

# LOK SABHA DEBATES

## LOK SABHA

Thursday, February 23, 1989/Phalguna 4,  
1910 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

### ORAL ANSWERS TO QUESTIONS

[English]

#### Modernisation of IISCO

\*22. SHRI BASUDEB ACHARIA †:  
SHRI INDRAJIT GUPTA:

Will the Minister of STEEL AND MINES  
be pleased to state:

(a) whether Government have accepted a modernisation plan for the Indian Iron and Steel Company (IISCO), Burnpur, with the assistance of Japan;

(b) if so, the details thereof?

(c) whether a number of regular and contract labourers are expected to be retrenched as a result thereof;

(d) whether this issue was discussed with the trade union representatives of the company; and

(e) if so, the details and the outcome thereof?

THE MINISTER OF STEEL AND MINES (SHRI M.L. FOTEDAR): (a) to (e). A statement is given below

## STATEMENT

(a) Government have approved 'in principle' the modernisation of Burnpur Works of IISCO considering the suggestions made in the Feasibility Report prepared by Japan International Cooperation Agency.

(b) The JICA have proposed the following major facilities:

- i) Installation of one large capacity battery;
- ii) Introduction of sintering facilities;
- iii) Installation of 2 nos. modern blast furnaces of 2250 cubic metre size in place of existing four;
- iv) Scrapping of existing steel making facilities and to install 3 nos. 130 T basic oxygen furnaces alongwith 2 nos. of lime calcining plant.
- v) Introduction of continuous casting;
- vi) Scrapping and re-modelling of existing mills and introduction of 2 nos. of bar & section mill; and
- vii) Installation of a captive power plant.

(c) No regular employee will be retrenched. The requirement of contract labour will depend upon quantum of work from time to time.

(d) and (e). Yes, Sir. The modernisation and its implications regarding manpower at IISCO are still under discussion with representatives of the five unions viz. INTUC, HMS, AITUC, CITU and BMS at IISCO.

**SHRI BASUDEB ACHARIA:** Indian Iron and Steel Company Ltd. is the oldest steel manufacturing company of our country. This company was taken over by the Government in the year 1972. The object of taking over was the revival of the company as it was threatened with imminent technological breakdown. This company was then nationalised in 1976. But the Government did nothing since 1976 to revive the company, only some patch work was done.

No the modernisation is urgently needed. We have been demanding in this House also that this company should be modernised because the duplex method which is there in IISCO can be found nowhere in the world. But now with this method steel is being produced there.

The Government have violated all the assurances given to the workers and the unions of IISCO. Already one unit has been phased out and there is a programme to phase out another three-four units and when all these units are phased out, about 5000 workers will be rendered surplus.

May I know from the Minister as to when the agreement has been finalised; whether the Government has worked out regarding the number of workers that is required after modernisation and the number of workers that will be rendered surplus; whether there is any proposal for redeployment of these surplus workers?

**MR. SPEAKER:** I want to know whether you have any intention to get answer to your question.

**SHRI M.L. FOTEDAR:** I agree with the Hon. Member that IISCO plant is one of the oldest plant in the country. It is so ageing and so obsolete that the Government in its wisdom has taken the decision to modernise it.

I am happy to inform the Hon. Member that the Government has in principle given clearance for modernising IISCO plant; the steel plant and such as more so that IISCO reflect the sweat and toil of the working class.

I assure the Hon. Members that we don't contemplate nor is it our intention to retrench any regular employee of any steel plant under SAIL. This is the assurance that I have all along been giving and this is the assurance that I am making even today.

**SHRI BASUDEB ACHARIA:** He has given assurance as regards regular workers. But there are 3500 contract workers who have been doing perennial nature of work inside the plant and who are connected with the production of the plant. So after modernisation what will happen to these 3500 workers who have been rendering or who have been working since years together? All the unions unanimously have demanded that the 3500 contract workers should be absorbed. A meeting is now being held between SAIL management and the representatives of the unions. Today also there is a meeting. I would like to know whether this aspect is being considered by the Government regarding the absorption of 3500 contract workers who have been doing perennial nature of work?

**SHRI M.L. FOTEDAR:** I differ with the hon. Member so far as number is concerned. I would not like to give the correct number. I leave it to him to verify from his agency what is the correct number. Sir, a distinction has to be made between the employees of IISCO who are on regular basis and those who have been employed by the contractors. The Government, as such, is under no obligation under the the law to give them employment. I agree that we have to regulate welfare schemes of such employees working under the contractors but Government is under no obligation to make them permanent and we will not do anything which is in-consistent with law.

**SHRI BASUDEB ACHARIA:** Is this not in-consistent?

**SHRI M.L. FOTEDAR:** I said which is not in-consistent with law. I may tell the hon. Member that it is Regulation and Abolition Act. So far as the regulatory powers of the government are concerned we will fully utilise these. We will see that they get wages as prescribed under the law. We will see that they get welfare measures as provided by law. So far as their permanent employment is concerned I cannot make any assurance which will be contrary to law.

**DR. KRUPASINDHU BHOI:** The answer given by the hon. Minister for modernisation of IISCO is that the existing technology is obsolete but whatever Japan International Corporation has prepared the feasibility report now that technology is also obsolete. I also want to know what is the position of the pilot plant tests based on DR & KR process and whether the Minister will consider to request Japan International Corporation to give DR technology by which they are producing 4 million tonnes of steel which will require non-coking coal?

**SHRI M.L. FOTEDAR:** I may tell the hon. Member that so far as the question of technology is concerned, there will be transfer of the latest feasible technology that is available in Japan or in the world. But what is new today will become old tomorrow. So nothing is new everyday. I can assure the hon. Member about the DPR or the engineering studies report that is under progress at this time but I cannot firmly commit at this time as to what will be the final report of the company which is looking into this at this stage.

**DR. DATTA SAMANT:** It is not only in IISCO but also in Railways and other public sector undertaking there are a number of contract labourers. In Railways they are there for the last 10 years whereas in NTC mills they are there for the last 8 years. So while modernising these public sector undertakings, Government is going to face this problem everywhere. Modernisation is needed but I want to know whether Government is going to issue any broad guidelines for protecting the interests of these 21 lakh

workers and also whether they will be adjusted. There are not only contract and casual workers. They are like permanent workers. They cannot be used as a guinea-pig anywhere. So, modernisation is needed. I would like to know whether the Government is going to issue any guidelines for adjustment of all the workers.

**MR. SPEAKER:** He has already done it. There is nothing new to add.

**SHRI M.L. FOTEDAR:** I must tell the hon. Member that there are certain vested interests in the country who do not want our country to prosper and progress. Some vested interests are such that they don't want to modernise the steel plants. I have given assurance all along that no regular employee of the steel plants will get retrenched.

There are some people who say that modernisation is going to lead to retrenchment of employees. I emphasise this thing that no retrenchment of regular employees is going to take place. (*Interruptions*)

**MR. SPEAKER:** He is not going to be a part of an irregular thing.

### Coconut Plantations In Non-coconut Growing States

\*24. **SHRI S.M. GURADDI:**  
**SHRI T.V. CHAN-**  
**DRASHEKHARAPPA:**

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Coconut Development Board has chalked out a plan to take up coconut plantations in non-coconut growing States;

(b) whether the Board has decided to popularise coconut cultivation in Orissa, Bihar and Madhya Pradesh; and

(c) if so, the details of the plan prepared in this regard?