

12.19 hrs.

DEMANDS FOR GRANTS*—contd.

MINISTRY OF STEEL, MINES AND FUEL—
contd.

Mr. Speaker: The House will now resume further discussion and voting on the Demands for Grants under the control of the Ministry of Steel, Mines and Fuel. When a representation was made by some Members of the House that some more time might be allotted, I said that we might sit till 6.30 today. Instead of taking up the private Members' work at 3.30 we shall take it up at 4 and the 2½ hours that are normally allotted to that business will be there. This discussion will go on till 4 p.m. We will conclude these Demands at 3 P.M. How long does the hon. Minister propose to take?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): There were one hour and some minutes and you were pleased to extend it to two hours and some minutes.... (Interruptions.) It is for you to decide, Sir, and I am only pointing out the arithmetic.

Mr. Speaker: I will call him at two O'clock. He wants half-an-hour I think.

Sardar Swaran Singh: No, Sir, slightly more than that, because there will be some more speeches today. I will require nearly one hour.

Mr. Speaker: I will call him at 2.00, he may take any amount of time that he likes.

Now, I do not think any hon. Member was in possession of the House—
Shrimati Parvathi Krishnan.

Shrimati Parvathi Krishnan (Coimbatore): Mr. Speaker, Sir, I am very grateful to you for this opportunity that I have been given to say a few words on this Ministry. At the outset, I would like to state that 1959

is really a historic year for our country, as in the three basic essentials for our industrial development in steel, coal and fuel we have registered an appreciable progress which cannot be decried or belittled no matter what the hysterics or efforts of those belonging to and supporting the private sector may be.

Sir, in the limited time that is allotted to me, I would like to deal mainly with the question of steel. Here, Sir, the public sector has entered into a field where the private sector had been entrenched for quite a considerable time, and the three steel plants of the public sector have been commissioned during the year. A creditable performance has been shown by us in this respect and whatever I may say further in criticism later on I would appeal to the Minister that he would take that criticism in the spirit in which it is given. It is not in the least from a partisan point of view but more, Sir, because it is so necessary to learn from the experience of the past so that we will have better and better achievements in the future that is yet to come.

The Minister himself has stated that as a result of the progress of the work of the three steel plants we have made a savings of about Rs. 70 crores worth of foreign exchange, which is no mean figure. So there is naturally, after this achievement, a great deal of heart-burning as far as the private sector is concerned, because every success and every advance that is registered by the public sector means a developing threat to their profits and to the profits that they have been having a monopoly for many long years. That is why they are constantly on the look out for sins of omission and commission that are there in the public sector and by pointing out them they hope to deflect the public eye from their own defects and their own sins of omission and commission which, if I may

*Moved with the recommendation of the President.

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say so, are far greater than that to be seen in the public sector, because in the public sector we have a greater responsibility and a greater advantage.

There is a greater responsibility because it is this sector that serves the widest national interest. All profits that may be there, all achievements that may be there, will accrue to the benefit of the community as a whole. That is why the responsibility is there. At no stage should be slip from this responsibility. At the same time, there is the advantage that there is the possibility of the pooling of the greatest of experience because whereas in the private sector certain methods and various other aspects are kept secret for business reasons—because that is their business method, where the technical skill and other things naturally one person would not like to share with another—in the public sector we have the greater advantage of opportunities for rectifying mistakes and of pooling all the experience that we may have.

That is why I could not understand yesterday the inference made by the hon. Member who spoke, Shri Thanu Pillai, who seems to be allergic whenever there is any criticism from any corner of the House. He thinks that like people of old tribal times we should just say: "We have got confidence in you, Oh Lord; therefore, we leave everything to you and we pray for the best." When we put criticism forward, it is done so that it may help and also, Sir, wherever we may be wrong we hope we will get a frank clarification which, usually on many issues, I regret to say, we have not had. It is in this background I would remind the Minister of what Walt Whitman said: "The world is of little use to those who cannot read it." It is in this background that I would make the remarks that I have about steel.

Firstly, Sir, the report itself gives very insufficient data. M. hon.

friend, Shri Narayanankutty Menon, I think, was far too complimentary to the Ministry with regard to its report, because he said that those reports are fit to be the textbooks for matric students. I do not think they are fit to be even textbooks for matric students. They do not even compare well with the tutorial notes that are today being hawked round in the bazars in our country to try and push students through examinations. The reports are most shabby, and everywhere we see the same phraseology, that of "progressing satisfactorily". What does this mysterious phrase "progressing satisfactorily" mean? Because, after having all this, we find in the Minister's speech yesterday certain indications which cause apprehension.

For instance, with regard to the various steel plants, especially with regard to Durgapur, the whole nation was very disturbed when the news came of defective pile foundations. Now we are told that these defective pile foundations have been set right. But the question as to who is to pay the penalty for it has not been answered, except that the Minister has said that the repair work was undertaken at the cost of ISCON. On March 3, a question regarding the findings of the committee which was set up to investigate into this matter was tabled and the Minister in reply to that said that the findings of the committee have not yet been fully examined by the Hindustan Steel Limited. He also said: "The Committee had even before submitting the report, informally brought to the notice of Hindustan Steel Limited some of the important recommendations about the piled foundations and much has been done to implement them." Now, Sir, we are told that the repairs have been carried out. We are told that they have paid for, but we have not been taken into confidence with regard to this report and as usual this hedging is always there.

We would like to know what exactly was in the report, what exactly were the defects and what is the guarantee that these defects have really been overcome. We are told that a ten-year guarantee has been given. Is there a life span of a steel plant, this period of ten years? What is the guarantee? Why is it that there should be a ten-year guarantee? Surely the guarantee should be that these defects will not arise. Why is there the time limit? This is something which I would like the Minister to clear up for us.

With regard to Rourkela, certainly the steel plant there has registered progress. But is that progress smooth, and is it up to the mark? We find from the very beginning the target of production of pig iron is not fully achieved. When questions have been tabled the Minister has taken pains to inform us that Rourkela is suffering from teething trouble. We had teething trouble in Bhilai also, but it seems that they got over the teething trouble quickly. Here it seems, in Rourkela, the teething trouble is going on for a very long time. Now, there is the time-bomb which has appeared in the West German Press to which the hon. Minister has not even made any reference in his opening remarks. This naturally leads to a lot of apprehension in our minds, because one would like to know what is behind this kind of reporting that is going on, this kind of information that is leaking out. I would beg of the Minister that he should take the House into confidence. Here we are in a spirit of co-operation. It is not that we want to find mistakes and hit at the Ministry saying they are incapable and so on. What we want is, if mistakes are there tell us what they are, how they are going to be overcome. That would certainly help to understand the point better. Whatever news came out has come out in the German Press, and some of our Indian Press has also pounced upon it to put it in its own perspective.

The production figures of Rourkela and Bhilai show a marked difference.

Until February 1960, in Rourkela we had 234,154 tons of pig iron, 50,329 tons of steel ingots and 12,903 tons of crude tar. On the other hand, in the first eleven months of 1959 the production at Bhilai has been much higher than the production in Rourkela till February, 1960.

Now, why is there this difference? It is in this context also that one views this news item that has appeared in the Press, which has already been referred to by some hon. Members of the House.

The disturbing factor which I found in the speech of the hon. Minister which he made yesterday was the indication that there is going to be an increase of cost in the various steel plants. Why is it that details are not given by the hon. Minister? Is it in Bhilai? Why is there increased cost in the steel plant? Is it going to be because the construction works are going to cost more, or is there any other reason? Similarly, in Durgapur, why is the cost going to be more? Is it, as has been referred to previously on the floor of the House, because of the general defects that we have always felt existed whenever there is a package deal? Is it due to the drawbacks of the package deal? In Rourkela, a question has been asked in the House about the increased cost and you, Sir, were also pleased to ask the Estimates Committee to go into this matter. Therefore, firstly, we would like the estimates and the accounts of the three steel plants to be given to us on a uniform basis, which would enable us to compare one with the other. Secondly, we would like the Minister to indicate more explicitly what these higher costs are so that we know what they are and we may be able to answer those sections from the private sector who are only interested in turning round and say, "There you are; again and again the public sector is inefficient; the tax-payer is going to be made to pay" and so on.

What we ask from the Minister is that he should give us this material

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in order for us to be able to judge and also in order to be able to answer effectively those charges of the private sector which we know are put forward time and again only in order to discredit and not in order to help our public sector and our people.

Then with regard to the steel plants, there is also the labour question—the labour problems. Rumbblings have been there every year and we have also had Shri Surendranath Dwivedy referring yesterday to the position in Rourkela. It seems that the negotiating machinery and the grievance procedure are very much at fault in these steel plants. The service conditions in the plants and the question of future absorption of tens of thousands of workers who are engaged in the construction works, also engage the attention not only of the workers who are there but all of us who are interested in seeing that we should go forward. Naturally, once these worries are removed, you will find that the work that is put in there also goes forward apace. Therefore, I would seriously appeal to the Minister to take up this question of labour conditions in the steel plants and in doing so, I would request him to see that the public sector is a model to the nation as a whole, and to the private sector, not only from the point of view of the efficiency of the industry itself, not only from the point of view of the production targets being achieved and progress being shown in that respect, but also from the point of view that it should be a model employer. This also is very necessary today and I regret that—and I do not think—that particular bouquet could be handed to this Ministry.

Turning to the private sector, it is the private sector which, with Government help, is increasing its profits, as our Prime Minister has himself stated more than once. Here also, the information that is given to us in the report and by the Minister leaves very much to be desired. Rs. 10 crores have been given by the Gov-

ernment and there is also the contingent liability for the foreign loans and assistance. Again, further help is given by way of retention prices. And yet, we find that the target of expansion has not been reached. Last year, in his speech, the Minister said that with regard to the private sector, certainly the target for production would be reached and that the work that was left over would be completed by the end of the year and so on. It looks as though he will almost have to read out the same paragraph of his speech made last year in referring to the private sector again this year! In his speech yesterday he gave an assurance to people like Shri Somani that there was not going to be any downward trend in the retention prices but we would like also from him the assurance that there should not be an upward trend in the retention prices and some indication as to how far the funds that grow from the retention prices have been used for the expansion programme in the private sector steel plants.

Shri Somani made a very interesting speech yesterday, and he was the only one who was able to cover all the subjects that are covered by the Ministry. Just as the Minister is putting before the House his Demands for Grants, he just put forward in a few words the demands of the private sector and then sat down. If I may say so, neither the Minister's speech nor the report that has been given to us, Members of Parliament, provide us with any material or any indications as to what would be the reactions of the Ministry or the trends of the Ministry in the face of this heavy barrage that is coming from the private sector with regard to the private sector steel plants.

Then I come to the fourth steel plant. Again and again we get the same answer. There is a lot of apprehension in the country regarding this fourth steel plant. Two years ago, in February, 1958, the explanatory memorandum of the Central budget said that "it has been decided to undertake preliminary planning on

the basis that the target for steel production in the third Five Year Plan is likely to be of the order of 15 million tons, that is, an increase of nine million tons in the target of the second Plan". So, apart from the expansion of the three steel plants—Rourkela, Bhilai and Durgapur—it was felt necessary to have "a new steel plant with a total capacity of four million tons". Bokaro was selected for this purpose. The findings of the Estimates Committee indicating that the expansion of the existing steel plants would fetch bigger and cheaper results and it would be a first charge on the third Plan, stated that even after taking into account the expansion of the plants there would be need for another plant. They emphasised the fact that there should not be any delay in the setting up of the plant. Otherwise, if you just wait and then start setting up the plant much later, there will be a lag, and that lag will certainly cost the nation dearly in terms of foreign exchange, and it will lead to steel shortage. Therefore, I would appeal to the Minister that a firm decision on the question of setting up of the Bokaro plant should be taken at a very early date.

Already, preliminary work has been undertaken, but that preliminary work should not rest where it is, and we should not be told continuously that the matter is being considered, that the various aspects are being looked into, etc. Because, from Shri Somani's speech yesterday, it is quite clear that the pressure from the private sector is on, and it is after the pressure increased after the explanatory memorandum in 1958 that we find a sliding back from the original position in respect of taking a decision on the setting up of the Bokaro plant.

Yesterday, we had a dangerous indication from the private sector. Shri Somani said that there was an opportunity for setting up another steel plant with American aid. This was his appeal. He did not question whether

the estimates and the targets that are being considered by the Ministry with regard to the consumption of steel or the production of steel in this country are correct or not. He had only one point to say and that is, "Give up your idea of a fourth steel plant in the public sector, and give it to the private sector". It is on this that we should have a courageous and firm decision taken by the Government as early as possible and the fourth steel plant should be set up without any further delay in the public sector.

As regards the experience of the past few years, the technical know-how has improved. Our technicians and our workers have put in a very good job of it at the steel plants, but there is one thing that still seems to be lagging behind and which also does not receive sufficient attention in the reports of the Ministry, and that is about the Central Designs Organisation. For lack of time, I do not go into the details of it, but I just refer to it.

With regard to the question of regional disparities, I would also add my voice to those who made an appeal for the production of lignite in Neyveli and an early decision with regard to the low shaft furnace to be set up for the use of the iron ore available in Salem.

Lastly, with regard to the Ministry itself, here we have a Ministry of Steel, Mines and Fuel, covering the three most basic essentials for our industrialisation, and for the progress of our country. This Ministry is rather like the package deal of the Durgapur plant! We are asked to discuss this Ministry as a package deal. It becomes a very difficult proposition. I do sympathise with the Minister that he also has to go off at a tangent here and there because he has to cover such a vast field. Time and again we have requested that this Ministry should be broken up and that these departments should function independently because of the growing needs of our economy, and

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with this section of our public sector economy growing, it is very necessary that there should be far more concentrated work on these various questions. Therefore, it would certainly be helpful both from the point of view of discussion in the House and from the point of view of practicability of the work, if this Ministry was divided up.

In concluding, I would say that it is very necessary that the expansion that is thought of with regard to steel should be kept within the public sector itself and the inroads of the private sector should be resisted, because even the slightest weakening or an expression of doubt on our part means that the vultures of the private sector will just swoop down on this very strategic industry of ours in the twinkling of an eye.

Mr. Speaker: The hon. Member knows that we cannot eliminate the private sector so long as we have mixed economy. Why should she use the word 'vultures'? The hon. Lady Member should be little more soft.

Shrimati Parvathi Krishnan: The point I have been trying to make is the private sector is trying to swoop down and squeeze the public sector.

Mr. Speaker: Whether it is public sector or private sector, they are all children of women.

Shrimati Parvathi Krishnan: It is not a question of lady-like or not; but I thought I was using parliamentary language. In the words of Anatole France, "the future is in the present; it is in the past. It is we who make it and if it is bad, it will be our fault."

I would like to end with a tribute to the tens of thousands of technicians, experts and workers who, in co-operation with our friends from abroad have achieved gigantic tasks during the past few years in these steel plants. Fired with the spirit of national endeavour, overcoming all the

difficulties that they have been facing and the pin-pricks of the private sector and cynics, they have changed the landscape of our country and set us well on the road to industrialisation. Let us, therefore, rectify whatever mistakes are there very speedily and go forward to greater achievements with ever-growing confidence. That is the appeal that I would make in concluding my speech on these demands.

Shri D. C. Mallik (Dhanbad): Mr. Speaker Sir, I congratulate the Ministry of Steel, Mines and Fuel on the excellent progress they have made so far, are making now and I also expect they will do so in future being in very able and efficient hands. But my congratulations are only for the work done by the Ministry in regard to Steel and minerals other than coal. So far as coal is concerned I cannot congratulate them so very heartily. They have landed themselves in difficulty and disadvantage in not taking up this key industry, which is the most important basic industry, coal being the most important of all minerals in their hands. They have not nationalised it. They have relied all along on the private sector for an increased in output. From my very boyhood I had lived in coalfields and I know the colliery proprietors. They are a sort of greedy, wily, shrewd intelligent people. For every ounce of coal raised, they are demanding more price from the Government. The more Government, in their anxiety to have more coal, try to please them in every way and the more Government gives them concession and increase in price the more are their demands. The Government would have done better to nationalise the industry long ago, but they have not done it. So, they are finding themselves in disadvantage and difficulty.

Coal is the most important of all minerals in bulk in utility and in the price they fetch. The largest amount of coal raised in India is in my constituency of Dhanbad and Jharia, where there are the largest number of techni-

cal staff also. The quantity of coal raised is 5 crore tons and it brings about Rs. 90 crores. If we had to import the coal from outside if we had no coal, then our cost would have been near about Rs. 300 crores. So, the magnitude and the importance of coal can be well appreciated.

Coal is the most important of all minerals because most of the factories are run by coal, though in a few cases electric power and oil power are used. Coal is also used for domestic purposes and for burning bricks. The most important thing nowadays is it produces hard coke which is used in the iron factories. Besides, except for crude oil, coal is the most important source of many of the valuable by-products such as coal tar which is used in roads, naphthalene, aniline dyes, phenol, etc., gas carbons and last but not the least, the fertiliser ammonium sulphate. So, we find that coal is the most important of all minerals. The price of every other commodity depends upon the price of coal. If the coal price is raised it increases production cost of every commodity and the price of every other commodity and produce, even agricultural produce, is increased. Railways are the largest users of coal. So, if coal price is raised, the expenditure of railways increases and that forces them to raise the freight.

So, in fixing the price of coal, our Government should be careful to see that they do not oppress the consumers very much. But in their anxiety to have more coal, our Government play themselves into the hands of the colliery proprietors, who are very shrewd and wily. They are pressing the Government for more increase in the price of coal. When Government wants a further increase in coal raising this time, they pressed Government that the adjoining lands should be given to them, so that they can work from there, but it is against the principle of Government to give new lands to the private sector. They are attacking the principle of Government now.

So far as the price of coal is concerned, I had been in coal trade and I know. Since the control was introduced, the price of some varieties of coal has increased 25 times. Before the price control I had purchased 2nd. class dust coal at 10 annas a ton—though it may be considered an uneconomic value—and now the price of the same dust coal is about 25 times higher. The price of very inferior quality coal for domestic purposes was 10 annas. But now the prices of inferior quality and superior quality of coal for domestic purposes have been brought to the same level and the price is Rs. 28 which means it has increased by more than 30 times, but not so the cost.

Still the proprietors wanted further increase in price. Government had appointed a committee to go with the question of further price increase. But the proprietors are too wily, clever and intelligent for the committee members to know the cost. From the very nature of the industry—coal is produced at a depth of sometimes even 3000 feet underground and so it is difficult to check their cost. They have many wily cost accountants who came manipulate the costs and show the cost manyfold to defraud the Government in regard to taxes and to demand increase in price of coal.

The committee members were not more clever and so they could not check the cost. Government is always increasing the price of coal. Now the time has come to cry a halt, because the consumers have also to be considered. The continuous increase in the price of coal is putting the consumers to great difficulty. We shall have to see that not only the price of coal is not raised further, but a high-powered commission, representative of all the diverse interests in the country should be appointed to find out the price structure *de novo*. Then it will be found that the price of coal will have to be reduced. This increase in the price of coal is tempting the coal proprietor not to increase their raising. In other industries and also in agriculture,

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more the production, less is the cost and more is the profit the producers get. But in coal it is quite the different. Coal is a diminishing asset. In other commodities such as in agriculture, we do not sell the land, it remains in tact; we sell the produce. In the factories, we sell the produce and so, more the production more the profit which the producers get. But in coal it is not so. It is a diminishing asset. The body of the asset is cut and sold. So, the assets get reduced by sale. In a colliery, if there are 10,000 tons of coal and if we sell 2,000 tons, the balance that will remain is only 8,000 tons. So, some day the coal will be exhausted. And there would be no asset. So, it is a question of an exhaustive and diminishing asset. Producers naturally want to preserve for higher price their assets instead of exhausting them at a lower price. Also, they do not like to sell their assets at a price lower than what they expect to get. Now Government is always increasing the price and so owners of mines are thinking that the price will be further increased in future. So they are not anxious to increase the raising of coal, which will diminish their assets. They think that they should sell it when the price is the maximum so that they can get maximum price. Because they cannot increase their assets, as there is a limit to the deposit of coal. As far formation, coal requires about 20,000 to 30,000 years. So, by continuously increasing the price of coal, Government is tempting the colliery management to diminish their raising for the time being. The remedy for this is the nationalisation of the coal industry. By nationalisation and by bringing the industry under their control or authority they can keep their promises to nationalise all key industries and they can themselves get the profits that the private proprietors are now making.

Besides that there is another advantage flowing from nationalisation. By fragmentation, inherent in private proprietors of the collieries, they waste

a large amount of coal. They have to keep barriers and because of these barriers a large amount of coal is lost. If, for instance, there are two collieries adjoining, belonging to different owners, one cannot be worked from the other. Both should have separate pits. Now, if all the collieries are in one hand and the policy is an integrated one the raising of coal will be facilitated, as they can work from one pit and at a much lower cost and at a lower capital investment.

So, there are many advantages in nationalisation of the coal industry. There is the question of bad stock. Now, the colliery proprietors, most of them, they are unscrupulous and they mix bad quality coal. No doubt, there are colliery inspectors to check the stock of coal. But these proprietors, having large funds at their disposal, bribe the loading inspectors who would be checking the stocks, and because of the bribe the inspectors overlook the quality of the coal. The Government are paying the inspectors some Rs. 250 or so. But the proprietors of collieries pay them much more, a much bigger sum. Now the question before the inspectors is whether they should look up to their husbands or their paramours. Whereas the husbands pay them only Rs. 250, the paramours pay them in thousands. So, naturally, they would look to their paramours than to their husbands.

Then we want to have more washeries to produce better quality coal. Now the washeries of the Government are doing the washing. If the coal is also in their hands, they can run the washeries well. If the washeries are in the hands of the Government and the collieries in the hands of the private owners, they cannot utilize the washeries so well as they would be able to do if both are in their hands.

Then, in the case of burning coal for making soft coal or hard coking

coal in the open hearth, smoke, which is the most valuable thing, is lost. The small collieries do not have that much capital to start bi-product industries. If all the collieries are in the hands of the Government, they can spend money in developing the bi-products and so the bi-products industries will also flourish very well.

12.57 hrs.

[SHRI MULCHAND DUBE in the Chair]

Turning to the question of steel, we find that the Ministry is doing very well. Their target is going to be achieved. We want to produce 6 million tons of steel by the end of the Second Plan and 10 million tons by the end of the Third Plan. Now, the 10 million tons of steel that we would be producing during the Third Plan will be consumed in our home market. The producers increase their produce so long as there is a good price for it and there are enough customers for it. We find that there is a big demand for steel. So, I am glad that the Government is going to have another project at Bokaro. The place where the project is going to be located is called Malapuri and it has many advantages. It has Damodar close-by and there is the newly-constructed Chandrapur—Mori line. So, Bokaro will be a very good place for that.

But we should have long-term projects in view and so we should from now think of other projects. The question naturally is of money. Now, if we depend on our own resources, then we may not be able to have these projects even in hundred years. There is no harm in borrowing money. We are borrowing money for the various projects, whose produce will bring us enough money to repay our loans and interests. It will enable us to save our foreign exchange, because we would be producing those things which we are now importing. So, they will bring us more foreign exchanges to meet our other requirements, as our necessity to import these things will become less-and less. So, there is no

danger in borrowing. Some people are saying that we are not looking to the future by getting so much loans. That is not a fact. We will be able to repay our loans.

In the case of steel industry we are very fortunate. All countries in the world do not have the resources to have a steel industry. But we are very fortunately-placed. All the ingredients that are required, all the raw materials that are required for the steel industry are close at hand in our case. We have got enough raw materials, we have got enough lime-stone, we have got enough iron ore and also manganese. Of course, we have not enough metallurgical coal to produce hard coke for steel factories and foundaries.

Mr. Chairman: The hon. Member should now conclude.

Shri D. C. Mallik: I am just in the midst. I will conclude in a minute. All these washeries are needed to have hard coke. So, we may have enough hard coke for some days yet to come.

Now I have to strike a note of warning about our iron ore exports. I do not know what our resources of iron ore is. In any case, we have to expand and we are going to expand our steel industry. So, I do not know if unlimited export of iron ore will be of any benefit to India. I have no idea about our iron ore reserves. But I do know that, unlike coal, where the deeper the seam the better the coal, in the case of iron ore the better quality is obtained on the surface than at a depth. So, we shall have to be a bit careful about export of iron ore. To have more foreign exchanges and more money we are entering into long-term contracts for the export of iron ore. It is for the Ministers, who are efficient and able, who know everything better than I do, to ponder over this question whether the unlimited export of iron ore is to the ultimate benefit of India. It may so happen that on a future date we may not be able to feed our steel industry with iron ore.

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About hard coke I have to say that all the best collieries producing metallurgical coal were in British hands, which they ruined before they went away, intentionally or otherwise I cannot say. They used to produce more of the metallurgical coal. Now for producing metallurgical coal the Kurshabarsee seam 14 and 14A of Jharia fields are the best ones. Many of those best collieries are already under fire. Swaridih, Sudandih and Sutikdih are under fire. Shri Rampur collieries are also under fire. So, many of the metallurgical coal producing collieries are now either under fire or under water. I know that the Trans Damodar river collieries, Kohinoor, Dhekoera, Gargoan and Sitainala have good metallurgical coal, but their working is so difficult that the private owners are finding it unprofitable to raise and most of them are not working. So, Government should nationalise these collieries first. Then, Government would not be so much after profits as these colliery proprietors are, and they will have the national interest in view. So, at least the collieries which produce metallurgical coal should be nationalised for the benefit of the steel industry.

13 hrs.

डा० राम सुभग सिंह (महस्राम) :

सभापति जी, किसी भी देश की तरक्की बहुत कुछ वहाँ के खनिज पदार्थों पर निर्भर करती है, कि उन खनिज पदार्थों का कितना अन्वेषण हुआ, उनका कितना एक्सप्लायटेशन हो रहा है और किस प्रकार से उनका प्रोसेसिंग हो रहा है।

जहाँ तक खोजों का सवाल है, मैं मंत्रालय के कार्यों की सराहना करता हूँ। इन खोजों को खोजने की दिशा में इन पांच मास वर्षों में इन लोगों ने बहुत कोशिशें की हैं। इस सम्बन्ध में जो नेशनल कोल डेवेलपमेंट कार्पोरेशन और नेशनल मिनरल डेवेलपमेंट कार्पोरेशन की स्थापना हुई है इसका मैं

स्वागत करता हूँ। पेट्रोलियम वर्गरेह की खोज के लिये जो इन्डो स्टैन्वीक पेट्रोलियम प्रोजेक्ट और ग्राइल इंडिया प्राइवेट लिमिटेड की स्थापना हुई है, यह भी अच्छी खोज है हालाँकि ये दोनों प्राइवेट खोजें हैं। इनमें सरकार ने काफी रूपया दिया है, लेकिन देश की तरक्की इस बात पर निर्भर करती है कि देश खुद व खुद इन सब खोजों को खोज कर सके। इन सब खोजों को खोजने के मार्ग में मुख्य दिक्कत हमारे यहाँ यह है कि हमारे देश में टेक्निकल हैंड्स जितने चाहिये उतने नहीं हैं, और यह दिक्कत हमारे यहाँ है कि ट्रेनिंग की सुविधाएँ नहीं हैं।

अभी जो ग्राइल रिफाइनरीज का नून-माटी और बरौनी में स्थापना के लिये रूम से समझौता हुआ है, उसमें यह बात भी शामिल है कि कुछ टेक्निकल हैंड्स का ट्रेनिंग देने की सुविधा रशिया भारत को प्रदान करेगा। मैं इसका भी स्वागत करता हूँ। देश में ट्रेनिंग की जितनी हो सुविधाएँ होंगी उतनी हो जल्दी देश की तरक्की होगी। कल कुछ माननीय सदस्यों ने प्रालोचना की कि भिलाई में, और करकेला और दुर्गापुर में भी रशियन जर्मन और अंग्रेज बहुत से इंजिनियर काम कर रहे हैं और ये इतने ज्यादा हैं कि जितने नहीं होने चाहिये।

13.03 hrs.

[Mr. DEPUTY-SPEAKER in the Chair]

हो सकता है कि इसका कारण यह हो कि हमारे यहाँ उस ढंग से शिक्षित इंजिनियर काफी नहीं हैं, इसलिये उनको बाहर से बुलाना पड़ा हो। अभी तो कुछ समय तक हमको बाहर के लोगों को जरूर ही बुलाना पड़ेगा, लेकिन मैं चाहता हूँ कि हम इतनी मात्रा में दूसरों पर निर्भर न करें और इन लोगों से अपने लोगों को शिक्षित कराने का काम करें। अभी इन तीनों स्टील प्लांट्स में कोई १५०० बिदेशी इंजिनियर काम कर रहे हैं। क्यों न हम इनकी सहायता से अपने लोगों को ट्रेनिंग दिलाने के लिये एक बड़ा

कामिज खोने जिसमें इन लोगों को इस्तेमाल किया जाये और अगर जरूरत हो तो इस काम के लिये बाहर से और भी लोगों को बुलाया जाये और सभी रोज़ाना में एक एक इन्स्टीट्यूट खोने ।

यहां में एक बात का विकास करने बिना नहीं रहूंगा । जो ईकनिकल इन्स्टीट्यूट स्थापित किये जाने वाले थे भारत सरकार की ओर से, उनमें से एक लखनऊ में स्थापित हुआ है, और मद्रास में भी इसके लिये कुछ जमानत ली गयी है और कानपुर में भी । लेकिन इस काम में जितनी जरूरत होती चाहिये थी, उतनी नहीं हो रही है । यहां पर कुछ पाकी-रेकॉर्डिंग भी है, लेकिन उनके बारे में भी शिकायत है । इस मदद में कितनी बार इन के बारे में खबर उठाये गये हैं कि वहां उतने लड़के ट्रेन नहीं हो पा रहे हैं जितने कि होने चाहिये और इसलिये दूसरे देशों को यहां के स्कूल और कामिजों के लड़कों को ट्रेनिंग के लिये भेजना पड़ता है । तो देश में खनिज पदार्थों की खोज के लिये स्थिति अच्छी नहीं है । अगर हमारे यहां खोज ज्यादा ट्रेड ट्रेडम उपलब्ध होने तो खोज लहाब का वह हिस्सा जिसमें खोज खोनी विराजमान है वहां हमारा काम हो रहा होता । उस हिस्से में ऐसे ऐसे मिनरल्स है जिनकी देश को बहुत ज्यादा जरूरत है, लेकिन उनको खोज अभी नहीं हो पायी है । राजस्थान में जिप्सम बहुत ज्यादा मादाद में मौजूद है, इंगी तरह जम्मू काश्मीर में भी काफी मात्रा में जिप्सम मिलता है और चाइना वगैरह भी मिलता है । मगर इन हिस्सों की खोज नहीं हो पायी है । लेकिन ये चीजें सभी हो सकती हैं जब पूरा कोऑर्डिनेशन हो, वहां गान्से वगैरह हो, पूरी तरह सुरक्षा का प्रबन्ध हो । ये सब चीजें हो सभी इन इलाकों में इस मिनिसट्री द्वारा धादमी भेजकर जांच पहचान करायी जा सकती है । लेकिन चूंकि इन सब चीजों को ध्येय नहीं थी और वह इलाका बना गया, इसलिये वहां काम नहीं हो सकता । लेकिन मैं चाहता था कि खनिज पदार्थों के

लिये इस मंत्रालय द्वारा देश के कोने कोने में खानबीन की जाये ।

श्रीमान् मलिक जी ने और श्रीमती पार्वती कुलकर्णी ने बताया कि बृकारों में बोधे स्टील प्लांट को स्थापना होगी । कल भी इसके मूनालिक चर्चा हुई थी और कुछ भाइयों ने कहा था कि एक ही जगह क्यों यह कारखाने बनाये जा रहे हैं, दूसरी जगहों पर भी उनको बनाना चाहिये । मैं इस बात का स्वागत करता हू कि देश के तमाम हिस्सों में स्टील प्लांट बनें । लेकिन यहां पर इसलिये इस चीज को बनाया जा रहा है कि उस हिस्से में लोहे की खपत बहुत ज्यादा है । लोहे की खपत के अनुसार देश को खनिज रोज़ाना में बांटा गया है, लेकिन बालू कलकत्ता रोज़ाना में ४५ परसेंट लोहे की खपत होती है और जो कच्चा पदार्थ चाहिये लोहे के उत्पादन के लिये, वैसे प्रायः खनिज और कोयला, ये चीजें भी उस भाग में ज्यादा से ज्यादा उपलब्ध है ।

खान और लेव मंत्री (श्री के० दे० मालवीय) : खान वजह यही है ।

डा० राम सुभग सिंह : ६० परसेंट कार्बन काबल बृकारों के कार्बन मिलता है, कोयला भी वहां ८० प्रतिशत मिलता है और पानी वगैरह की भी वहां तमाम सुविधाएं हैं । इस स्थिति में मैं जरूर चाहता कि इस क्षेत्र के स्टील प्लांट की स्थापना बृकारों में हो, और तत्काल हो । मन्त्रालय परलिये मैं चाहता हू कि खान जो स्थिति है उसमें हमको अपने देश के इन्स्टीट्यूटेशन के लिये ज्यादा से ज्यादा नेत्री करना चाहिये पता नहीं कि कब क्या स्थिति पैदा हो जाए । अगर खान हमको अपने देश को उन्नत और धानदार देश बनाना है तो हमको इस दिशा में नेत्री से प्रयत्न करनी होगी ताकि हम अपने पड़ोसी देशों के समकक्ष हो सकें, और उस स्थिति में धान के लिये यह प्रायः एक है कि हमारा लोहे का उत्पादन कम से कम १५ मिलियन टन हो । और उसके लिये

[डा० राम मुभग सिंह]

आवश्यक हो तो पांचवें स्टील प्लांट की भी स्थापना की जाये। कहा जा सकता है कि इतना रुपया देने में प्लानिंग कमिशन प्रमथ हो सकता है, या यह कहा जाए कि देश इतना रुपया नहीं दे सकता। लेकिन जो हमारे नैचुरल मिनरल रिमॉर्मैज हैं इन को हम क्रेडिट से विक्र कर सकते हैं। इन पर क्रेडिट लेने के कारण हमको कोई दिक्कत नहीं हो सकती क्योंकि यह कंजर्वेशन के लिये क्रेडिट लेने की बात नहीं है।

बुकारों में स्टील प्लांट बनाने का एक कारण यह भी है कि वहां रा मैटीरियल लाने में बहुत कम खर्च होता है। बुकारों में हम १५-१५ रुपया प्रति टन खर्च करके रा मैटीरियल ला सकते हैं, जब कि भिलाई दुर्गापुर और बरकोला में हमको इमको लाने में २४-२४ रुपया प्रति टन खर्च करना पड़ना है।

कोल के बारे में भी मैं कुछ कहना चाहता हूँ। नैशनल कोल डेवेलपमेंट कॉर्पोरेशन की स्थापना हुई है। इसके पहले भी कोला निकाला जाता था लेकिन वहां मजदूरों की हालत बहुत खराब थी। अप्रैल मई और जून के महीनों में वहां कोलफील्ड्स में पानी मिलना मुश्किल होता है। और इस कारण कोयले के मजदूर को बड़ी तबाही का मुकाबला करना पड़ता है। रहने की भी जगह अच्छी नहीं होती। हां सकता है कि इस मंत्रालय के सिर इन तमाम चीजों की जबाब देही न हो। लेकिन जिस तरह से नैशनल डेवेलपमेंट कॉर्पोरेशन की स्थापना के बाद उम के कर्मचारियों की मुक्त मुविधा का लाहज कर के रांची में या और जगह काफी व्यवस्था की गई है, उमी तरह से कोलमाइनज की मुविधा पर भी ध्यान देना चाहिये और कम से कम पानी का इन्तजाम भरिया, धनबाद, रानीगंज और

अन्य तमाम कोल-फील्ड्स में पूरी तरह करना चाहिये।

प्रतिवयं कोल-माइन्ज में कुछ न कुछ एक्मिडेंट होते हैं और उन के कारण काफी लोगों को तबाही का सामना करना पड़ना है। इस लिए मैं चाहूंगा कि रोकथाम प्रापरेगण्ड की एक अच्छी तरह से संगठित मस्या बनाई जाये। मैं यह नहीं कहता कि वह संगठित नहीं है, लेकिन जैसा कि कन श्री मानवीय ने बताया था कि इंडियन व्यूरो प्राफ माइन्ज में टेक्निकल प्राफिमंत्र न मिलने से काफी जगह खाली रहती है, उमी तरह से रोकथाम प्रापरेगण्ड में भी ट्रेन्ड हैडज के अभाव से काफी दिक्कत रहती है। लेकिन आवश्यकता इस बात की है कि दोनों में जो एक्मिडेंट्स होते हैं और उन के कारण मजदूरों को जो क्षति उठानी पड़नी है, उन को रोकने के लिये अच्छी व्यवस्था होनी चाहिये।

बरोनी के बारे में कल श्री नरसिंह ने कहा कि वहां के लोगों को बहुत ज्यादा रुपये दिये जाते हैं। इस सम्बन्ध में मैं यह निवेदन करना चाहता हूँ कि यदि हम बरोनी की जमीनों का देखें और वहां के मार्केट रेट का खयाल करें—बिहार में नैड एक्वी-जीशन की प्रॉमीडिग्न स्टेट गवर्नमेंट की धोर से जारी होती है और वहां पर उम का एक कायदा है—तो हम यह नहीं मान सकते कि बिहार गवर्नमेंट की धोर से वहां ज्यादा रुपये दिये जाते हैं। बिहार में बांकारो, बरोनी आदि स्थानों पर कार्यस्थान स्थापित करने के लिये बहुतेरी जमीनें एक्वायर की जाती हैं और रेट के अनुसार जमीन का मूल्य दिया जाता है। लेकिन बिहार, उड़ीसा और दूसरी जगहों में एक दुःखद स्थिति यह है कि जो नांग इस प्रकार हटाये जाते हैं—सिदरी कांयले के एरिया में, बांकारो में और धब रांची में मशीन टूट

फैक्ट्री स्थापित होने जा रही है—उन को कोई विंगेव सुविधा नहीं मिलती है। छोटी छोटी नौकरियां तो उन का मजबूरन देनी पड़नी हैं—उन का लकड़ी और मिट्टी ढांन का काम दिया जाता है—, लेकिन उन में से किमी का भी किसी अच्छे पद पर नहीं लगाया जाता है। मिदगा इन्ना विद्याल कारखाना है ने न कोई पूछे कि वहां से तो चालीस 1 व जो हटाये गये है, वहां का कोई लड़का किसी आफिसर के पद का पाया है, तो यह कहना पड़ेगा कि नहीं पाया है। अगर उस कारखाने के बनाये जाने के बन्त किमी का न लगाया जाता, तो मैं समझता कि किमी ने उतनी शिक्षा न पाई हांगी, लेकिन अब तो दम बरम बीन चुके हैं, इस बीच में किमी न किमी का गिठिन कर के उस में रखना चाहिये था। बांकारा, राउरकेला, भिलाई बगीरह में से भी इसी तरह से गिकायतें मिलनी हैं। इनलिये मैं चाहूंगा कि इन स्थानों में जो ट्रेनिंग की व्यवस्था होने जा रही है—जमशेदपुर में भी काफ़ी लोग ट्रेनिंग पाते हैं—उस में इस प्रकार के लोगों को फैमिलिटी दी जाये और उन को प्रायटी दी जाये। यह न हो कि दूमे उन को दबाने की चेष्टा करें और दबाने में समर्थ हो जाये। अगर ऐसा होगा, तो यह दुख की बात हांगी, क्योंकि एक तो वे लोग अपने इलाके से, अपनी जमीन में हटाये जाते हैं और फिर किसी फैमिलिटी के अभाव में वे शरणार्थी मरीखे बन जाते हैं।

इसके साथ मैं चाहूंगा कि पीराइट और चूने के बारे में जल्दी से जल्दी व्यवस्था की जाये। चूना बोकारो, दुर्गापुर, भिलाई, राउरकेला के लिये चाहिये। काम तौर से दुर्गापुर के लिये चूने की व्यवस्था शाहाबाद की खदानों से ले जाने के लिये की गई है। अब तक वहां व्यवस्था थी कि छोटे छोटे चूने के बनाने वाले ये और वे लोग उनको बना कर लोकल कामों में लाते थे या बेचते

थे। चूने की ज्यादा मात्रा के लिये जरूरत हांगी कि एक बड़ी फैक्ट्री हो। मैं प्राथमता करूंगा कि उस बड़ी खदान को खनाने के लिये ऐसी व्यवस्था न हो कि सारे रोहतास के लोग हटा कर किसी दूसरे के हाथ में उस इलाके को सौंप दिया जाय, क्योंकि उस इलाके को यह भी डर है कि जो भी वहा आते है, बहुत जोरों से शोषण करते है उसके कारण वहां के लोग बिना घर-द्वार के हो जाते है। सम्भव है कि चूना इसी साल दुर्गापुर जाने लगे और बोकारो के लिये रोहतास और पैलामू से जाने की व्यवस्था है। इस धार मंत्री महोदय को ध्यान देना चाहिये।

Shri Bhanja Deo (Keonjhar): Mr. Deputy-Speaker, Sir, steel is the basis of modern industrial technology and if industrialisation has to be accelerated in a country then the tempo of production of steel has to be borne in mind. It is right that our Government considered that in the Second Plan period steel was to be the core of the Plan about which my hon. friend, Shri Mahanty, spoke yesterday. It was expected that the production of finished steel will rise during the Second Plan period from 1.14 million tons capacity to about 4.68 million tons by the end of the Second Plan period. This target was to be achieved by the new plants as well as by the expansion of the existing plants in the private sector. But those could not be achieved because the existing private plants could not expand to their fullest capacity neither the plants to be erected in public sector could achieve their targets. But if this tempo of investment in our country has to be maintained there is bound to be shortfall of steel in this country as it is going to be during the Second Plan period. For this we have to import special categories of steel which we do not produce in the country. Also, steel which will be produced in the country will not be able to keep pace with the tempo of investment that is going on in the country to advance industrial progress of our country.

[Shri Bhanja Deo]

Besides the total quantitative deficiency in the supply of steel the existing plants will not be able to produce special types of steel, e.g., alloy steel, as I have mentioned. In short, we may have surplus in certain categories of steel and pig iron because the rolling mills could not be erected in time and there is deficiency in finished steel products. Therefore the Government is trying to enter into barter agreements for the exchange of surplus iron and steel products with deficient steel products that we need for our industrial expansion. What is our actual requirement should be borne in mind while entering into these barter agreements so that it is to the advantage of the country.

The hon. Minister, while speaking the other day, mentioned about the study that the National Council of Applied Economics Research had done. He practically agreed that the target of deficit estimated by them is also going to be deficit in the country. At the end of the Second Plan period the shortfall will be of about 3.613 million tons and by the end of the Third Plan period it would be 7.168 million tons. So, there would be an overall deficit of 2.598 million tons at the end of the Third Plan period. It is for us to see how far this deficiency could be met from the production of steel during the Third Plan period so that we are self-sufficient as far as steel is concerned. Specially the deficiency will be more pronounced in the case of rails, fishplates, plates, bars and rods. Though there is no likelihood of surplus steel in toto, in short periods there may be a surplus in certain categories of finished steel while there may be a deficiency in other categories.

Now I will turn my attention to the management of the public sector plants that have been entrusted to Hindustan Steel. Of course, we have to be proud of what they have achieved during the Second Plan period from scratch, but what I will try to point

out to the hon. Minister are, what I feel, the lags in the Ministry. I hope he will take it as a matter of constructive criticism. I wish to say something about the management or the board of directors.

We have in this organisation part-time Directors who cannot take sufficient interest in the working of the company. Most of them are officials, and their attitude is based on hierarchical concepts which are not conducive always to enterprises on sound business principles. The Estimates Committee have rightly pointed out in their Thirty-third report and suggested that there may be a local board of management for each project which could function independently on all local problems. It may consist of the General Manager and all the heads of departments of the projects. By this method there will be greater efficiency as on-the-spot decision could be made at local level.

In this respect the organisation of the Gas Council and the Area Gas Boards in U.K. may be examined with a view to seeing to what interest it could serve as a model to the set-up of Hindustan Steel as recommended by the Estimates Committee.

Another regrettable feature of the public sector plants is that no firm estimates are available regarding the cost of steel per ton that is to be produced in this sector. While we ask the private sector industries to give us the estimate of the cost of production per unit when they enter into new projects, I think similar norms should also be followed in the public sector, because, after all, this investment is going to come from the tax payer's money and he has a right to know whether the steel produced is at the cheapest rate possible or not.

It is well known that these public sector plants which were expected to cost Rs. 439 crores will cost more than Rs. 560 crores. Even now it

seems that the Government is not sure about the final cost of these projects. It is said that the steel plants will produce a substantial quantity of by-products like fertilisers and chemicals. Since chemicals and fertilisers are also going to be produced in the public sector in the Third Plan period, it is high time that we thought as to how these fertilisers and chemical plants in the public sector and the plants to be set up for the by-products of the existing steel plants are co-ordinated to the best advantage of our country. They should also have a marketing board for the disposal of the by-products of the steel plants.

In this connection I would also draw the attention of hon. Minister to a matter, which has already been referred to by two Members, namely what was published in the *Time of India* of the 5th April, regarding the steel plant at Rourkela. I am told in that context that there are about 35,000 tons of slabs lying there without disposal. I should be very grateful if the hon. Minister could clarify this and give us a correct picture about what the things there are, whether what is given out in the paper is with a motive to discredit the people who have set up the plant, or what are the real reasons behind it.

Now I shall pass over to the small blast furnaces which Government is thinking of opening at seven places. It will be advisable that a proper economic estimation should be made specially in relationship to utilise coal per unit of iron output. Even in China it is considered that small furnaces lead to waste of coal. As high grade coal is a scarce raw material in our country, it cannot be wasted. Therefore, research is necessary to find out if it is possible to reduce utilisation of coal per unit of output in the small blast furnaces.

Having mentioned about coal, I digress a little to our coal policy. In the Second Plan period it was expect-

ed that the total demand for coal in 1960-61 would be about 60 million tons. In 1955-56 the private sector raised 33.5 million and the public sector 4.5 million tons. To increase production to 60 million tons in 1960-61 it was felt that out of the 22 million tons deficit, the public sector would raise 12 million tons and the private sector 10 million. It is now found out that at the end of the Second Plan period the total production would be between 51 to 53 million tons. The hon. Minister told us yesterday that in 1959 it was to the tune of 46.8 million tons. The private sector practically reached their target while the public sector has lagged far behind. The fall in the target will hamper the industrial growth of the country, as shortage of coal may lead to unutilised capacity in the industrial sector as they may not have the full quota of their requirements of coal. The capital cost per unit of output in the industry may rise.

The targets of the Third Plan have been fixed at 90 million tons. The planners have suggested that half of this should be raised by the public sector and the other half by the private sector. But the President of the Coal Association, as I gathered from the papers the other day, has stated that about 7 million tons could be raised from the existing collieries. Therefore, if the private sector has to fulfil the quota that is going to be allotted to it, as we gather from the papers then, to check the overhead cost they should be allowed to work in the contiguous collieries. During the Third Plan period, if we are to take the industrial expansion of the country as a whole, I hope there will not be this controversy as to private sector and public sector which exists on idiology. Whatever is done for the growth of the country should be the national sector. Each sector can fulfil the target allotted to it during the period of the Third Plan, about which we do not know exactly what it is going to be like. Each sector should be given a chance to fulfil the target and to

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keep the tempo of the industrial expansion of the country.

Mr. Deputy-Speaker The hon. Member's time is up.

Shri Bhanja Deo: I will finish within five minutes.

Mr. Deputy-Speaker: Two minutes.

Shri Bhanja Deo: Now, Sir, I will divert my attention and draw the attention of the hon. Minister to manganese ore, which the hon. Minister and all of us know is not only a great exchange earner for the country but which is also a labour-intensive industry. In 1957 it reached its peak figure of exports which was about 16 lakh tons. Now it has dwindled to about 9 lakh tons. And this is due to various factors: that is, the opening up of the new mines in South Africa as well as in Western Africa and the development of the mines in Brazil.

Now the S. T. C. has, to an extent, taken up the growth of this trade, and I hope that they will have the country's interests in mind, which is but natural, so that we do not lose the existing markets which are gradually going out of our grasp. The hon. Minister might turn to me and say that "this is not the concern of my Ministry, because I am only concerned with the production part of it; it is the Commerce and Industry Ministry which should see to the export part of it." I would like to point out to him that unless there is co-ordination between these two Ministries in this regard we cannot revive the manganese industry from the lean period it is going through. The STC is practically trying to cater to the existing markets, without opening up new markets. Of course, they have opened up markets in the Far East like Japan for iron ore but I think it should try to increase such markets. Besides opening up markets in the East European countries which have opened rupee accounts, it

should also try to open up markets in Western European countries where there is great demand for this ore because of great expansion of the iron and steel industry there for which this raw material is mostly used.

The greatest bottleneck from which export of this ore is suffering is transport. In the region from which I come there is a great bottleneck because simultaneously iron and manganese ore are being moved from that area, and the wagons allotted to this trade are not sufficient. Is it not high time that, like the Coal Commissioner, we had an Ore Commissioner attached to this Ministry who should see to the proper transport of this ore to the Calcutta Port from which mainly this ore is exported to foreign countries?

Shri Naushir Bharucha (East Khandesh): I do not find anything in the Report of the Ministry of Steel, Mines and Fuel on which I can congratulate the hon. Minister. If the Report does anything, it conceals more than it reveals to the Members of Parliament, and the most important aspect which it conceals relates to the economics of steel production.

The nation has paid through its nose for the steel plants, and though the original target was six million tons, there have been so many inexcusable and intolerable delays that today we are nowhere near that target. What is worse, this House, after three years, does not know even whether it is worth while sinking more money in these steel plants, what the cost per ton of iron and steel ex-works would be, whether the Hindustan Steel would be able to repay what will be the ultimate loan of Rs. 260 crores, and what the ultimate capital structure of these steel plants will be.

It will be recalled that the Estimates Committee, in its Thirty-third Report, has made a very clear charge

against the Ministry that the Hindustan Steel will not be able to pay even the interest on these loans, let alone the principal.

While several people have mentioned that there have been delays, the hon. Minister, so far, has never explained to the House how these delays occurred, and whether anybody has been taken to task for that.

As this House knows, the Rourkela plant had its first battery lighted up in February, 1959 and the second sub-battery round about January, 1960, but actually the plant was supposed to go into full production by the end of 1959. If that plant was supposed to produce one million tons of steel by the end of 1959, what has been the production up to 29th February, 1960?—only 240,000 tons of pig iron and about 50,000 tons of steel. When on earth we are going to reach the target of one million tons, I for one do not know. What we wish to know is this. Who is responsible for these delays, have the contractors or the engineers whoever are responsible been penalised, and how many crores have these delays cost us? The Minister of Steel informs us that the first blast furnace at Rourkela which has got a capacity of 1,000 tons does not produce this much, that the steel melting shops are not ready and that the rolling mills are still in the making. I should like to know, when, at this rate, the full target of one million tons will be reached at Rourkela?

It should be appreciated that every day of delay costs the nation Rs. 10 lakhs. We have been behind time by more than a year by now. Who is going to make good that loss?

Similarly, in Bhilai we find that the production in February, 1960, was 391,000 tons of pig iron and 70,000 tons of steel, but that is still a far cry from the promised target; what is worse, we are told that the costs are expected to increase. It is, of course, increasing. What Bhilai

will ultimately cost is anybody's guess.

With regard to Durgapur, still the same story is told. Bhilai was to have gone into full production by the end of 1959 and Durgapur by the end of 1960, but what is the position today? Durgapur has produced 47,000 tons of steel, and we are told that the blast furnace has reached a production output of 1,300 tons which is a record. But when everything is said and done, total production still remains far from the ultimate target.

I ask this question of the hon. Minister. I know he is not going to answer because he has no reply to give. Assuming that the cost of additional ancillary works would be in the neighbourhood of Rs. 120 crores,—that is expenditure on the townships, quarries, outer rails, power and so forth, which are apart from the cost of the steel plants—assuming that the total loan advanced to Hindustan Steel will be of the order ultimately of Rs. 260 crores, and taking Rs. 300 crores as the subscribed capital, this company has to earn some return on Rs. 560 crores. The Thirty-third Report of the Estimates Committee has estimated that on the basis of the capital cost and the loans to be discharged, the cost per ton of steel would increase by Rs. 260. Actually, the cost of production will be another Rs. 300, so that Rs. 560 will be the cost per ton. Now I ask: if this is so, then what provision would be left, for instance, for depreciation charges or for providing a sinking fund for repayment of the debt or for any other purpose?

It is my standing grievance that no financial principles govern these steel projects. There is nothing laid down as to what is going to be the depreciation policy, no principles have been laid down. We do not know whether the steel plants will ever make a contribution to the general revenues as the railways do. I for one fail to see why there should

[Shri Naushir Bharucha]

be any discrimination between the railways and the steel plants. Both are public utility services. If one makes a contribution to the general revenues, why should not the other?

I would like to know whether the steel plants have ever provided for a sinking fund for replacement of or for obsolescence of plant, whether they are going to build up any reserve, whether there is any method of calculating the net profit, whether there are any principles laid down for calculating the cost per ton ex-works, whether any principles have been laid down for determination of the selling price to the consumers.

On all these points we are told that there are no principles, no guiding factors, and, so far as I know, there is not even audit properly established in these plants. What type of commercial undertaking can it be when there is no proper audit, no proper cost accounting, no proper depreciation policy laid down, no proper arrangement for a sinking fund, no proper method of calculating the net profit?

I come to another point, the question of the fourth steel plant. Should this House sanction a fourth steel plant? I am of the opinion that this House must not sanction a fourth steel plant until all these financial principles are clear and until the accounts of the three steel plants are placed on a sound commercial footing. Till then, this House must not sanction a fourth steel plant.

It is true, we are told, that there is need for more steel plants. I have no doubt that if the fourth steel plant were sanctioned, the steel produced by it would be utilised, and there will be no surplus left. But is the nation going to be asked to sink in hundreds of crores of money without proper accounting as is followed in the most rudimentary ordinary

commercial concerns. Because these plants happen to be in the public sector, does it mean that they must not follow any of the principles, any of the prudent normal financial principles, which are being followed by private commercial bodies? I submit that that is a question to which this House will address itself when it comes to a question of having another steel plant.

Now, I come to the question of the working of the Iron and Steel Controller's Organisation. This organisation is responsible for planning and production, price and accounts, steel import control and general administration, co-ordination and purchase of steel. The price and Accounts Division generally deals with the adjustment through the Steel Equalisation Fund. The Fund is established under the Iron and Steel Control Order which provides not only for fixation of maximum prices of steel but also provides that such prices may include allowances for contribution to and payment from the Equalisation Fund established by the Controller for equalising freight, the concession rates payable to producers and any other disadvantages. In other words, this Iron and Steel Control Order enables Government to fix the retention prices and the sale price. May I point out that this Iron and Steel Control Order purports to have been made under section 3 of the Essential Commodities Act, but there is not a single word in section 3 of the Essential Commodities Act entitling Government to establish such a fund as the Iron and Steel Prices Equalisation Fund. If we turn to section 3 of the Essential Commodities Act, it says:

"(1) If the Central Government is of opinion that it is necessary or expedient so to do for maintaining or increasing supplies of any essential commodity or for securing their equitable distribution and availability at fair prices, it may, by order, provide

for regulating or prohibiting the production, supply and distribution thereof and trade and commerce therein.

(2) Without prejudice to the generality of the powers conferred by sub-section (1), an order made thereunder may provide—

(f) for requiring any person holding in stock any essential commodity to sell the whole or a specified part of the stock to the Central Government or a State Government or to an officer or agent of such Government.....".

How on earth this section enables Government to promulgate the Iron and Steel Control Order, in relation to Equalisation Fund, I have not been able to understand. It is my considered opinion that this is an illegal and unconstitutional order. In effect it means that it is an imposition of a tax without the sanction of Parliament. It is tantamount to subsidising the foreign producer of steel at the expense of the Indian tax-payer, and it amounts to acquisition of private property for public purpose in violation of article 31.

I shall conclude by making one small reference in the matter of oil production. So far as exploration is concerned, I concede that it is being carried on energetically, but there is one part of it, namely that there is considerable imbalance. I can even understand that imbalance may exist because it depends upon the type of crude that we get and the type of refineries that we set up, but I want to know from the hon. Minister what the position is with regard to aviation spirit. This is a very important point, from the point of view of the defence of the country. Are we in a position to produce any amount of aviation spirit at all or are we eternally going to depend on foreign imports which in times of emergency may be completely cut off? What is

the use of expanding our Air Force if ultimately we are not going to have sufficient aviation spirit produced within this country to see that our aircraft are kept flying? I should like a reply from the hon. Minister on this point.

श्री सिंहासन सिंह (मेरठ) : उपाध्यक्ष महोदय, मैं आपका बहुत समय नहीं लेना चाहता हूँ। मैं चन्द बातों पर माननीय मन्त्री जी का ध्यान दिलाना चाहता हूँ। उन्होंने कल जो नई योजना बताई, उसके लिये मैं उनको बधाई देना चाहता हूँ। उस योजना में उन्होंने छोटे छोटे कल-कारखाने खोलने की मुविधा दी है। उस योजना के अनुसार जिस कारखाने में पचास से कम घादमी काम करेंगे, उसके लिये शायद प्रब साइसेस की रेट जरूरत नहीं पड़ेगी। शायद गवर्नमेंट वह योजना गजेट करने वाली है। उसको गजेट किया गया है या नहीं, यह मैं नहीं जानता। लेकिन उसमें ग्राम लोगों में, छोटे छोटे काम करने वालों में उम्माह बढ़ेगा कि बड़े बड़े पूँजीपतियों के धनाभाव भी अपने काम-धंधे लोगों के कर सकते हैं। जैसा कि इस मदन में कहा गया है, देश की तरक्की के लिये लोहा और अन्य खनिज पदार्थ बहुत आवश्यक है और यदि हर जगह इस क्षेत्र में मुष्कार होगा, तो वे मूलभूत मात्रा में देहातों में मिल सकेंगे, जहाँ कि उन के पहुँचाने में दिक्कत होती है और धाने जाने में ज्यादा खर्च होता है। इसलिये इस योजना के लिये मैं माननीय मन्त्री महोदय को बधाई देना चाहता हूँ।

इस बीच में मैंने कुछ खाने देखने का अवसर मिला। उनको देखने के बाद मैंने ऐसा अनुभव हुआ कि आज हम एक तरफ तो यह कहते हैं कि देश में फार्मि एक्सचेंज की कमी है और दूसरी तरफ हम बाहर से मशीनों को मगाने में अधिक खर्च कर रहे हैं, खानों में मान मशीनों के द्वारा भी निकाला जा सकता है और घादमियों के द्वारा भी। मैंने देखा है कि एन० टी० सी० की खानों में

[श्री सिहासन सिंह]

मैकेनाइड तरीके से, मशीनों से ज्यादा काम होता है और उनमें ह्यूमैन एलिमेंट बहुत कम है। एक जगह चिचिमिरो में मैंने देखा कि एक तरफ तो कोयले तक पहुंचने के लिये पहाड़ को काट कर दूसरा पहाड़ बनाने है और तब कोयले को नौनों से काट कर निकालने है और दूसरी तरफ उसी कोयले को सीम बना करके, लाइन से जाकर के भीतर से निकालने है। दोनों तरह कर रहे हैं मशीनों में। मगर जहां तक प्राइवेट मैक्टर का सम्बन्ध है, जहां भी मैंने देखा है, अभी मशीनें कम लगी हैं और ज्यादातर वे धादमियों से काम कर रहे हैं। हमारे देश में दोनों शक्तियां हैं। ह्यूमैन शक्ति बहुत ज्यादा है और मशीन शक्ति कम है। मशीन शक्ति के लिये धाज हम विदेशों पर अवलम्बित हैं, जबकि ह्यूमैन शक्ति के लिये स्वयं धपने पर अवलम्बित हैं, मगर फिर भी ह्यूमैन शक्ति से, जो कि करोड़ों की संख्या में बेकार पड़ी है, काम नहीं लिया जाता है। गोरखपुर के मजदूरों का सवाल पेश है और उसके प्रति माननीय मन्त्री की बड़ी हमदर्दी है। उत्तर प्रदेश के पूर्वी क्षेत्र में धाबादी इतनी अधिक है कि धगर वे बाहर न जायें, तो उनको काम नहीं मिल सकता। एक हजार से बाहर हजार धगमील की धाबादी है। वे धादमी बाहर जाकर ही काम करेंगे। धगर एन० डी० सी० में उन से काम लें तो हजारों की संख्या में काम करने वाले कुशल धादमी मिल सकते हैं, क्योंकि जहां कहीं भी हमने देखा हम को पता चला कि लेबरजं अधिक पैदा करता है और ज्यादा मेहनत से काम करता है, लेकिन सरकार की मशीनों की नीति के कारण उन को काम नहीं मिलता है। यह भी पता चला कि इस में लेबरजं बहुत कम धाए है। मशीनों के दो धग हैं—एक तो मान तीड़ने का और दूसरा डोने का। जहां तक डोने का काम है, ट्रांसपोर्ट का काम है, उसमें धगर मशीन की व्यवस्था करें, तो जल्द से जल्द धपने गन्तव्य स्थान तक पहुंचा सकते हैं,

लेकिन जहां तक मान निकालने का सम्बन्ध है, जहां तक सम्भव हो, वह धादमियों के द्वारा ही कराया जाये, ताकि अधिक से अधिक धादमी काम पा सकें। हमारे देश में जो बेकारी फैली हुई है, वह इस प्रकार दूर हो जायगी। जो मजदूर देहानां में धाट नी धाने नहीं पा रहे हैं, कोयले की धानां में किमी किमी की कमाई डार्ड मौ रपया महीना तक है। धीसत कमाई धस्मी, नब्बे, मौ रूपए तक है। जो गोरखपुर के लेबरजं धे, हमने हर एक का कांड देखा, वे साल में नौ मौ, एक हजार, पन्द्रह मौ तक बचा कर धपने धर भेजते हैं। काम मिलने से वे लोंग पैसा कमा सकते हैं और धपनी मानी हालत गुधार सकते हैं। लेकिन मशीनें लगा कर सरकार उन लोंगों को काम से महम्म भी करती है और फारेन एक्सचेंज भी ज्यादा लगाती है। धांर मशानों का परिणाम क्या होता है? धापने देखा होगा कि अभी सेंट्रल ट्रेक्टर धारगनाईडेशन को लिक्विडेट करना पड़ा। करोड़ों के मन्ध के ट्रेक्टर बेकार मड़े। जहां तक मशानों का सम्बन्ध है, उनके पुर्जे हमारे यहां नहीं बनते हैं। वे बाहर से धाने है और मरने होने हैं धभो मोटर के धाये में कम्पनी बना। मवाल जब पूछा गया तो कहा गया कि हम पुर्जे के मामले में बाहर के मन्को पर निर्भर करते हैं, उन पर अवलम्बित रहते हैं। इसका नतीजा यह होता है कि जब कोई भी मशान खराब हो जाती है उसके लिये जब तक पुर्जा बाहर से नहीं धाता है वह बेकार पड़ो रहती है। मशीनें भी बाहर से धाये और पुर्जे भी बाहर से धाये, यह धच्छी बाग नहीं है। एक पुर्जा धगर टूट जाता है तो लाखों रुपये की मशीन जो बेकार हो जाती है, उसका धोर धापका ध्यान जाना चाहिये। माध हा माध में यह भी कहना चाहना है कि जो ह्यूमैन एलीमेंट है वह बेकार नहीं रहेगा। इस वाले में इसके धाये में बार बार जोर देकर कहना चाहना है कि धाप इस धांर ध्यान दें।

धर धापने मशीनीकरण हो करना है। जो मशीनें हिन्दुस्तान में तैयार होती हैं, उनको धाप स्वयं इस्तेमाल नहीं करते हैं? डिफेंस धार्गेनाइजेशन बड़ी बड़ी मशीनें, ट्रेक्टर, ट्रक्स इत्यादि बना रहा है। लेकिन धापके नेशनल कोल डिबैलेपमेंट काउंसिल की तरफ से जों घाडेंर दिये जाते हैं वे बाहर के मूल्यों को दिये जाते हैं। उसने केवल एक घाडेंर डी-१२० या १४० ट्रेक्टर का विया है दणकारण ने ५० का दिया था। मिलिट्री में जों मशीनें इत्यादि इस्तेमाल होती हैं, वे यही पर काफी मात्रा में बनाई जाती हैं। जब ये चीजें यहीं पर मुलभ हो सकती हैं तो जर्मनी, बिलायत धादि को धापको घाडेंर नहीं देने चाहिये, यही से उनको बनवाना चाहिये।

धर में सेबर वेलफेयर के बारे में कुछ कहना चाहता हूँ। धाप कह सकते हैं इस मामले में धापका सम्बन्ध नहीं, सेबर मिलिट्री का सम्बन्ध है। लेकिन जहा धाप प्राइवेट धादमियों को लाइसेंस देने हैं किसी कल कारखाने को खोलने का, वहां धाप एक कंशेशन यह लगा सकते हैं कि वे सेबर के लिए धावश्यक मुविधायों का प्रबन्ध करें। धाज देखने में धाया है कि सेबरमें को हालत बहुत खराब है। एक एक कमरे में १६-१६ धादमी रहते हैं। एक कमरे में मोलह धादमी रहते हों तो कोयला खोदने का काम या मोहा निकालने का काम वे किस तरह से एफिशेंटली कर सकते हैं? मुझे एक जगह पर मजदूर पकड़ वे गए और मुझे उन्होंने नोटिस दिया कि मन् १९६० का चुनाव धाने वाला है और धर हमारी यही हालत रही तो हम किधर जायेंगे, इसको धाप समझ समझते हैं। इस बारे में कहना चाहता हूँ कि धाप देखें कि सेबरमें की हालत कैसे धख्ती हो सकती है और उसके धख्ता करने के उपाय धाप मोचें। धाप कर्माव नहीं कर सकते हैं कि कैसे एक एक कमरे में १६-१६ धादमी रह सकते हैं। राउरकेला से जाने का मुझे मोका मिला है। वहा पर धापने जर्मन इंजीनियरों को एण-

कडिगण्ड हाउमिंग दे रखे हैं और उनको तीन तीन हजार रुपया महीना तनख्वाह देते हैं लेकिन जो मजदूर वहां पर काम करते हैं, उनको कोई मुविधायें मिली हुई नहीं हैं। जब धाप उनको मुविधायें नहीं देने हैं—वे मुविधायें जो कि धरयन्त धावश्यक हैं—तब तो धाप उनमें एफिशेंसी बढ़ाने की धाशा नहीं कर सकते हैं। मैं चाहता हूँ कि मजदूरों को कम से कम एक कमरा रहने को, एक कमरा बैठने को तो मिलना ही चाहिये, ताकि मोलह मोलह एक कमरे में न रहें, मुधर की तरह न रहें, बल्कि इमान की तरह रहें।

धाज पता चला कि धापने कोल नेम ३३ नए रूम में बढ़ा कर ५० नये रूम कर दिया हैं। यह इसलिये किया गया है कि मजदूरों को धावश्यक मुविधायें देनी हैं। धापने एक कोल वेलफेयर फण्ड भी बना रखा है। इसमें बड़े धख्ते धख्ते काम किये हैं। बड़े बड़े धरण-ताल बनाये हैं, टो० बी० धस्पताल बनाये हैं। मैं चाहता हूँ कि इस फण्ड की तरह से धाप धायरन और, मैगनीज माइका इत्यादि के लिये भी फण्ड कायम करे और उसके लिये धाप थोडा बहुत मेम लगा सकते हैं और धर धापने ऐसा किया तो उनमें काम करने वाले मजदूरों को भी धावश्यक मुविधायें प्रदान की जा सकती हैं। जो पैदा करने वाला है, उसकी तरफ जब तक धापका ध्यान नहीं होगा तब तक न उसकी एफिशेंसी बढ़ सकती है और न ही उत्पादन बढ़ाने में उसका उत्पाद हो सकता है।

प्राइमिस का भी यहा पर डिक् किया गया है। यह कहा गया है कि हम धायरन और जापान को भेजने हैं, और वहा से मान तैयार होंकर यहा मम्ना मिल सकता है। जब रूसी बात है तो कोई बजह मानुम नहीं देती है कि वह यहा मम्ना न बने। हमारे यहा मजदूरों को दर भी कम है और सामान भी काफी मम्ना में मिलता है। प्राइस स्टील को

[श्री सिंहासन सिंह]

वर्षों बढ़ती जाती है, इस पर ध्यान देना होगा। सन् १९५२ से मैं देखता आ रहा हूँ कि इसको काम बढ़ती ही जा रही है और आज तक चार या छः गुना बढ़ चुकी है। इस हिमाचल में मजदूरी घगर बढ़ी हो तब तो बात समझ में आ सकती है लेकिन वह बढ़ी नहीं है, कम बढ़ी है। अभी कहा गया है कि जब गवर्नमेंट इसका उत्पादन कर रही है तो उसी को विचार करना है कि कैसे यह घट सकती है। मैं चाहता हूँ कि शासन को धीरे में जनता को धामान, सही धीरे ठीक कीमत पर माल मिले। अगर दाम बढ़ते हैं तो उसका नतीजा यह होता है कि जो बड़े बड़े आदमी हैं, उनको तो दामों को पग्वा होता ही नहीं है, उनके लिये यह कोई दिक्कत बाकी वाली बात नहीं है लेकिन जो छोटे छोटे पूजीपति होते हैं, वे घगर चाहते हैं कि तरक्की करें तो कर नहीं सकते हैं, उनके रास्ते में रुकावटें पैदा होती हैं। बाहर वाले मुल्कों में जो चीजें हैं वे हम से महंगी हैं, जापान में तथा दूसरे मुल्कों में धीरे हमारे यहां वे सस्ता है। घगर वे सस्ता करके बेच सकते हैं तो क्या हम अपने यहां इनको सस्ता नहीं बेच सकते हैं। उनको तो सस्ती मिले धीरे हमें महंगी मिले, यह ठीक नहीं है यहां पर भी उत्पादित माल की कीमतें कम होनी चाहियें ताकि हम उन चीजों को बाहर के मुल्कों में भेज सकें। एक माननीय सदस्य ने कहा है कि घगर कीमतें कम नहीं हो सकती हैं तो वे बढ़ें तो न। इसी स्तर पर कीमतों के बने रहने का कोई सबाल नहीं है, वे कम होनी चाहियें। सरकार ने जहां यह धांवणा की है कि वह सबके लिये इन चीजों का मुनभ करेगी, वहां उसको इस पर भी विचार करना चाहिये कि कीमतें कम हों।

श्री बजर राज सिंह (फिरोजाबाद)

उपाध्यक्ष महोदय, मैं इस सरकार का मित्र नहीं हूँ और न उसके साथ उसकी नीतियों में किसी प्रकार के सहयोग की कभी बात करता हूँ। लेकिन किसी मंत्रालय के काम को घगर

में सब से अधिक महत्वपूर्ण समझता हूँ और हिन्दुस्तान की अर्थ-व्यवस्था की आधारशिला समझता हूँ तो वह यह मंत्रालय है और इसलिये मैं इस मंत्रालय द्वारा जो कार्य किया जा रहा है खास तौर पर पब्लिक सैक्टर में स्टील प्लांट बनाने का धीरे तेल के शोध का काम तथा दूसरे खनिज पदार्थ निकालने का पब्लिक सैक्टर में काम, मैं उसका बहुत अधिक स्वागत करता हूँ। मैं नहीं समझता कि इस सदन का कोई भी माननीय सदस्य किस तरह यह कह सकता है कि हम चौबे प्लांट के लिये एक पाई भी डुबाने के लिये तैयार नहीं हैं। मैं जानता हूँ कि जो तीन प्लांट हमने पब्लिक सैक्टर में स्थापित किये हैं, उनमें बहुत सी गलतियां हुई हैं और बहुत सा रुपया बचाया जा सकता था लेकिन मैं साथ साथ यह भी कहना चाहता हूँ कि जो गलतियां हुई हैं उन गलतियों में घगर हम अनुभव प्राप्त कर लें, सबक ले लें, धागे के लिये उन गलतियों को न दोहरायें तो यह बहुत बड़ी बात होगी। धागे के लिये हमें धागे के लिये स्टील के मामले में या दूसरी जो मुल चीजें हैं जोकि हमारी अर्थ व्यवस्था के लिये बहुत जरूरी हैं, उनको हम पब्लिक सैक्टर में कायम रख सकें, उनका उत्पादन बढ़ा सकें, उनका विकास कर सकें तो मैं समझूंगा कि इनका कुछ बरबाद करके जो हमने अनुभव प्राप्त किया है, उस अनुभव को हमें खोना नहीं चाहिये बल्कि उसमें लाभ उठाना चाहिये। इसलिये मैं मंत्री महोदय से कहूंगा कि वह चौबे स्टील प्लांट को बनाने के अपने कार्यक्रम को जल्दी से जल्दी शुरू करें। मैं मानता हूँ कि बोकारो के धनावा वह प्लांट धीरे कही नहीं लग सकता क्योंकि बोकारो ही उसके लिये सब से उपयुक्त स्थान है। जो परिस्थितियां वहां हैं, धीरे कही नहीं है और उनको देखते हुये हिन्दुस्तान के धीरे किसी भाग में उसको स्थापित करना उचित नहीं हो सकता इसलिये मैं चाहता हूँ कि वह जल्दी से जल्दी लगे धीरे बोकारो में ही लगे।

एक बात धीरे मैं इस संबंध में कहना चाहता हूँ। बोकारो में जो स्टील प्लांट बने

उसकी क्षमता इतनी होनी चाहिये कि हम कुल मिला कर एक करोड़ टन स्टील का उत्पादन कर सकें। मैं यह नहीं कहता कि तुरन्त ही हमें इतने स्टील का उत्पादन शुरू कर देना चाहिये लेकिन योजना इस प्रकार की बननी चाहिये कि धागे चल कर, पांच दस साल के बाद, उसमें इतनी क्षमता होनी चाहिये कि एक करोड़ टन स्टील तैयार वह कर सके।

एक चेतावनी भी मैं दे देना चाहता हूँ। यह जो चर्चा चल रही है कि एक करोड़ टन स्टील का लक्ष्य हमें तृतीय पंच वर्षीय योजना के लिये रखना चाहिये, वह लक्ष्य जिस तरह से हम चल रहे हैं, पूरा होने वाला नहीं है। अगर वह पूरा नहीं होता है तो जो हमारी आशाएँ हैं, वे आशाएँ भी नष्ट हो सकती हैं। इसलिये हमें धीरे से प्रयत्न करना चाहिये कि हम एक करोड़ टन के धपने लक्ष्य को तृतीय योजना में पूरा कर सकें। हम धपने डेढ़ करोड़ टन के लक्ष्य को घटा कर एक करोड़ टन पर आ रहे हैं और जो क्षमता धीरे दिखाई जाती है उसके मूलाधिक हम संभवतः ८५ लाख टन पैदा कर सकेंगे और पन्द्रह लाख टन की कमी इस तरह से रह जाती है अगर यह कभी भी पूरी नहीं होती है और हम धपने एक करोड़ टन के लक्ष्य को प्राप्त नहीं करते हैं तो यह अच्छी बात नहीं होगी। यह पन्द्रह लाख की कमी किस तरह से पूरी की जाये, उसके बारे में धीरे से एक मुनियोजित योजना बननी चाहिये और उसका पूरा करने के लिये पूरी तरह से कोशिश होनी चाहिये।

इस संदर्भ में मैं माननीय मंत्री महोदय का ध्यान धपने देश में छोटी छोटी भट्टियाँ स्थापित किये जाने के कार्यक्रम की ओर भी दिलाना चाहूँगा। इन छोटी छोटी भट्टियों को स्थापित करके हम स्टील के उत्पादन में कुछ योग दे सकते हैं। जहाँ धाप बड़े बड़े प्लांट लगा करके देश की भविष्य की आधार-धामना रख रहे हैं, देश की धर्म-व्यवस्था को मजबूत बनाने की कोशिश कर रहे हैं, वहाँ हिन्दुस्तान जोकि इतना बड़ा देश है और इतनी

अधिक उसकी आबादी है, उसके लिये जब तक हम छोटे छोटे और कारखाने स्थापित करके उत्पादन कार्य शुरू नहीं करते हैं, तब तक मैं समझता हूँ कि हमारा स्टील का जो लक्ष्य है वह यदि पूरा भी हो जाये तो भी स्टील की हमेशा ही कमी बनी रहेगी, उस कमी को हम पूरा नहीं कर सकेंगे। इसलिये मैं चाहूँगा कि मंत्री महोदय छोटे छोटे कारखानों द्वारा स्टील का उत्पादन करवाने की संभावना की ओर भी ध्यान दें।

14 hrs.

जहाँ तक कीमतों का सवाल है, मैं कहना चाहता हूँ कि इस बारे में उनके ऊपर ध्यान जो हमले होंगे, स्वतंत्र व्यापार के प्रायोजकों की ओर से या उस विचारधारा को प्रकट करने वालों की ओर से, उनमें से सब से बड़ा हमला सरकार पर, खास तौर से स्टील के उत्पादन और उसकी कीमत को लेकर, होने वाला है। इस प्रकार का प्रचार किया जायेगा कि जब हमने पब्लिक सेक्टर में स्टील का उत्पादन किया, अगर उस के बाद भी उसकी कीमत नहीं घटा सकते हैं, तब फिर उससे कोई फायदा नहीं है और हमारे देश की जनता को भी यह मुहावना नहीं लगेगा। इसलिये धपने हित में, देश की जनता के हित में और समाजवादी समाज व्यवस्था बनाने के हित में आवश्यक है कि किसी तरह ही, स्टील की कीमत जितनी चल रही है देश में, निकट भविष्य में उसे कुछ कम करने की कोशिश की जाय। उसी से जो हमारा मशय है वह पूरा हो सकेगा।

इन शब्दों के साथ मैं धपना बन्द कर रहा हूँ।

Sardar Swaran Singh: Mr. Deputy-Speaker, Sir, I ventured to place a co-ordinated picture of the activities of the Ministry when I moved the Demands yesterday. I have greatly benefited by the various remarks that have been made by the hon. Members coming from various States and belonging to various political parties. I

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have been greatly heartened by the thought that there is a uniform realisation of the importance of the work that is being undertaken by the two departments of this Ministry, namely, the Department of Iron and Steel, and the Department of Mines and Fuel.

Some of the hon. Members have rightly remarked that the industrial progress of the country is very intimately linked with the satisfactory performance in this sector of metallurgy, mining and the successful exploitation and exploration of the mineral wealth of the country.

Then, again, there has been some criticism from both the extreme viewpoints. Some have said that the public sector should shrink; others have said that it should expand. Then, there are all types of speeches, but, except, perhaps, for one, which, I am afraid, was completely negative, there has been a deal of very active help which I could find from the remarks of the hon. Members. It is not my intention to repeat, even indirectly or impliedly, what I said yesterday. Therefore, I would confine myself mostly to an attempt to reply to some of the salient points that have been made out by hon. Members.

I have been greatly struck by the constructive approach that has been followed by a majority of hon. Members who have participated in the debate. My colleague, Shri K. D. Malaviya, yesterday, has already replied to the points raised with regard to oil and mineral development. I would, therefore, to start with, try to say something by way of reply to the remarks about steel. You may kindly recall that yesterday I ended my speech with steel and today I propose to start it with steel. I wish I had the time really when I could reply to the various points made by each hon. Member because I attach great value to what they say. (Interruption). But I have not got

time enough. So, I would try to group them under various headings.

First of all, with regard to the working of three public sector plants, observations have been made; and, they could easily be divided under certain sub-heads. I should say that production having started in all the three steel plants, there is quite naturally a greater realisation of the problems that are connected with production. It is for this reason that some of the hon. Members have been good enough to appreciate the work of the construction people and also of the people who are engaged in operation. I would say that these words of encouragement will be greatly appreciated by those who have devoted their energies to the successful execution of these plants. If I may go a step further, this will be greatly appreciated by workers and technicians engaged in thousands of factories in the various countries who have contributed in manufacturing various parts that have, ultimately, been woven into these integrated steel plants.

One seldom realises—and a person like Shri Bharucha who never cares to go to a steel plant can never appreciate really—the intricate nature of the installation of an integrated steel plant. Some of the technicians who are concerned with the projects—and they come from different countries—no, all of them—are unanimous in saying that very great effort and organisation, both at the supply as well as the construction and erection ends, are involved.

Now, coming to the specific points, Rourkela has again received considerable attention. I think that is, to a certain measure, expected because it is a fact that Rourkela has not got up on the production side and the production of the two blast furnaces lagged considerably behind the expected performance. That really, I think, is the basic point; others are subsidiary points that flow from it.

Therefore, without trying to go into many details, I would like to say that even in the case of Rourkela, we have, I think, turned the corner. But, so far as the two blast furnaces are concerned, I have already given information that the first furnace has already come up to the tests and has already, so to say, passed the examination.

Even with regard to the second blast furnace, trial tests have been held and the production has come up to the rated capacity. Therefore, I would like to dispel any doubt that might have been aroused in the mind of any person in this House or outside in the country about the technical capacity of the blast furnaces. They have passed through difficulties and having stood the test, it is only a question now as to the effective functioning of other things which are necessary to utilise effectively the iron that the two blast furnaces produce. So far as their capacity to produce is concerned, that has been fully established and the trial tests have already yielded satisfactory results. It is necessary to keep that in view because we can at times be overwhelmed by the difficulties and short-comings and may miss the essential thing. Naturally, some of the hon. Members draw their arguments from something that appeared in a German weekly, which has been reproduced in one of our newspapers. Even in that news item it is mentioned that this article in the German weekly came after a number of laudatory articles that appeared in the German dailies and other newspapers, praising the Rourkela work. Is it then a matter of co-incidence that none of these laudatory articles about Rourkela have found a place in any of the newspapers in our country but one weekly newspaper which happens to criticise bitterly the performance of German technicians finds such a prominent place in our newspaper?

Shri Narayanankutty Menon (Mukandapuram): It is quite natural.

Sardar Swaran Singh: My friend says it is quite natural. But we may come to the conclusion that we disagree on our interpretation of 'natural'. I would say that it is understandable, but not perhaps natural. I have been actually warned by some of the hon. Members who are generally considerate towards me that I am likely to be subjected to a great onslaught from the right and the left.

Shri Braj Raj Singh: Only right.. (Interruptions).

Sardar Swaran Singh: There are some people who say that I will be subjected to pressure from the other side..... (Interruptions).

Shrimati Parvathi Krishnan: You can get support on the correct policy.

Sardar Swaran Singh: I count upon support because our policy is going to be a correct one and I think that it will ultimately receive the support of both the right as well as the left. (Interruptions). This view appears to be too good to be acceptable to my hon. friends opposite.

The article in the German weekly has to be looked at from two angles. So far as it goes in a spirit of self-criticism and is serving as a reminder to the Germans that they should do the work properly, we should look upon it with a certain measure of appreciation; just as the hon. Members here criticise me and their desire is really to indulge in self-criticism with a view to improve matters. I appreciate them rather than quarrel with them. I may not agree with all their analysis or their presentation of facts but I never doubt their desire to improve things. Therefore, if some German weekly has taken upon itself to present a picture in such a form, in the 'Bharucha style', if I may use that expression and has tried to invoke the spirit of enterprise and technical know-how of the Germans and asked them to do the work much better, pointing out the failures and

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the short-comings, we should not judge that too harshly.

The second point is that there is a narration of a number of short-comings to which this House is accustomed and about which this country is familiar. I have myself taken good care to keep the House fully informed about the production, about the failures, about the delays in the time-schedule and about the increase in estimates and the like. What happened over several months and what really was the picture that was there from time to time has been woven together in the article and it appears in a sort of a narration which, I would submit, does not correctly paint a picture as it obtains today. I do not hold any brief and it has not been my custom to unduly praise anyone but when there is uncharitable criticism it is my duty to place the thing in a correct perspective so that the House, and through it, the country may judge correctly both the short-comings as well as the performance. It has been mentioned that there has been some accumulation of steel slabs in Rourkela. It is a fact. Trial runs of the slab mill which is very elaborate and if I may say so, fascinating, were there and steel was available. So, it was rolled into slabs. They are there and they can be sold. Some of them can be sold abroad. We can also use them for rolling when our other rolling capacity is there. I do not see any particular harm in seeing these slabs there. They are really the first sight of returns because so much materials—iron ore, coal, limestone and electric power and so many things—go into it before steel comes out. That should be a source of some satisfaction rather than a point of grievance.

Shri Dwivedy and Shri Mahanty referred to the delays in the construction of blast furnaces and also to the responsibility of the persons that were in charge of the civil works and also the supply of the machinery. That point has been discussed here from time to time.

That has been gone into with very great care and I would like to assure the House that the Hindustan Steel are fully seized of this problem and they will certainly go into minute details as to whether there was any delay which could be avoided, whether any of the parties concerned is at fault and so on. If, as a result of that examination, it is found that there is any action that could be taken either in law or according to the terms of the contract, the House may rest assured that no effort would be spared to ensure that the correct thing is done.

Shri Dwivedy referred to the staff position in the Ministry and said that it had not been reviewed after handling over the work to the Hindustan Steel. That was mentioned in one of the reports of the Estimates Committee also. That has already been undertaken and if I may say so, the Department of Iron and Steel in this Ministry is organised on an unorthodox pattern and there are, I think, the smallest number of clerks or clerical hands in this department, as compared to any other Department or Ministry in the whole of our Government. Because of the special type of work, there are a large number of officers: as most of the matters are matters of great importance, matters which will ultimately shape the policy, there is very little routine work. Therefore, the organisation is such which will convince the hon. Members that it is of a pattern which is conducive both to efficiency and speed. Good care is taken that not a single hand is there which could be spared.

Another point, which is common perhaps to all the steel plants, has been raised in connection with the estimates of the cost of the three steel plants. I have already said something on this vital point in the course of my opening speech. I have little to add to that. On the last occasion when I came before this hon. House, I gave my general approach to this.

question of estimates. I have given very careful thought to this matter. On the one hand, it is a very tempting argument always to criticise that the original estimates have not been adhered to—that is a valid criticism, I quite understand the force of it and there is a reasonable expectation that the estimates should be adhered to—but, on the other, we must not forget the national interests of the country.

Estimates are, after all, estimates, and howsoever sacred those estimates may be the risk is that they become really the floor when the actuals come or the quotations come either of civil works or of supply of material, and if the Parliament becomes too critical or enjoins sticking to estimates my fear is that the country is likely to pay more because there can be an easy escape for those who are in charge of estimates by framing their estimates rather liberally so that this sort of criticism may not be made that the estimates were exceeded, but on the whole the bill that will have to be paid, I think, will be higher.

Pandit Thakur Das Bhargava (Hissar): Usually they are under-estimates.

Sardar Swaran Singh: I think the real test should be, when a thing is executed is there any part in the execution in which there is excessive expenditure, is there any wasteful expenditure, is there any infructuous expenditure, has anyone been over-paid, has the design been lavish or beyond a point? But what I most respectfully submit is that we are prone by this constant criticism to create a feeling amongst those who are in charge of making estimates to be very much on the liberal side, and in that process I have no doubt in my mind that the country may be called upon to pay higher bills. Therefore, whereas I say that the estimates should be realistic, this usual practice—which I think would appeal to the legalistic mind of Shri Bharucha—of contradicting a person by his pre-

vious statement is not correct, because by contradicting a person by his previous statement you cannot prove that his first statement is correct; you can only say that his latter statement is also perhaps not to be depended upon because his earlier statement was different.

That is not a practical way of approaching things. The real test in these matters is, is the money that is now sought to be spent really the money that should be spent or ought to have been spent. Estimate is a good test to embark upon a scheme. If you accept any project whether it is steel, a building project, a mining project or any other project, not only there will be very extensive expenditure incurred in going into all minute details but in the process while the Ministers or the officers can save a point of argument by depriving this criticism, I am not sure whether the actual amount that they pay will be less or whether that will be in the overall interest of the country.

I am the last man to suggest that there should be any laxity in the matter of framing estimates, but they should be viewed in the correct perspective rather than build some fantastic argument on the basis that something or the other exceeded the estimates. In this connection, Sir, I had occasion to point that even projects like Tata's extension have exceeded their original estimates by as much as about 30 per cent. In a project of Rs. 100 crores if Rs. 100 crores becomes Rs. 130 crores, you can well imagine as to what it means.

These estimates sometimes increase on account of new things being added to these integrated plants as and when things take shape. There is no fixity and there, if I may add, need be no insistence on fixity while executing these big projects. As and when the thing unfolds itself if it is found that by adding something we may ultimately save something in the actual manufacturing cost and the like, we should not hesitate.

Pandit Thakur Das Bhargava: What happened to D.V.C., Bhakra and other projects?

Sardar Swaran Singh: My hon. colleague has rightly pointed out that this thing was happened in other projects also. For instance, in Bhakra alone, we never had the right bank power house. If somebody says that by adding in three or four turbines to it the cost has gone up by Rs. 20 crores or Rs. 40 crores or the like, I do not think that it can really be a very substantial argument.

Another point, Sir, has been raised by my hon. friend, Shri Morarka and also, I think, by Shri Dwivedy, about the number of foreign experts in the three steel plants. I, Sir, really do not have enough information about the number of Soviet experts who were associated in putting up the two steel plants in China about which a reference was made, but, I must take the House into confidence; when this thing was mentioned I got into touch with the Soviet technicians and I enquired from them as to whether this information was correct or not. They told me that the number of experts, the Soviet experts who were associated in putting up the Chinese plants were also of the same order as the number of Soviet experts that have come out to help India in the putting up of these steel plants. So I do not know as to whether that information which was given out by Shri Morarka was really correct.

But, Sir, irrespective of the Chinese experience, I have to satisfy the House and the country that the number of experts that we have brought out is the correct number and that we have not added to this number. This point has been engaging my constant attention. I myself, when I visit these plants, do some thinking on this aspect, and I constantly point out both to our technicians who are in charge of construction as also who are in charge of operation to ensure that the number of these foreigners who

are there for the construction as well as operation work should be kept to the minimum.

It is to be remembered that in our first two private sector steel plants in Jamshedpur and in Burnpur a very large number of foreign technicians were associated not only at the time of construction but they continued for a very long time even when the operations started. And, Sir,—I will not be giving out any particular point which might have been mentioned to me in confidence—the technical top-men of the two private sector steel plants have always been pointing out to me that I should never grudge bringing in of good steel-men, technicians at various levels from abroad, because they say that to have a good technical man whether he is a supervisor or actual worker will pay dividends and any niggardly approach on that sphere will not be a wise policy.

I may say that it will be uncharitable on our part to criticise the level of salaries that are paid to these various technicians, because we have to consider the level of wages that prevail in those countries. It should also be remembered that we are expanding our steel capacity in our country when there is overall expansion all the world over and there is no surplus of good technical men in any part of the world, whether it is East European countries, West European countries or even USA. Therefore, to suggest that these people who come to a distant place where the working conditions are also more difficult as compared to their own countries, and that they will be here or they will hang on here merely for the sake of salaries, particularly, when the works are not of the type of soft-coloured advisory jobs but very hard jobs, is not good. You could go and see how they work with their hands soiled, with their clothes full of soot and then you will be convinced. The work that they are doing is really difficult, arduous and hard

manual work. Therefore, the association of technical knowhow is of great importance if not of even greater importance when compared to the foreign capital. So, we should not talk lightly of these people who come from abroad, whether the person is an engineer, or a foreman or a person who does the actual work. To my mind, this type of description—that one should really be a technician—is a reflection of our thinking in terms of the caste system among our services which we have inherited unfortunately from the British times. To my mind, the person who actually works at the steel melting shop with his own hands and who knows the technique of steel making is a person who commands even greater respect at my hands as compared to the superintendent of that shop. Therefore, merely to say that a person ceases to be a technician or that he ceases to be of any importance to us if he is not a person of the supervisory staff and so on is not, I would respectfully submit, a correct appreciation of the things as they obtain in the plants.

Shri Morarka (Jhunjhunu): Before the hon. Minister proceeds to the next point I may say this, since I was one of those who raised the question of foreign experts. I might say that the information which I got was from a very authentic and reliable source. Unfortunately, I am not in a position to give that name or disclose the source just now. If the hon. Minister permits me to mention it, I shall pass on the information to him along with the source of the information. He may then verify them.

Sardar Swaran Singh: My hon. friend knows that no permission for that is necessary. Further, I would very greatly welcome that information, and I shall have a second check-up about it.

Shri Morarka: I just wanted to mention that aspect here so that there

may not be any misunderstanding about it later on.

Sardar Swaran Singh: I think I have covered most of the points in regard to the working of the steel plants.

A number of hon. Members including Shri Morarka again, have given a great deal of thought to the various reports that have been put out by the Hindustan Steel. I think Shri Somani also has referred to this point. They made some suggestions, and some hon. Members today have made some useful suggestions about the organisational aspect of Hindustan Steel. There is a great deal of force in Shri Morarka's criticism of the presentation of accounts. I think that the accounts can and should be presented in a more intelligible form. This is partly a legacy of the original switching over from the purely departmental control of accounting to the Hindustan Steel control. The House will kindly recall that originally the steel plants were under departmental control, and for want of anything better, we adopted the Central Public Works Department's system of accounting which is entirely different from commercial accounting. So, certain things appear odd in these accounts, especially the figures that appear as losses. But that is really an unfortunate corollary flowing from the adoption of a particular system of accounting, because under that, whatever the receipts and whatever the outgoings, they are shown against opposing columns, and therefore by a simple process of addition and subtraction, the amounts appear as losses but are not really losses. Now that we are in the stage of production and the Hindustan Steel is fully seized of this matter, it will be ensured that the accounts are not only kept according to the commercial standards but also are presented in a form which should be intelligible even to laymen, so that hon. Members may be spared this bother of research and may be able to see what the picture is behind the figures.

[Sardar Swaran Singh]

I must confess that I am not in agreement with my hon. friend Shri Mahanty when he criticised some of the experienced experts merely because they happen to be retired railway officials. I would urge upon hon. Members to realise that our railway sector is the biggest public sector, and, if I may say so, one of the well-run public sectors of which our country can be proud. Therefore, to take advantage of the experience and the knowledge and the background of those engineers and other good administrators who may have done good work in the railways, is a good thing. That knowledge and experience should be utilised not only in the steel plants but in many other public sector activities; as and when our public sector increases, then, probably for further development, the experience that we gain in public sector steel plants, in the public sector corporations and in other public sector undertakings would also be available for taking up new lines.

It is easy to point out that we have not got experienced men who might be experienced in steel making. That is our misfortune. But where are those men? I would like to see them so that I could grab at them and bring them in the organisation. In the absence of that, I cannot admit defeat and sit with my legs crossed and say, "I cannot do anything". Therefore, I must get the help of the people who are available, and I would like to say that they have carried a very heavy responsibility and have acquitted themselves with credit. In retrospect, even when a *post mortem* is made, then the irresistible conclusion would be that, with the numbers and with the experience that was available, they really made a marvellous job of it.

A point was made that there should be greater decentralisation of control and management so far as Hindustan Steel is concerned. That is a point

which requires very careful examination. Already some processes of decentralisation have been undertaken. Greater stress is being laid on the fact that local managing director or the Resident Director should have greater authority and should have a greater responsibility, because the two lines of responsibility and authority should be co-existent and coterminus. There is nothing sacrosanct in the form or the instrument that might be devised to execute a project and I for one would like to assure the House that I have an open mind on that, and it will be my constant endeavour to see that there is enough of decentralisation with regard to the management and control and also there is enough co-ordination to ensure that two conflicting lines of action are not adopted with regard to identical matters.

A very important point was raised with regard to the availability of metallurgical coal for our steel plants. In that connection, the question of setting up of washeries was also raised. The Ministry was fully aware of this problem, and it was for this reason that it was decided that five washeries should be set up. I am glad to inform the House that out of these, two washeries have already gone into production. Kargali has been supplying washed coal to both Rourkela and Bhilai, and the Durgapur washery which is in the perimeter of the plant itself has also gone into production. The Dugda washery is already being put up and it should be ready to produce and wash coal in about a year's time at the outside. In regard to Bhojudih, a contract has already been placed; with regard to Patherdih, tenders are expected to be received in May. I would be very frank with the House and admit that there has been delay in the setting up of washeries. I wish they were set up much earlier, but I would like also to add that there is something inherent in designing and setting up a washery, which is somewhat different from any other plant like a textile

mill or even a steel plant. It is not a sort of repeat performance, so far as washeries are concerned. Each washery has to be differently designed, because it depends on the different types of coal that come. Its designing has to be in relation to the actual number of collieries and the quantities that are available. A large number of collieries are to supply coal to some of these washeries. Therefore, really very much more detailed work is required to be done. It was this detailed work and detailed planning that took a good deal of time and so, there has been some delay. I am not myself happy over this delay, but part of it was inherent in the situation.

Now I pass on to the important question of expansion. There has been a suggestion that the new steel expansion, even in the matter of setting up new plants, could be in the private sector. It was also suggested that a great deal of pressure is going to be exercised on me and I should stick to my guns. I am grateful to hon. Members who have shown that sympathy to me, but I would like to assure the House that I would like, with the blessings of the House, to be able to undertake this responsibility in a spirit of humility, but in accordance with the policy that has already been adopted by the Government and which has been approved by the House. Whatever is going to be done will be done within the policy that has been enunciated from time to time.

I would not say anything more about the expansion of the existing three public sector plants. But there are two new plants about which interest has been shown and it is better that I state the position with some precision, so that any lingering doubts may be removed. So far as the Bokaro plant is concerned, we have come to the conclusion that for the location of a new steel plant, Bokaro area in Bihar is considered very suitable. The site has many advantages.

It is close to the coalfields of Kargali, Bokaro and Jharia. Although iron ore will be a little far away, the wagons which will carry coal from Kargali and Jharia to Rourkela and Bhilai will bring back iron ore on their return journey. Bokaro is, therefore, being developed as the site for the fourth integrated steel plant. A project study has been completed to assess the requirements of raw materials, power, water and construction effort. When the construction of the plant proper should be taken up and how big the plant should be will have to await further decision to be taken on the third Five Year Plan.

A number of hon. Members particularly from the South including Shri Thanu Pillai, Shri Narasimhan, Shri Sampath and my esteemed colleague, Shri Viswanatha Reddy—I think I have covered all the States now; Mysore did not have a chance this time—have naturally shown anxiety in setting up a plant in the south. Even with regard to this, although I have been keeping the House fully informed, it will be good really to reiterate the position. I have kept the House informed from time to time that it is our intention to utilise the iron ore in Salem and the locality near about. Non-availability of coking coal in that area is the main hurdle. Encouraged by experience of other countries, notably East Germany, the technical feasibility of Neyveli lignite being used for smelting purposes is sought to be fully investigated. Obviously, this can be established only when lignite can be mined in sufficient quantities for a commercial test, which may have to be undertaken abroad.

A technical committee including representatives of the Madras Government was appointed four months ago to go into the various problems, so that the preliminary examination may be available, which can be of use in undertaking the project, if the technical feasibility and economic viability of the project are established. So, this is the best that can be done at the moment.

[Sardar Swaran Singh]

While all of us are naturally anxious, coming as we do from various States, about having a steel plant in our locality, I would like to acquaint the House with one salient factor so far as steel is concerned. The decision that has already been taken that steel will be available at the same price at all railheads in the country is a major step, the full impact of which is not fully realised, particularly in those States which are non-producing.

For instance, steel today is available at the same price to a consumer at Jamshedpur and at Burnpur as to a person at a railhead in say, Kerala, Punjab, Rajasthan or Madras. This is not a small step. This shows that although on account of certain natural advantages that may be available in any particular locality, a metallurgical plant has to be located in that area, the fruits of that metallurgical exploitation will be available throughout the country as a whole, so that the users of steel all over the country may be able to have steel at a uniform price. This, I think, is a major step that we have taken and it is on account of this decision that there has been a good deal of development of small-scale steel processing industries at places which are far removed from the main producing centres. New industries are coming up in Madras, Punjab, Bombay and other parts of the country mainly on account of this decision that has been taken.

Shri Narayanankutty Menon: Except Kerala.

Sardar Swaran Singh: I wish that the hon. Member's party, when it was in power there for some years, had started some industries. This equal price was there even during those years.

Shri Narayanankutty Menon: But money is in your pocket.

Sardar Swaran Singh: For small-scale industries, the Centre does not give any money. Initiative, effort, organisation and the services provided by the States and the initiative of people are responsible for putting up small-scale industries. I think a trip to one of these centres will pay dividends.

Therefore, by all means, let us go on pressing our claims for the location of big metallurgical plants. But it should always be remembered that the over-all consideration in this should be economic viability. I am in perfect agreement with all sections of the House that steel being a basic material, its cost will be reflected in all the things made from steel. Therefore the economics of this complete metallurgical cycle should be carefully gone into before we embark upon metallurgical plants. Steel processing plants, re-rolling plants, etc. are different. But we must not smelt iron ore at a place where the cost of production will be higher, because we may have the satisfaction that we are producing steel in that locality; but if the economics are not good, that will not add to the economic growth and strength of that locality and it will certainly not be in the over-all national interest. I wanted to mention this, so that our enthusiasm should also be judged in a perspective. Otherwise, there is the risk of our being swept off our feet in our enthusiasm to have a plant in a particular locality.

A great deal of material has appeared in the press, sometimes in highly controversial colours, about this American interest in the new steel plants. It is surprising how some things are picked up just on a sort of rumour and sometimes from half-truths, sometimes from wishful thinking. News is created and then articles are written, condemning or supporting or bringing all types of angles which reflect more the desire of that person, rather than a criticism

on something which is actual. I would like to say that so far as this piece of news which is circulating is concerned, it has not percolated to me and I would never apply my mind unless I see something concrete and something real. I would like to tell the House that no proposal, no scheme, no suggestion has yet come to me of that American interest. If and when that interest is shown, we will judge it on merits and we will take a decision which is in the national interest.

Shrimati Parvathi Krishnan: Shri Somani said that the proposal is there.

Shri Sinhasan Singh: He is not a representative of the Government.

Shrimati Parvathi Krishnan: Private sector.

Sardar Swaran Singh: Therefore, I need not say anything further on that score.

That covers almost all the points. But I do not want to leave my hon. friend, Shri Bharucha, with a grievance because, with all his negative attitude, I have to reply to the points which he was good enough to raise. He is endowed with the very inimicable quality of seeing trouble in everything and it is very difficult really to meet the argument. I know that no one can be as eloquent as he is, but there is so little of meeting ground that it becomes difficult to tackle those points in any correct perspective.

Shri D. C. Sharma (Gurdaspur): Then why do you touch them?

Sardar Swaran Singh: Sometimes I tackle even difficult tasks. For instance, he said that the steel plants can never repay the amount, the Hindustan Steel can never repay the loan, it can never earn any profit and, therefore, it is a matter for serious consideration as to whether the setting up of steel plants in the country was a wise decision at all. I must say that it is difficult to

beat that logic. It is conveniently forgotten that in the ultimate economic growth and the utilisation of steel we cannot progress a step further unless we produce steel. To dream of industrialisation in the country without producing steel and to think of industrialisation on imported steel is such a reckless venture that even Shri Bharucha cannot suggest that. If we accept that, then we have to see as to whether we will be able to produce steel at a price which competes with the price of imported steel. The rest is a matter of presentation, whether you mop up the difference in a fiscal manner by excise duties, by steel equalisation fund, in the form of profits, or in the form of a price that we charge. I do not want to go into the technical, fiscal or financial side.

Shri Naushir Bharucha: May I point out . . .

Sardar Swaran Singh: No. I am not giving in. The broad thing that has to be kept in mind is that we have been importing steel and the imported price has been very much higher than the retention price and the price at which steel is made in this country. Therefore, we have been charging the consumer a price midway between the retention price and the imported price. Roughly the imported price has been of the order of Rs. 800. The retention price is of the order of Rs. 440 or so, and the sale price to the consumer has been of the order of Rs. 600 or so. Now, his suggestion appears to be, although he did not say so, because he never makes a positive suggestion, we should continue to import.

Shri Narayanankutty Menon: He made a very positive suggestion.

Sardar Swaran Singh: A positive suggestion to have a negative attitude. That is the picture and I do not know how we can defend it in the country. I for one would never be able to defend that.

Now, his saying that we can never produce steel at a price which is competitive as compared to the imported

[Sardar Swaran Singh]

price is admitting defeat. Is our iron ore so bad? Is our coal so faulty? Or is our management so inefficient? Or are our workers so indolent and lazy? Or are our legislators not going to show that enthusiastic spirit in which we can produce this? I submit that is an attitude which I cannot accept.

We can produce steel in this country, produce it at a price which can compete with the production price anywhere in the world. With regard to accounting, I will accept his advice as to what should be the present ratio between equity structure and loan structure and rate of interest, whether it is according to Constitution or not according to Constitution. I am prepared even to accept his legal refinements—I would not use the word 'quibbles'—but, so far as the broad economic picture is concerned, it is so clear that to confuse the mind of the country on that is doing the greatest disservice.

With regard to steel production, we have been producing steel even in the private sector, and we will continue to produce steel at a price which will be economic and which will be competitive. With regard to presentation and accounting, which are simple things, he said that there should be an accrual to the general revenues. I agree with him. That is why I am particularly keeping the price at not too low a level. Now, whether that accrual comes via additional excise duties, whether it comes as accruals to the equalisation fund or whether it comes into another account is more a matter of presentation about which I will accept his guidance as to the way that it should be done. But the basic thing that has to be remembered is the overall picture, and to say that the country is likely to face a big danger, to say that we cannot progress—that is a statement which I cannot accept, the country cannot accept, whatever may be the legal quibbles or the constitutional points which are sought to be

wrapped over this basic problem which the country faces today. Let us look at the practical point, rather than trying to find out these quibbles which do not take us any further.

He tried to use this forum to say that the Iron and Steel Control Order is *ultra vires*, some provision in the Iron and Steel Control Order is *ultra vires* of some provision in the Constitution. Although I have been away from the law courts for quite some time. I also can claim some credit of having some contact with these legal matters, and if Shri Bharucha had been careful, he should have known that this very point, which he has tried to raise as though it is a novel point, has been already raised in a number of law courts and they have come to the conclusion that the Iron and Steel Control Order is a perfectly legal and constitutional provision. Having failed in the law courts, he now wants to argue the same point here. If he says "alter the law", I can understand it. But to come to Parliament and say that it is *ultra vires* when the courts do not agree with him is an attitude which is a good academic exercise but it does not take us any further.

I would, therefore, like to conclude by saying that the country has taken a major step towards industrialisation and I would borrow the phrase of Shri Morarka, if he pardons me, to say that we are in the take-off stage, particularly in this sector of the economy, namely, minerals, metals and oils. But let us go ahead undaunted in this pursuit. The work no doubt is difficult and arduous and there can be difficulties and there can be shortfalls. But I have no doubt in my mind that the ultimate dividends that are likely to accrue to the country will always be cherished as a major advance which laid the basis for a firm, progressive and developing economy.

15 hrs.

I have very little to add except to say something on the points which

were raised by my hon. friend, Shri Mullick, who has grown grey in the coalmines. I would like to benefit more by his experience, because he has lived in the coalmines. So, he appears to know something of the secrets and tricks of them also. We have been trying to deal with this rather difficult problem of coal production, coal prices, assistance to the collieries and a great deal of thought has from time to time been given to all these aspects. On the one hand the hon. Member says that the prices are high, on the other hand everyday I see leading articles in newspapers, "Are we planning for coal famine because I am not agreeing to increase in prices?" Long speeches printed on high-class paper, high type of pressure propaganda articles, this thing and that, always point out that the prices that are being given are inadequate and that there is not enough cushion even for expansion. The Government have tried to view all these matters objectively and have tried to arrive at a price structure after going into all the various aspects with a great deal of care. The Price Revision Committee produced a Report and the Government accepted that Report. The slowing assistance and the other measures, the additional assistance where difficult mining conditions exist are some of the steps that have been taken and it is hoped that by a combination of all these circumstances we will be able to meet the growing requirements of the country on the coal front.

Shri Naushir Bharucha: The hon. Minister said that in the private sector the retention price of steel is Rs. 400 and odd. Will his public sector produce steel and will he be satisfied with the same retention prices in the case of private sector?

Mr. Deputy-Speaker: Is this the very question to which he feared there will be no reply?

Sardar Swaran Singh: For his information I would say that our decision is that the public sector also will get from the equalisation fund the same price that the private sector is taking.

119 (Ai) L.S.D.—8.

Does that satisfy him? I do not think it will.

Mr. Deputy-Speaker: I do not think I need put any cut motion separately. I shall put them all together.

The cut motions were put and negatived.

Mr. Deputy-Speaker: The question is:

"That the respective sums not exceeding the amounts shown in the fourth column of the order paper, be granted to the President, to complete the sums necessary to defray the charges that will come in course of payment during the year ending the 31st Day of March, 1961, in respect of the heads of demands entered in the second column thereof against Demands Nos. 80, 81, 82 and 129 relating to the Ministry of Steel, Mines and Fuel."

The motion was adopted.

[*The motions for Demands for Grants which were adopted by the Lok Sabha are reproduced below—Ed.*]

**DEMAND NO. 80—MINISTRY OF STEEL,
MINES AND FUEL**

"That a sum not exceeding Rs. 37,04,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1961, in respect of 'Ministry of Steel, Mines and Fuel.'"

DEMAND NO. 81—GEOLOGICAL SURVEY

"That a sum not exceeding Rs. 1,82,72,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1961, in respect of 'Geological Survey.'"

DEMAND NO. 82—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF STEEL, MINES AND FUEL

"That a sum not exceeding Rs. 40,38,44,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1961, in respect of 'Miscellaneous Departments and Other Expenditure under the Ministry of Steel, Mines and Fuel'."

DEMAND NO. 129—CAPITAL OUTLAY OF THE MINISTRY OF STEEL, MINES AND FUEL

"That a sum not exceeding Rs. 59,12,79,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1961, in respect of 'Capital Outlay of the Ministry of Steel, Mines and Fuel'."

15.03 hrs.

MINISTRY OF DEFENCE

Mr. Deputy-Speaker: The House will now take up discussion and voting on Demands Nos. 8 to 12 and 108 relating to the Ministry of Defence for which 6 hours have been allotted.

90 cut motions . . .

Sardar A. S. Saigal (Janjgir): Only 6 hours?

Mr. Deputy-Speaker: I do not follow.

Sardar A. S. Saigal: We want more time.

Mr. Deputy-Speaker: 90 cut motions have been tabled to these Demands. Hon. Members desirous of moving cut motions may hand over at the Table within 15 minutes the numbers of the selected cut motions. Hon. Members are already aware of the time-limit for speeches.

Does the hon. Minister want to say anything at this stage?

The Minister of Defence (Shri Krishna Menon): No, Sir.

DEMAND NO. 8—MINISTRY OF DEFENCE

Mr. Deputy-Speaker: Motion moved:

"That a sum not exceeding Rs. 38,58,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1961, in respect of 'Ministry of Defence'."

DEMAND NO. 9—DEFENCE SERVICES, EFFECTIVE—ARMY

Mr. Deputy-Speaker: Motion moved:

"That a sum not exceeding Rs. 1,84,24,45,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1961, in respect of 'Defence Services, Effective—Army'."

DEMAND NO. 10—DEFENCE SERVICES, EFFECTIVE—NAVY

Mr. Deputy-Speaker: Motion moved:

"That a sum not exceeding Rs. 17,92,35,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1961, in respect of 'Defence Services, Effective—Navy'."

DEMAND NO. 11—DEFENCE SERVICES, EFFECTIVE—AIR FORCE

Mr. Deputy-Speaker: Motion moved:

"That a sum not exceeding Rs. 57,46,99,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1961, in respect of 'Defence Services, Effective—Air Force'."