

as far as the examinations are concerned, has been taken into consideration ?

SHRI VISHWANATH PRATAP SINGH : All these factors are considered, including the convenience of the hon. Members of Parliament to come for a Budget Session when it will be implemented.

Rising prices of Billets and Steel

*102. **SHRI SATYENDRA NARAYAN SINHA :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether he has seen a report in the Economic Times of January 11, 1985 that due to lack of billets and their rising prices, steel re-rolling industry is facing a crisis ;

(b) if so, the steps being taken to provide adequate quantity of steel billets to the industry ; and

(c) whether steel prices have increased in the last three years enormously as alleged in the report ; if so, reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (c). Yes Sir, we have seen the report. According to information available with us, there does not appear to be a crisis in the rerolling industry. The prices of billets of main procedures have increased by only about 3% per annum on an average over the last three years, this was to partly cover the increased cost of production.

(b) Semis including billets are raw materials for the finished products like bars, rods and light structurals of which there is generally easy availability throughout the country. Production of semis, used by the re-rolling industry, has been increased by SAIL over their original plan, with close monitoring on production, despatches and movement. The main producers (SAIL and TISCO) have been directed to supply semis, including

billets, to the re-rollers on the basis of their past offtake.

SHRI SATYENDRA NARAYAN SINHA : Sir, the President of the Re-rollers Association complains that the prices are steadily increasing. The hon. Minister has admitted that the price has increased at the rate of three per cent per annum. I would like to know the price of billets per tonne in 1981 and the price of billets in 1984 for a company.

SHRI K. NATWAR SINGH : The factual position in this regard is that the billets are sold by mini steel plants and by the main producers (SAIL and TISCO). There is no price control on the production of the Mini Steel Sector. The billets price of the main producer was Rs. 3,645 per tonne as on 1-8-1981 and this has been increased in three years to Rs. 4,090 per tonne as on 22-6-1984. There is an increase of nine per cent in three years. This increase is far lower than the increase effected in the price of other steel items.

SHRI SATYENDRA NARAYAN SINHA : With regard to the supply of raw materials and demands made, I would like to know the total quantity of billets required by these re-roller mills and the quantity being supplied now.

SHRI K. NATWAR SINGH : The demand for bars, rods and light structurals is met either by the main producers or by the re-rollers. Seventy per cent of the production is made in the private sector and thirty per cent by the main producers i.e. TISCO and ISCO.

Now, I give you the figures about the production. In 1981-82, re-rollers—3.3 million tonnes and the main producers 1.4 million tonnes ; In 1982-83 because of recession, there was downgrading of the production, re-rollers 3.2 million tonnes and the main producers 1.4 million tonnes. Total comes to 4.6 million tonnes. In 1983-84, re rollers—3.3 million tonnes and the main producers 1.1 million tonnes. Total is 4.4 million tonnes. Now for 1984-85, we expect the demand to be 4.7 million tonnes and the

estimated availability from main producers is 1.5 million tonnes and from re-rollers it is 3.4 million tonnes. Total comes to 4.9 million tonnes.

SHRI P. SHANMUGAM : I would like to know whether the Government is proposing to start any other steel plant during the current year? If so, in which State it proposes to locate?

SHRI NATWAR SINGH : Sir, it does not relate to the question that is before the House.

Removal of Regional Imbalances

*103. **SHRI AMAR ROYPRADHAN:** Will the Minister of PLANNING be pleased to state :

(a) the steps Government propose to take to end regional imbalances in the matter of Plant development so as to help the rural masses ; and

(b) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI K.R. NARAYANAN) : (a) and (b). A statement is laid on the Table of the House.

Statement

The problem of inter-state regional imbalances is at present being tackled at the Central Government level through resource transfer according to a formula which is weighted in favour of the backward States.

2. The problem of intra-state regional imbalances mainly concerns the State Governments. Special Central assistance is provided to States for taking up programmes for the development of tribal areas and hill areas. Special central assistance is also set apart for development of the North Eastern region. In addition, the Central Government provides 50% of the funds for development of areas like desert areas and drought-prone areas under

Centrally-sponsored schemes. Investment subsidy and concessional finance are provided for accelerating the industrial development of backward districts.

3. In addition to the above, State Governments have also identified areas within their States as backward and are tackling the problem of their development through provision of additive plan funds.

4. In the Paper on the Approach to the Seventh Plan adopted by the National Development Council in July 1984, the need for tackling the problem of regional disparities at different levels has been highlighted. According to the Approach Paper, "part of the solution (to the problem) lies in the development of agriculture in the less developed regions. However, it is a much wider problem and its solution requires a close re-examination of the mechanisms for channeling the flow of finance, policies on industrial location, the distribution of investments in irrigation and infrastructure and a host of other matters. It is essential that the regional dimension of development is dealt with as an integral part of the Seventh Plan."

SHRI AMAR ROYPRADHAN : We are now at the threshold of the Seventh Five Year Plan. In every Plan Period Approach Paper, it is stressed that the regional imbalance will be removed, but it is our experience and it is a matter of great regret that it has not been removed so far. It has increased much more whether we take inter-State imbalance or intra-State imbalance. Therefore, I would like to know clearly from the hon. Minister what positive steps have been taken to remove the regional imbalances in the States particularly in those areas like North Bihar, North Bengal, Sikkim, North Eastern regions and tribal areas. These places are facing a very explosive position at present.

SHRI K.R. NARAYANAN : It is true that in every Plan there has been an element of effort for removing regional imbalances, but at the same time I do not agree that no progress has been made in this regard by the Government through