

STATEMENT

Year	Title of Book purchased	Name of Publisher	Amount paid
			Rs.
1961-62	Lok Raj	M/s. University Publishers, Railway Road, Jullundur City	750.00
1962-63	Char Meel Lambi Sarak	New Book Company, Mai Hiran Gate, Jullundur	1,320.00
	Surag Savera	Lahore Book Shop, Clock Tower, Ludhiana.	1,350.00
	Sanjhi Kheti.	Do.	1,050.00

Grants for Increase in Pay of Teachers

2625. **Shri Daljit Singh:** Will the Minister of Education be pleased to state:

(a) whether the affiliated colleges and high schools of the Punjab University and Punjabi University of Punjab have been given financial assistance by the University Grants Commission for improvement in pay scales of teachers during 1962-63; and

(b) if so, the details thereof?

The Minister of Education (Dr. K. L. Shrimali): (a) and (b). A statement is laid on the Table of the House. [Placed in the Library. See No. LT-1274/63].

Central Welfare Committee

2625-A. **Dr. Sarojini Mahishi:** Will the Minister of Home Affairs be pleased to state:

(a) whether a Central Welfare Committee has been formed to look after the Welfare of Government employees in certain colonies in Delhi; and

(b) if so, how this Committee will function?

The Deputy Minister in the Ministry of Home Affairs (Shrimati Chan-514(Ai) LSD-4.

drasekhar): (a) and (b). There is no special Committee as such. But the Central Welfare Organization looks after the welfare of all Central Government employees, both in offices and in residential colonies.

12 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

REPORTED DRASTIC CUT IN PIG IRON QUOTA SUPPLIED TO FOUNDRIES IN PUNJAB

Shri Yashpal Singh (Kairana): I call the attention of the Minister of Steel and Heavy Industries to the following matter of urgent public importance and I request that he may make a statement thereon:

"The reported drastic cut in pig iron quota supplied to the foundries in Punjab."

The Minister of Steel and Heavy Industries (Shri C. Subramaniam):

Sir, the quota system of pig iron allotment has been abolished from 1st July, 1959. Indents are being entertained from consumers and planned on Producers, after screening, with reference to past consumption and assessed capacity. The main reason for the present shortage of foundry grade pig iron is that while the demand has gone up considerably, due to the foundry capacity having developed rapidly, the availability has not correspondingly increased, as the schemes licenced for production of pig iron have not materialised as originally anticipated. Remedial measures are, therefore, being taken, such as import of pig iron, setting up of short term schemes for increased production, etc., to increase the availability, as quickly as possible.

The Third Five Year Plan envisaged a production of 1.5 million tons of pig iron by 1965-66. The position has since been reviewed in consultation with the Planning Commission and the production is now being planned on the basis of a probable demand of about 2 million tonnes at the end of the Third Plan period.

Demand for pig iron is at present much in excess of availability—the

[Shri C. Subramaniam]

production of pig iron in the country is about 1 million tonnes, against the present estimated foundry capacity of about 2 million tonnes (1.1 million tonnes Central List foundries and about 0.9 million tons State List foundries). A number of schemes for the production of pig iron of a total capacity of 541,000 tonnes have been licenced in the Private Sector. Except for Kalingas in Barbil (Orissa), others have not materialised. Even Kalingas expansion will take some time. The question of cancelling licences of the schemes which are slow in coming up is also under consideration.

To ensure that available supplies are equitably distributed to all types of consumers, a revised scheme of distribution has been introduced, effective from 1-4-1963. Within the overall availability of about 1.1 million tonnes during 1963-64 an allocation of 120,000 tonnes has been earmarked for State list foundries in the country and 176,000 tonnes for Central list foundries. This is in addition to what they may get for executing orders placed by various Government Departments on them. The intention is to limit the supplies to the actual quantity available, thus avoiding over-indenting or over-allocation, which only leads to accumulation of orders by the Producers resulting in the unnecessary blocking up of capital of the indentors. It is also proposed to fix the annual entitlement of each foundry, big or small, within the ceiling indicated. Each foundry should get during 1963-64 its entitlement.

It is obvious that Punjab State, like other States, will get this year less than what their demand is, but they will get a fair share of the available supplies. It is not quite correct to say that there has been a drastic shortfall in the supplies of Pig Iron to Punjab State as during the last three years the despatches to this State were:—

(In '000 metric tons)

1960	77
1961	70
1962	63

The object is to restrict the quantum of supplies/despaches to actual availability. A quota by itself has no meaning unless it is translated into actual supplies, as otherwise it would only go to swell the outstandings.

The action being taken to improve or augment existing supplies is as follows:

- (1) A scheme of the Andhra Pradesh Industrial Development Corporation in the public sector for a pig iron plant of 1,00,000 tons has been approved in principle.
- (2) The Government of Punjab have also agreed, at our suggestion, to put up a pig iron plant in the public sector in the Punjab. Their formal application is awaited.
- (3) The Government of Gujarat have also indicated their desire to set up a pig iron plant in the public sector but no application has yet been received from them.
- (4) The possibility of anticipating the Fourth Plan expansion of Bhilai by initiating immediately the erection of a large blast furnace is being examined. Hindustan Steel Ltd. have been asked to prepare a detailed report for the setting up of a large sixth blast furnace at Bhilai. This furnace should make available about half a million tons of pig iron pending the installation of further steel melting capacity in the Fourth Plan.
- (5) The possibility of utilising the nut coke available at Bhilai, Durgapur and Rourkela Plants is being examined by Hindustan Steel Ltd. who have been asked to put up Project Reports very shortly. These are likely to be small

furnaces of 100 or 200 or 300-ton capacity.

- (6) In addition, to relieve immediate shortage, since the other schemes may take a little time to mature, the possibility of importing certain quantity of pig iron is also being explored.
- (7) Instructions are being issued to reduce the allocation of pig iron for the larger sizes of spun pipes so as to increase their availability for other foundry uses.

Shri Yashpal Singh: Have Government assessed the extent of damage and losses to the foundries as a result of this action in Punjab, and why no advance notice was given of this move?

Shri C. Subramaniam: It is not possible to make an assessment of the so-called damages. After all, we have to distribute only the pig iron which is available in the country.

Shri Kapur Singh (Ludhiana): May I know whether Government have taken note of the recent asseveration of the president of the Punjab Branch of the Engineering Association of India that the present scheme of distribution amounts to 84 per cent. cut in the previous allocation and that it affects about five thousand industrial units and about twenty thousand workers, and if so, what Government propose to do about it?

Shri C. Subramaniam: I do not accept the calculation that there is a cut of 84 per cent. As I have already stated, we have allocated for the State list foundries and the Central list foundries. In addition to that, these foundries will be entitled to get the pig iron they need for fulfilling any contract which they may enter into with the railways or with the Central Government, and separate quotas will be available for that purpose.

Shri Buta Singh (Moga): I heard the hon. Minister saying that about

eight to ten steps have been taken by Government at the initial stages, and that some of the applications have been received and some are still under consideration. May I know whether his attention has been drawn to the press reports that the Iron and Steel Controller has, it is gathered, allotted about 5,000 tons of pig iron for the financial year 1963-64 against the total assessed capacity, on a single-shift basis, of about 40,000 tons per annum? May I know whether Government are aware that this quota reduction has threatened with closure about 20 foundries employing nearly 500 workers in Batala alone, in Punjab, and if so, what Government propose to do about it?

Shri C. Subramaniam: I cannot vouch for the figures which the hon. Member has given. But, as I have already stated, a fair allocation of the available quantity of pig iron is being made to every State, and it is not merely the question of Punjab, but the hardship is with reference to the entire country. As I have already stated, we are taking positive steps to increase the availability as far as possible.

12.09 hrs.

RE: POINT OF PRIVILEGE

Mr. Speaker: Now, Papers to be laid on the Table.

Shri Hem Barua (Gauhati): Before you take up the next item, may I draw your attention to a fundamental issue that challenge the foundation of this parliamentary institution? This is about the remark of our Prime Minister, saying that goondaism has crept into Parliament. May I submit that I had tabled a privilege motion on this, but I do not stick to that, since you have refused consent? But, then, I shall be happy to know from the Prime Minister how far it was correct, whether it was correctly reported or not. I am concerned about this fundamental dignity of this House over which you, Sir, have the proud privilege of presiding.