARIKESH BAHADUR (Gorakhpur): This rise in the price of steel, pig iron and coal is definitely going to affect the common man and the industry both, especially the small scale industry will be affected more. The hon. Minister has stated in his reply like this: "The compelling reason for the recent increase in iron and steel prices is the need to generate resources for the development of the steel industry." In my opinion, it is a ridiculous reply. What is the difficulty in getting loan from the World Bank and either international agencies for expansion and development of the steel industry and other things of the coal industry. The problem is that the credibility of the Government of India has got eroded completely after that, corruption which has taken place in deciding the consultancy contract regarding Thalvaishet and Hajira projects in Bombay and Gujarat. That may be one reason that is why

when the Government of India asks for loan that loan may not be given by the World Bank or other international agencies.

AN HON. MEMBER: There is no relevance.

SHRI HARIKESH BAHADUR: It has got relevance because, for the development of steel industry you want funds and for that particular purpose you can ask for a loan from the World Bank, or from other international agencies. It may not be possible for them to give that loan because you are not taking your decisions properly. (Interruptions)

MR. DEPUTY-SPEAKER: You yourself laugh at your speech! (Interruptions).

AN HON. MEMBER: Now you have started laughing.

SHRI HARIKESH BAHADUR: In fact, they are laughing, because they are understanding what I am saying. The point is, there is already black marketing in steel, coal and pig iron. Let the hon. Minister tell us what steps Government proposes to take to stop this black marketing. Pig iron is not available now for foundry and forging purposes. Pig iron has been given for manufacturing railway sleepers. But that quota is not being properly utilised and the sleepers are being manufactured by using scrap steel and the quota is being bungled. All these things are happening in Calcutta itself from where the hon. Minister comes. Therefore, I would like to know from the hon. Minister what steps are being proposed by the Government to stop this black marketing in pig iron so that it may be available to genuine consumers and at the same time I would like to ask one question, that is, whether Government will be proposing a dual price policy one for domestic purposes and another for industrial purposes. The prices of coal and steel should be different. They should not be the same. Also, at the same time, there must be some kind of difference in the prices of steel, pig iron and coal for backward areas and developed areas.

I would like to mention only one point about the coal industry. When the coal industry was nationalised, it

was hoped that after nationalisation both production and efficiency would increase. But what happened? The assets of Coal India were about Rs. 1,700 crores. During the last four years there have been losses to the tune of more than Rs. 700 crores in the Coal India. This is the situation in the coal industry. I would like to know from the hon. Minister whether he would try to institute a Parliamentary Committee to look into the bunglings which are taking place in the coal industry. (Interruptions).

AN. HON. MEMBER: This is very correct.

SHRI HARIKESH BHADUR: And this is a very specific thing. Therefore, I would like to get a categorical reply from the hon. Minister.

SHRI PRANAB MUKHERJEE: I am afraid, the concept of the hon. Member about obtaining the World Bank loan is wrong and perhaps none of his colleagues sitting on that side would agree with it. The hon. Member is well aware that we take into account the foreign assistance or aid from various agencies including the World Bank and the total availability of aid and we make our planning accordingly. I do not agree with the hon. Member that India's credibility has gone down. The credibility of a country does not depend on the fact whether you strictly adhere to a contract or not, credibility does not mean that you just go by the dotted line dictated by somebody, credibility depends on the economic power of that country and we have that economic power and we have that political stability. A country which can produce 25 million tonnes of steel, 120 million tonnes of coal or 25 million tonnes of cement can attain this credibility. Therefore, I do not think that India has lost credibility because they did not agree with the World Bank about a loan. This is absolutely preposterous and I can inform the hon. Member that for an aluminium project in Orissa when we wanted assistance, not only World Bank but 40 banks have participated in it. Therefore, that point is not at all relevant. The point is

we shall have to take into account the total impact and what would be the debt charges and what would be the servicing charges. Whether it is commensurate to generate internal resources or to get it substituted by loan or aid from abroad. I hope the hon. member is well aware of this elementary thing. Therefore, in order to generate internal resources the point I posed before comes in, i.e. either we have to provide budgetary support or we shall have to get it by the mechanism of the prices and this is the administered price. So far as blackmarketing is concerned, if there is controlled price then the question of blackmarketing comes. It is not controlled price; it is the administered price. There too, the secondary producers do not come within its purview. Therefore, there is no blackmarketing because there is no statutory control over the price. If there is statutory control, then violation of that control does come in. We have not changed any decision. This decision was taken by the earlier Government in NDC meeting that we should distribute raw materials, particularly iron and steel, through small-scale industries corporations of the various State Governments. I do feel this is a rational decision and we should adhere to it because they would be in a better position to know who would be the ultimate consumer. The problem came mainly because of the fact that there was a gap between demand and supply. So, we decided that unless we can improve the supply position, it would not be possible for us to meet the demand fully. So, we are trying to do that and I hope so far as pig iron is concerned, we will be able to overcome the crisis. Last year while the total demand was roughly about 1.5 million tonnes, production was just 9 lakh tonnes. There was a gap of 6 lakh tonnes. This year we are trying to reach a production of 1.3 to 1.4 million tonnes, so that the gap could be narrowed. But in the case of saleable steel material, still there will be a shortage of supply because production will be more or less at the same level as last year.

In regard to the coal pricing policy, my reaction to that suggestion is that

[Shri Pranab Mukherjee]

we cannot do it. The hon. Member referred to the production position. Before nationalisation production of coal was 77 million tonnes. In 1979-80, coal production was 104 million tonnes. This year we are expecting 113 million tonnes. The hon. member is well aware of the conditions under which coal-miners had to work. It has considerably changed after nationalisation and that is also a net gain to the economy and even to productivity.

SHRI HARIKESH BAHADUR: I asked about constituting a parliamentary committee.

SHRI PRANAB MUKHERJEE: I do not entertain your suggestion.

MR. DEPUTY-SPEAKER: You could have left it as it was!

श्री राम बिलाम पामवान (हाजीपुर) :
उपाध्यक्ष महोदय, मंत्री महोदय ने दोनों सदनो में बहुत विस्तारपूर्वक प्रश्नों का जवाब दिया है लेकिन इस के बावजूद भी समस्या का निदान नहीं हो रहा है और प्राइमम बराबर बढ़ रही है। उस के जो मुख्य कारण है मैं समझता हूँ मंत्री महोदय उस में ऐश्वरी करेंगे कि जो उन की तीन पालिसीज है, एक जो उन को मैननेजमेंट पालिसी है, दूसरी जो डिस्ट्रीब्यूशन पालिसी है और तीसरी प्राइम पालिसी है, ये तीनों तालियाँ खामियाँ और त्रुटियों में भरी हुई है। नतीजा यह हो रहा है कि वह जितना ही दवा करने की कोशिश करते हैं मंड उतना ही बढ़ता जा रहा है।

देश की जनता के मामले जो उन्होंने वादा किया है वह अच्छी तरह से उनको याद होगा। उन्होंने कहा था कि न सिर्फ वह मूल्य वृद्धि को रोकेंगे बल्कि जो मूल्य वृद्धि हुई है, उस को भी कम करने की कोशिश करेंगे। लेकिन वह बताए किस क्षेत्र में उन्होंने कम किया है? दूसरे खतों को छोड़ दीजिए यह तो आप का अपना

क्षेत्र है, इसके बारे में आप को अच्छी तरह से मासूम है। आज यह हो रहा है कि बजट के पहले ही सारी चीजों के दाम बढ़ाओ। मैं समझता था कि वाणिज्य मंत्री, श्री मुखर्जी, बहुत तेज हैं और वह इस वृद्धि को बजट के लिए छोड़ देंगे। लेकिन उन्होंने पहले ही इस काम को निपटा दिया— पहले ही दामों को बढ़ा दिया, ताकि जब बजट प्राये, तो लोग इस बात पर तालियाँ बजायें कि आम जनता पर अधिक भार नहीं पड़ा है। उन्होंने स्टील का दाम 20 परसेंट, कोयले का दाम लगभग 20 रुपये पर-टन और कच्चे लोहे का दाम 400 रुपये पर-टन बढ़ा दिया है।

बिहार में हमारे बगल में टाटा कंपनी है। रेल मंत्री यहाँ नहीं हैं। श्री शशि खान चौधरी बैठे हुए हैं। आखिर सरकार का मैननेजमेंट का मिस्टम क्या है? सारी ना एण्ड ग्राइंडर को प्राबलम सरकार के लिए हो है। सरकार ने परसों एक प्रश्न के जवाब में बताया है कि टाटा की सम्पत्ति 641 करोड़ रुपये में बढ़ कर 1102 करोड़ रुपये हो गई है। टाटा कंपनी उसी बिहार में काम कर रही है। उसके सामने कोई प्राबलम नहीं है। सब प्राबलम सिर्फ सरकार के लिए हो है। रेलों को कोयला नहीं मिलता है, जब कि ब्लैंक में सब जगह कोयला मिल रहा है। सरकारी कंपनियों को स्टील हो मिलता है, जबकि स्टील की श्रृव ब्लैंक हो रही है।

सरकार रॉड किमान को दुहाई देती है, लेकिन कुदाल, खुरसों और खेतों के अन्य घोड़ारों के दाम बढ़ने जा रहे हैं। सरकारी प्रकमर रिटायर होने के तुरन्त बाद प्राइवेट फ़ैक्टरियों में लग जाते हैं। इनकम टैक्स को चांगी कैम की जाती है, ऐसी सब बातों का उन्हें पता होना है।

सरकार ने दो प्राइममिड रम्बी हुई हैं :
कच्चे प्राइम और घोपन मार्केट प्राइम।
न दोनों में इतना अन्तर है कि उसका कोई

हिसाब नहीं है। फिर कहा जाता है कि कण्ट्रोल प्राइम रस्बने का कोई महत्व नहीं है, इसमें प्राईवेट फ़ैक्टरियां चलाने वाले लोगों को बहुत फ़ायदा होता है।

जहां तक मनेजमेंट का सम्बन्ध है, सब जगह एक ही तरीका धरनाया हुआ है कि प्राई मो एम प्रक्रमों को भरने जाओ। क्या सरकार यह भी देखने को कोशिश करती है कि उस व्यक्ति को मनेजमेंट का भी कोई ज्ञान है या नहीं। ठीक मनेजमेंट न होने से घाटा होगा। घाटा होने से सरकार दाम बढ़ाएगी। दाम बढ़ने से प्राप लोगों को बहुत हानि होती है जब कि प्राईवेट फ़ैक्टरियां को फ़ायदा होता है।

कोयले के क्षेत्र में बहुत बगलिंग और दादागिरी हो रही है, बहुत मात्रा में इन्लीगल माईनिंग हो रहा है। इस प्रस्ताव में कोयले लौहे और स्टील, इन तीनों को मिला दिया गया है। मंत्री महोदय बैठे हुए हैं। पांचा जवाब उनमें भी दिनवाये कि कोयले के सम्बन्ध में क्या घोटाना हो रहा है।

मंत्री महोदय ने कहा है कि छोटे-छोटे उद्योग-धंधों को भी प्राप्ति की जाती है। लेकिन उनका क्वोटा कितना है?—
विन्कून नगल है। जब तक सरकार स्मॉल स्कैन इन्डस्ट्रीज को अधिक में अधिक बढ़ावा नहीं देगी, जब तक वह हम समस्या का निदान नहीं कर सकती है।

मंत्री महोदय ने यह नहीं बताया है कि दाम बढ़ाने में एक्सपोर्ट पालिसी पर कोई प्रभार पड़ा है या नहीं। मैं उनमें कहूंगा कि वह केवल अधिकारियों द्वारा दिये गये नोट का लाइन पर ही जबाब न दे दे, बल्कि वह यह भी देखे कि मनेजमेंट में कोई खामी है या नहीं। प्राप कोयले का ब्लैक मार्केटिंग हो रहा है। प्राप लोगों को कोयला नहीं मिलता है। हमारे बगल में जो

वाशरमैन है, उसको कोयला नहीं मिल रहा है। गांवों के लोगों को जनाने के लिए कोयला नहीं मिलता है। दूसरी तरफ़ ब्लैक में चाहे जितना कोयला ले लीजिए। करोड़पंथी बढ़ती जा रही है और सरकार प्राप लोगों को कठिनाइयों को महसूस नहीं करती है।

मैं मंत्री महोदय से जानना चाहता हूँ कि मनेजमेंट, डिस्ट्रिब्यूशन और प्राइम के बारे में सरकार क्या करने जा रही है, दामों में वृद्धि का एक्सपोर्ट पालिसी पर क्या प्रभार पड़ा है, कण्ट्रोल प्राइम और प्रोपन मार्केट प्राइम के प्रन्तर को कम करने के लिए क्या कदम उठाये जा रहे हैं और स्माल-स्केल इन्डस्ट्रीज को अधिक में अधिक क्वोटा देने के लिए सरकार क्या करने जा रही है।

SHRI PRANAB MUKHERJEE:
Sir, nobody on the Government side have claimed that our management or all the policies that we have followed are fool-proof and there is no hole anywhere. If there is any hole, we always try to plug it. Therefore, this is a continuous exercise.

As the hon. Members sitting opposite know, what I have done is exactly what Shri Biju Patnaik did a couple of years ago; I have done nothing more, nothing less. The only difference is, he did it 15 per cent and I have done it 20 per cent. The scheme is the same.

I do agree with the hon. Member that there is scope for improvement of production. But there, perhaps, he has accused us on the wrong side. It is not true that we are managing the public sector undertakings through IAS officers. It might have been true 10 or 15 years ago, but not today. Now you will not find in any steel plant or in the coal sector any IAS officer as Managing Director or General Manager. We have deve-

(Shri Pranab Mukherjee)

veloped expertise in that field. Some of our experts are really efficient and they deserve congratulations, because they are functioning very well in a very difficult situation. I can tell the hon. Member that when some Russian experts came and saw some of the steel plants here, they were surprised at the way we reduced the coke oven pushing from 20 per cent, the way we have kept one or two blast furnaces inoperative, the various methods we had to resort to the way we have faced various technical crises. Because, our situation is not quite comfortable. Our working condition is not easy. There are constraints and no Government is in a position to remove the constraints immediately. There will be some problems and we shall have to tackle the problems. Therefore, when I say that there is a problem, it does not mean that we are not aware of it or we are not trying to solve it.

In regard to pricing, I have already repeated twice that my option was either to allow the steel plants to undergo losses and then provide budgetary support or to enhance the prices. I found that there is a disparity, because in what was produced by the mini-steel plants or re-rollers, particularly in regard to bars and rods, the normal market laws of pricing were operating and only limited purchasers who were getting directly from the stock yards were getting this advantage.

In regard to the distribution system, if the hon. Member has any suggestions as to how I can improve it, I am prepared to examine them. I will do that. But let him give me suggestions as to the manner in which we can do it.

श्री राम बिलाम पामवान : मैं आपको बताना हूँ, क्या आप को जानकारी है कि 3 करोड़ 80 मेनेकर 5 करोड़ 80 तक आप के स्टोन में स्वीकिंग होती है, प्रति गेज ?

क्या आपको इसकी जानकारी है या नहीं ?
यदि हाँ, तो आपको सरकार क्या करने जा रही है ?

SHRI PRANAB MUKHERJEE: I have already explained to him that the major constraint is the big gap between demand and supply. Unless we can bridge that, no amount of mechanism, no amount of enforcing machinery, is going to stop it. The answer lies in producing more and bridging the gap between demand and supply.

A question was asked whether this is going to affect exports. It is going to affect exports, because in quite a number of commodities the international prices are lower than those of the Indian prices. That is why I have decided, in consultation with the officers concerned, that we will provide the material to the exporters, against their genuine export contracts, at international prices so that they can compete with other producers.

श्री राम बिलाम पामवान : मंत्री महोदय ने कोल के बारे में नहीं बताया ।

MR. DEPUTY-SPEAKER: Both of you have done very well.

SHRI RAM VILAS PASWAN: What about coal?

SHRI PRANAB MUKHERJEE: He has not put any question on coal.

SHRI G. M. BANATWALLA (Pon-nani): Sir, I fully realise the difficult position of the hon. Minister and the compelling reasons for the hike in the prices of both steel and coal. This hike was not totally unexpected. In all fairness, everybody must concede that there have been considerable escalations in costs. It must also be conceded, in all fairness, that un-economic prices will be detrimental to the interests of the consumers themselves in the long run. So, I do

not want to dispute these things. There are only a few points that I would like the hon. Minister to elucidate so that his action is better appreciated throughout the length and breadth of the country.

Sir, take the question of steel. We are told that the main objective of the 20 per cent increase in steel prices is the need to generate resources for the development of steel industry. So, as I understand, the objective is not merely to provide for the cost of production and the escalation of the cost of production, but a step further, namely, to generate internal resources for the expansion and the development of the steel industry. This raises the whole question of the pricing policy in the public sector as distinguished from the pricing policy in the private sector. Are we now to understand that apart from the fact that the prices are to be increased in order to cover the escalations in the cost, it is also now the policy to increase the burden even in the case of such major industries like coal and steel which is used in almost all the major industries so that they should provide considerably for their expansion? Here, another point also requires to be elucidated by the hon. Minister and that is that our annual Plan envisages that Rs. 302.50 crores of the outlay would have to be met from internal resources. The price hike is to the extent of 20 per cent. The expectation is that the steel industry should provide Rs. 302 crores per annum, and as a result of 20 per cent increase in the steel prices, the amount that would be generated would be Rs. 400 crores. In other words, it is Rs. 100 crores more than even the target envisaged by the planning process. I would hope that the hon. Minister would elucidate and enlighten us on that particular issue.

SHRI SATISH AGARWAL (Jaipur): This is the present rate, and in future it would be much more.

SHRI G. M. BANATWALA: One must also take exception to the timing of the price hike especially in view of the fact that coal and steel are amongst the most widely used materials and would therefore, further reinforce the inflationary pressures. Instead, attention ought to have been paid to, I repeat, greater improvement in management.

Here, we see the figures, and I will not take much time. We find that while the Central Coalfields Ltd, had wiped out all losses and started showing profits, the Eastern Coalfields Limited is still showing mounting losses. In the case of SAIL, there was a profit of Rs. 44 crores in 1978-79. Last year, a loss of Rs. 8 crores was shown and this year a loss of Rs. 100 crores is expected. Is it the contention of the Government that this entire situation, viz. one of profit in 1978-79 coming to Rs. 100 crores loss expected this year, is all because of price escalation? Therefore, I insist that there is considerable scope for improvement of the management which I say without trying to be harsh upon the management. I would, therefore, like the Government to explain to us the justification for the present rate of increase. In the case of steel, the increase is 20 per cent, the biggest stroke that we have ever had in the hike of steel prices.

In the case of coal it is much more than that. So, I would like to know whether any study was made and if so, what is the relation between the present price which is fixed and the cost of production? What is the justification for this rate of increase?

SHRI PRANAB MUKHERJEE: I am grateful to the hon. Member Shri Banatwala. At least he has appreciated my difficulties.

MR. DEPUTY-SPEAKER: Shri Ghani Khan Chaudhuri, you only look like a Steel Minister.

SHRI PRANAB MUKHERJEE: I entirely depend for steel on him—both for power and coal.

[Shri Pranab Mukherjee]

What I wanted to point out is this. I would start from the last question—why was it 20 per cent? Could it have been less? Only one point I would like to submit for the consideration of the hon. Member. In fact, I mentioned that in reply to a query of Shri Madhukar about the price hike of 15 per cent which was done last year. It was roughly Rs. 400 per tonne. According to the Bureau of Industrial Cost and Prices, the increase in cost of input upto September is Rs. 393/-. Therefore, you will understand that it has practically squared up. No money is left in the kitty.

With this present rise of the price of coal, in the steel sector alone, the additional cost of coal would be Rs. 100/-per tonne. Therefore, even if you pay Rs. 600 which I am calculating per tonne, now Rs. 100 will be on coal alone. I am not taking September cost into account. It is what has been announced from 14th February right now. Therefore, taking into account those factors it would be possible for us to meet present and future escalation and to have sufficient resources for modernisation and for expansion and for development. You have raised the question—your requirement is Rs. 302 crores why are you taking Rs. 100 crores? Rs. 302 crores is to be supplied from the current year planning. In the next year planning it would be much more and it would not be limited to Rs. 302 crores. If you just cut it so fine, there will be no manoeuvrability left to you. That is the reason why we had to take 20 per cent.

In regard to the timings, I do feel we should have done it earlier.

MR. DEPUTY-SPEAKER: Mr. Mukherjee, Shri Banatwala did not remind you.

SHRI G. M. BANATWALA: It was not my meaning.

SHRI PRANAB MUKHERJEE: The hon. Member has raised the question about profitability—why is it so low

and what are the reasons of such loss in the Eastern coal sector. Apart from other factors, one factor is deep mining. Naturally overhead cost would be much more and nobody is claiming that the entire loss is because of the cost escalation. A part of the loss is because of under-utilisation of capacity. A part of the loss is because of poor productivity and a part of the loss is because of the cost escalation. Therefore, you cannot identify a single reason as the main cause of loss and which can account for the entire loss.

There are other factors. Of these factors, cost escalation is an important factor. As I mentioned to you, if we could utilise our capacity fully either in the coal sector or in the steel sector naturally the overhead cost would have been less and it would have been possible to reduce the loss to some extent.

15.00 hrs.

But if you say, simply by utilising the capacities to the fullest extent and by better management you will be able to wipe out the entire loss, you are wrong there. A part of it is because of the escalation of the cost of inputs and there you cannot do away by any improvement of utilisation capacities or any improvement in the management of the plant.

15.01 hrs.

BUSINESS ADVISORY COMMITTEE TWELFTH REPORT

THE MINISTER OF STATE IN THE
MINISTRY OF HOME AFFAIRS AND
DEPARTMENT OF PARLIAMENTARY
AFFAIRS (SHRI P. VENKATASUB-
BAIAH): Sir, I beg to move:

“That this House do agree with the Twelfth Report of the Business Advisory Committee presented to the House on the 25th February, 1981.”

MR. DEPUTY SPEAKER: Mr. George Fernandes, are you moving the amendment?

SHRI GEORGE FERNANDES (Muzaffarpur): I have submitted an amendment.