

**Import of Rounds and Structural**

\*253. SHRI CHINTAMANI JENA:

SHRI NAVIN RAVANI:

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

(a) whether it is a fact that Government are importing certain quantities of rounds and structurals although there is a large unutilised re-rolling capacity at home;

(b) the quantity and quality of the said items imported annually;

(c) if so, the reasons thereof;

(d) whether Government have received the suggestions to terminate the import of these items in the interest of the country; and

(e) if so, the steps Government propose thereon?

THE MINISTER OF INDUSTRY AND STEEL AND MINES (SHRI NARAYAN DATT TIWARI): (a) to (e). A statement is laid on the Table of the House.

**Statement**

(a) Import of these items is canalised through SAIL. Imports are made after an assessment of the demand and expected availability of these items from indigenous sources including re-rollers. Imports are limited to the gap between estimated demand and availability and the import programme is kept under review with a view to ensuring that on the one hand unnecessary imports do not take place and on the other shortages in availability do not develop.

(b) Data on total imports from 1980-81 is not yet available. Imports by

SAIL during 1980-81, 1981-82 and 1982-83 (Apl.-Sept. 1982) were as below:—

(Quantity in '000 tonnes)

	1980-81	1981-82	1982-83 (Apl.—Sept. 82)
Bar & rods (including wire rods)	46.1	62.3	41.0
Structurals	309.0	309.0	507.4

(c) The actual production within the country is not adequate to match the demand for these items due to constraints of quality, size and specifications.

(d) and (e). Some suggestions received from re-rollers were examined in consultation with them. It was found that the need for imports could not be totally eliminated but there was scope for reduction in imports if the re-rolling industry could meet the demand of certain categories of priority consumers. Discussions to explore the possibilities of such arrangements were held under the aegis of the Iron and Steel Controller. But so far re-rollers and consumers have not been able to work out a mutually satisfactory arrangement. One difficulty in the way of evolving a satisfactory arrangement is that a small proportion of the re-rollers have ISI certification, and the consumers demand material meeting ISI specifications. Another difficulty is that re-rollers and the consumers have not been able to agree on terms on which re-rollers would supply finished material to them. Iron and Steel Controller is using his good offices to evolve a workable arrangement, and efforts are continuing.

SHRI CHINTAMANI JENA: May I know from the Hon. Minister what is the annual production capacity of the country of the bars and structurals by the re-rolling industries and what is the annual demand of these items in our country and what is the difference

in price of these items between those produced in our country and those imported and how much foreign exchange is involved on this issue?

**SHRI NARAYAN DATT TIWARI:** Regarding structurals, the assessed demand this year is 3,59,000 tonnes and the production anticipated is 2,90,000 tonnes and the estimated shortfall is about 100,000 tonnes.

In the field of other structurals also, for example channels and angles, the assessed demand is 6,30,000 tonnes and production anticipated, both from main producers and secondary producers is 4,15,000 tonnes and the shortfall would be 2,15,000 tonnes. That means the total anticipated shortfall would be 3,74,000 tonnes.

And it is in this area that we have to import in order to see that the users do not suffer in the priority sectors.

The foreign exchange component can only be known once the import negotiations commence and I cannot give the foreign exchange component just now.

**SHRI CHINTAMANI JENA:** In the Statement given by the Hon. Minister, it is stated that the Iron and Steel Controller is negotiating with the re-rolling industry and it was found that there was scope for reduction in imports if the re-rolling industry could meet the demand of certain categories of priority consumers. But since there are some difficulties to come to an agreement because of ISI Certification and the disagreement of consumers etc. it could not yet be materialised.

May I know from the Hon. Minister in case both these difficulties cannot be removed by an amicable settlement, what measures the Ministry of Steel wants to take to find some workable solutions? Sir, you will find from the statement of the Hon. Minister that the import of structurals are increasing day by day. You will find from the statement that in 1980-81, it is 306,000 tonnes. In 1981-82, it is 309,000 tonnes and this year (six months) it has in-

creased to 507,000 tonnes. This will ultimately adversely affect the country's economy as well as the foreign exchange.

**SHRI NARAYAN DATT TIWARI:** It is correct that the Iron and Steel Controller is taking the initiative to invite the reroller firms so that they can upgrade the technology that is available and that they can produce quality structurals which are required by the priority sectors like Defence, electric undertakings and so on and so forth. The Iron and Steel Controller held a meeting on 9th September, 1982 in which he discussed the various measures that could be adopted to reduce imports and to prevail upon the rerolling sectors for temporary up-gradation.

The major items that require technological upgradation are in the field of finished sections, that is, bars and rods.

Then straightening machines are also required in the field of live structurals. Balancing facility is also required in these fields.

Only 220 rolling mills out of more than 1,000 have been registered under International standard certificate specification scheme. These are to upgrade quality so that it can come up to the ISI specifications. A Committee has been constituted under the Chairmanship of the Iron & Steel Controller to go into all these questions specifically and report by the end of this year. The representatives of the re-rolling industry have also been invited so that their views can also be taken into account and the technology upgradation problems can be looked into.

#### Setting up a of Coca Processing Unit in Kerala

254. **SHRI M. RAMANNA RAI:** Will the Minister of INDUSTRY be pleased to state:

(a) whether there is any licence application pending before Government