

SHRI PRIYA RANJAN DAS MUNSHI : The late lamented Prime Minister Shrimati Indra Gandhi specifically provided that the self-employment programme should be implemented, that the loan applications should be disposed of by 31st March this year and that the IRDP should be financed 50% by the Centre and 50% by the State. But, due to political obstacles and pressures, the programme for the youth in the urban and rural areas and the loan programme, have not been implemented till now.

Will the hon. Minister enquire into the matter and take steps to implement the programmes? It is a fundamental question.

(Interruptions)

SHRI JANARDHANA POOJARY : It is the duty of the Central Government to monitor and supervise the performance. We have been receiving complaints and we are going to look into it.

Proposal to set up new steel plants

*145. **SHRI CHITTA MAHATA :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether recently there was a round table conference on the steel industry in the country ;

(b) if so, the details thereof;

(c) whether there is any proposal to set up new steel plants in the country for raising the steel production ;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE)

(a) Yes, Sir.

(b) The round table conference was held on the 18th and 19th February, 1985. Eminent steel men in the country, both past and present, from the Government, public and private sectors were invited to the round table. The conference deliberated upon key issues before the steel sector such as investment priority for the future, improving operations in short term, market development, labour and personnel policies and project management.

(c) Yes, Sir.

(d) Government have decided, in principle to set up two new steel plants, one at Daitari region in Orissa State and the other at Vijayanagar in Karnataka State.

(e) Does not arise.

SHRI CHITTARANJAN MAHATA : In reply, the hon. Minister has stated that the Government have decided to set up two new steel plants in Orissa and Karnataka considering the less production capacity of existing steel units.

Under the circumstances, I would like to know from the hon. Minister what remedial measures have been taken for raising the production capacity of Durgapur, Burnpur, Bokaro, Bhilai, and Rourkela so as to meet the country's demand. What positive steps have been taken for modernisation of these plants?

What would be the installed capacity of the proposed new steel plants to be opened in Orissa Karnataka and when would they be set up?

SHRI VASANT SATHE : As far as the existing steel plants are concerned, it is true that most of the steel plants in Durgapur, Rourkela, Burnpur, TISCO and others do need to be modernised and we have definite plans for modernising these plants. That is why, we have all these efforts, not only—Round Table Conference but also Working Groups. Yesterday I had a meeting for the whole day with the executives of these Plants to find out what are the immediate steps that can be taken and what are the long-term measures that are required to be taken. And we feel that the best way to increase production would be to modernise the existing plants and make them operate to their rated capacity. That is one major objective that we have.

The second thing is this. As far as new plants are concerned, our thinking is that technology in the steel industry is moving very fast, developing very fast, and, therefore, we must go in for the best and cost-effective technology. We are looking into it. That is why, in these two Plants, both in Karnataka and Orissa, we are thinking of the latest technologies known as DR, INRED and KR technologies. If they are successful

and we think they will be—then it will practically revolutionize the production of steel in the country. With the resources that we have, particularly lack of coking coal, the existing technology does not suit us and that is why we want to go in for the latest technology; that is what we are aiming at.

SHRI CHITTARANJAN MAHATA : What is the allocation for the new Plants? Also I would like to know from the hon. Minister whether Government is considering setting up of more steel plants in the backward areas of the country, particularly in the eastern region.

SHRI VASANT SATHE : I have said about these two Plants. In addition, we have no thinking at present. I know, the need of the country for steel is very great. We have practically stagnated at 9 million tonnes. At one stage, as late as in 1976, the Working Group on Steel has projected production of 75 million tonnes by the turn of the Century, that is, in 15 years hence. But we do not think, seeing the way in which we are going at present, we would even be able to reach 22 million tonnes by the turn of the Century. (*Interruptions*). It is for the House to decide ultimately as to what are the resource priorities. If we want steel in the country, we have the best resource in the world, one of the highest, and we can, instead of exporting the iron ore, convert it into steel. The only question is of cost effective technology and methods. We are looking into it. If there is cooperation and if there is resource availability—we are going to consider it with the Finance Minister and the Planning Commission—then I think we can produce more steel in the country.

DR. KRUPASINDHU BHOI : I want to know from the hon. Minister as to what is the present installed capacity of the steel plants in the private as well as public sector and whether, due to faulty professional management, there are leakages in the public sector plants and also whether, in the name of modernisation and expansion, they are asking for improving the design parameter to have a better rated capacity.

For example, the TISCO plant which was set up three decades ago is now working to its full rated capacity with only a slight innovative measure—not modernisation or expansion. Why not our public sector steel

plants follow the same practice the TISCO is following incorporating the professional expertise of the TISCO and see that our installed capacity comes to the rated capacity in both saleable steel and the hot iron matter?...

MR. DEPUTY SPEAKER : Please put your supplementary.

DR. KRUPASINDHU BHOI : It has already been decided last time that the Daitari and the Vijayanagar steel plants will be importing the upto-date technology which is already prevailing in Japan. In Japan they have already started production of saleable steel based on this upto-date technology at a lower cost. Why not the Government allocate more funds in the Seventh Plan? It was said by his predecessor on the floor of the House that Rs. 400 crores will be required for the Daitari and the Vijayanagar plants whereas only a paltry amount of Rs. 1 crore has been allotted.

SHRI VASANT SATHE : I am thankful for the information given.

SHRI SUDINI JAIPAL REDDY : In the answer the Minister dealt with the agenda of the Round Table Conference held in February 1985. He did not disclose the recommendations made by the Round Table Conference.

I would like to know from the Minister what the recommendations of the RTC were in regard to investment priorities, whether the RTC recommended a high investment priority for the Visakhapatnam Steel Plant as it is an on-going project and whether the budget provision this year is in conformity with that recommendation.

SHRI VASANT SATHE : The Round Table does not go into specific plants. General recommendations only they make.

PROF MADHU DANDAVATE : It only went round and round.

SHRI VASANT SATHE : That a Round Table normally does.

Their recommendation was to create a National Steel Development Council and then to specifically set up groups for different sectors. Now it is these Groups which will go into the specifics regarding each sector and will make recommendations. ...

SHRI INDRAJIT GUPTA : Sector means plant ?

SHRI VASANT SATHE : That means that they will make recommendations relating to labour productivity, plant modernisation, technology, etc. Under different heads they will make recommendations.

I entirely agree that the objective of the Round Table or any effort must be to identify how best we produce more steel whether at Visakhapatnam or at any other place and that is what we are trying to do and that is where the latest technology becomes relevant. We are examining that. I entirely agree with the hon. Member that our objective must be to produce more steel. No industrialisation can take place without steel and, therefore, we must produce more steel. In fact I jocularly said in the Round Table that our slogan should be 'Beg, borrow or steal and produce more steel.' Now what more do you want?

SHRI SUDINI JAIPAL REDDY : The question was whether he the Minister is prepared to steel from the Finance Minister to get the Visakhapatnam Steel Plant come up early.

SHRI VASANT SATHE : I am willing, Sir, if he allows me.

AN HON MEMBER : How will he allow?

SHRI VASANT SATHE : Or if you will allow.

SHRI CHINTAMANI JENA : I am very glad that our new Steel Minister is very enthusiastic of the country producing more steel. In this connection, may I know whether he has gone through the proceedings of the House? His predecessor has given a commitment that the Daitari steel plant will be installed with modern technology and the cost was estimated at Rs. 400 crores.

Secondly, may I know whether the meagre amount allotted in the 1985-86 budget could be increased so that the Daitari steel plant is installed in a time-bound programme and completed before the Seventh Five Year Plan. Sir, I am grateful to the beloved Prime Minister, Shri Rajivji as well as the Steel Minister that they have included this much awaited steel plant in the Seventh Plan.

SHRI VASANT SATHE : Sir, as far as Daitari in Orissa and Vijaynagar in Karnataka are concerned provision has been made in our report for Rs. 400 crores each approximately. But in this new technology electricity is a must. When we talk of the plant invariably the State governments assure us that they will supply power but our experience has been both in Karnataka and in Orissa that after the plant is set up with huge cost from public exchequer they do not supply power and power is the most essential input for such new technology. I also want to say with the permission of the Chair that the State government can tell us right from now that they will not give us power then we can think in terms of captive power plants of our so that government can look into it with the support of the Parliament but the questions is unless power is assured, I am afraid, these plants will not work.

PROF. MADHU DANDAVATE : You have been given 402 horse power. What you want !

SHRI VASANT SATHE : We are horse power but you are what!

Recommendation made by Committee of Reserve Bank of India on Mechanisation in Banking Industry

*146. **PROF. MADHU DANDAVATE :** Will the Minister of FINANCE pleased to state:

(a) whether the Reserve Bank of India Committee on Mechanisation in the Banking Industry have made their recommendations;

(b) if so, the recommendations of the Committee;

(c) whether Government have accepted the recommendations; and

(d) whether mechanisation/computerisation is considered necessary for ensuring speedy and timely service to customers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (d). A Statement is laid on the Table of the House.

Statement

The Committee set up by Reserve Bank of India on introduction of computers and