

[English]

Sales Policy of Steel Authority of India Limited

*459. SHRI LALITESHWAR SHAHI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the sales policy of Steel Authority of India Limited (SAIL) ;

(b) the reasons why SAIL prefers merchants and traders instead of giving steel to ancillary and small scale industries directly through its stock-yards;

(c) whether it is a fact that there is no steel available at Patna, Kanpur, Bokaro and Rourkela stockyards and whatever little production of thinner gauge steel takes place is routed to Bombay side ;

(d) if so, the reasons therefor ; and

(e) if not, what are the despatch figures ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (e). A Statement is given below :

Statement

(a) & (b). The sales policy of the Steel Authority of India Limited gives preference in supply of steel to actual users including small scale industry units. Priority is given to Defence, Railways and other important Government and public sector consumers.

(c) No, Sir

(d) Does not arise.

(e) The reference regarding thinner gauge steel is presumable to coils and sheets. The percentage of supplies of these materials to four reg-

ions during April-June, 1985 have been as follows :

Northern	—	49.3
Eastern	—	15.9
Southern	—	14.8
Western	—	20.0

SHRI LALITESHWAR SHAHI : It is not a matter of statement ; it is a matter of policy. The Minister should come out with facts. Part (b) of my question reads as follows :

“The reasons why SAIL prefers merchants and traders instead of giving steel to ancillary and small scale industries directly through its stock-yards.”

MR. SPEAKER : Let us be very careful because he had been the Speaker.

SHRI K. NATWAR SINGH : The policy for distribution of iron and steel in the country is laid down by a number of government agencies taking into account the various areas into which steel is allocated. He has specifically asked in parts (a), (d) and (e) certain information which is being made available in the statement laid before the House.

The Hon. Member asked, “What is the steel policy?”. He wants to know, with regard to the items that he has mentioned, why thinner gauge steel is not available.

There are hundreds of items with regard to the sales policy. I can give the broad break up, but here I can give in summary form. There are four categories under which the Steel Authority of India Limited supplies steel.

Category ‘A’ includes steel plants, Defence, Railways, irrigation schemes, public sector units, heavy engineering units, CPWD, P & T, ONGC, etc.

Category 'B' supplies to State and Central Government power projects/undertakings, Municipal Corporations, Municipalities, Zilla Parishads, Power Projects, etc.

Category 'C' includes other large and medium sectors, eligible small scale industries, public utility services like charitable and non-profit making organisations, hospitals religious institutions, social welfare organisations, etc.

Category 'D' includes all other eligible consumers not included in the above list.

SHRI LALITESHWAR SHAHI : The small scale and ancillary industries come under, in this categorisation, category 'C'. My question is whether SAIL prefers—or passes on to merchants and traders instead of giving the steel to small scale industries on the basis of their requirement. That has not been answered.

SHRI K. NATWAR SINGH : Small scale units are expected to get their requirements through their respective State Small Industries Corporations which enjoy Priority 'A'. However, small scale units having a quarterly off-take of more than 100 tonnes can take the supplies either from the main producers or from the small scale industries.

[*Translation*]

SHRI GIRDHARI LAL VYAS : I want to tell the hon Minister that people are not able to get steel as it is not available with the Small Scale Industries Corporations in the States. Here, you have referred to category 'B' but the fact is that most of the steel of your Steel Plants and the entire steel for the Small Scale Industries Corporations and is supplied to private traders whereby which they earn a huge profit.

SHRI K. NATWAR SINGH : In his question, the Hon. Member had asked whether Small Scale Industries

Corporations did not get steel from our stock-yards. He has made a general statement. At some places, the supplies are less whereas at some places the supplies are more. (*Interruptions*) Please listen. I have been to 4 to 5 stocks-yards including Jaipur and some others. One of the reasons for this is that we have a great shortage of piece-meal rail wagons. We need 30 per cent, as 70 per cent is sent in rakes and the rest 30 per cent in rail wagons. If we get only 20 per cent wagons, the stock are not lifted. In a certain month, at a certain place, the demand for a particular item is more whereas the demand for the same item at other places is low. We have always made efforts to supply a particular item whenever we are told that item is in short supply in a particular place. You may bring to our notice if a particular place(*Interruptions*) they get supplies from two sources—one from the stock-yards and the other directly from us. Action on our part is limited so far as the States are concerned. Our staff work in our own stock-yards. At some places, we have got our own stock-yards, whereas at some other place TISCO has its own stock-yards, on which we do not have any control.

SHRI HAFIZ MOHD. SIDDIQ : Hon. Speaker, Sir, brass-wares are manufactured in Muradabad, but raw material is not available there, as a result of which its export is continuously suffering. I want to know from the Hon. Minister whether he has any scheme to solve this problem.

SHRI K. NATWAR SINGH : Mr. Speaker, Sir, I am not in a position to make a reply in regard to brass.

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, the Hon. Minister has fixed A, B, C and D priorities for the Small Scale Industries. As Shri Vyas has also said, steel is not available in Nagpur. A small scale industry whose monthly requirement is 50 tonnes is supplied with 1½ tonnes of steel. They say that they do not have steel. We want to bring to your notice

this fact due to which the small scale sector is suffering. You should pay attention to it. Due to non-availability of steel, they take rounds of Delhi, still we cannot help them. The deterioration in quality should also be checked. How do the traders get steel when their priority is low? You kindly reply to this point, we are not satisfied with it.

SHRI K. NATWAR SINGH :
The Hon. Member has asked a question about Nagpur.

SHRI BANWARI LAL PUROHIT:
I have myself forwarded many cases to the Hon. Minister.

SHRI K. NATWAR SINGH :
You are right; complaints have been received from Nagpur and other places. We are looking into all these complaints. The shortage, wherever it is, will be removed.

Participation of Employees of Companies in Purchasing Shares in their Companies

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*461. **SHRI SHANTI DHARI WAL :**

SHRI V. SOBHANADREE-SWARA RAO :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken a decision to allow participation of the employees of the companies in purchasing shares of their companies at the time of the issue of the shares ;

(b) if so, whether Government have also fixed any limit of deposit to be made by non-resident Indians/general public and the company itself at the time of purchasing the shares and the percentage of the shares to be allotted by the company to its employees ;

(c) if so, the details thereof ; and

(d) if not, the reasons for not fixing the percentage in respect of the

categories referred to in part (b) above ?

[*English*]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :
(a) to (d). A statement is given below.

Statement

(a) The details of the Schemes for participation of the employees by purchasing shares of their companies were announced in the Lok Sabha on 1.8.85 and copies of these schemes were laid on the Table of the House on the same day.

(b), (c) and (d). Government have not fixed any limit of deposit to be made non-resident Indians/general public and the company itself at the time of purchasing shares. While proposing a further issue of capital to the Controller of Capital Issues, the companies should make a reservation of 5% of the further issue to their employees/workers on an equitable basis.

[*Translations*]

SHRI SHANTI DHARIWAL : Mr. Speaker Sir, government have announced a scheme for the employees to become share-holders in their respective companies after buying their shares. I want to know from the Hon. Minister the names of the companies which have sent proposals of the scheme to encourage their employes to purchase their shares for approval to the government?

[*English*]

SHRI JANARDHANA POOJARY :
This is a new programme which has first been introduced. We are at the beginning stage. The second part of the question I did not have because the Hon. Member from the other side interfered.