

am thankful to you for giving me this opportunity to bring to the notice of the Government a serious problem faced by the foundry industry, particularly in my State, Tamil Nadu. Due to the shortage of pig iron, causing widespread unemployment for lakhs of people, loss of production worth crores of rupees, the base of engineering industry and national economy is seriously affected.

Pig iron is the basic raw material for thousands of foundries. Almost all the engineering industries depend on these foundries for their requirements of castings. SAIL which is responsible for supplying pig iron for the foundries has abruptly brought down the supplies to 47 per cent of the last year's quantity, for the past 7 months.

The Coimbatore Foundry Industries' Joint Action Committee had submitted a memorandum to the Government on the 1st August 1988 in this regard. The foundries are not able to supply castings for want of basic raw material and other engineering industries are affected to a great extent because of non-availability of castings.

The present shortage is not unexpected but well anticipated. But unfortunately neither SAIL which has caused the shortage by cutting down the production of pig iron nor Government of India thought about the plight of foundries and other dependent industries. Now, the SAIL is telling them that the industries have to make their own arrangements for pig iron. But the industries are not aware as to what kind of possible alternative arrangements could be made. Import of Pig Iron is not possible unless it is brought under OGL and small and tiny industries do not have resources or infra-structure to import even if it is brought under OGL. When they approached the authorities, they were told that the MMTC would import and supply. When they contacted

the MMTC, they have unable to tell them anything about arrangements for imports nor about the landing cost or delivery time. When the Government is particular about the development of small scale industries on one side, the existing industries are crippled for want of raw materials on the other side. Even though the problem is of national importance, they are unable to get any responsible reply from anybody, leave alone its solution.

Madam, the foundry industry is the mother of other industries. When foundries are unable to produce castings, it will cause serious dents in the national economy in the form of under-production, unemployment and loss of revenue collection. The requirement of the country is estimated to be 1.6 million tonnes and the shortfall is 0.4 million tonnes. Is it fair that industrial production is allowed to suffer to such an extent that they have never experienced in the past, merely for want of four lakh metric tonnes of Pig Iron?

Madam, this pathetic situation could have been avoided if only logical decision had been taken in time. Therefore, I request the Government, through you, to institute an inquiry to find out as to who is responsible for allowing foundry industry and industrial economy to suffer to this magnitude and to ensure sufficient supply of Pig Iron to the foundry industry so that it could be rescued from the present crisis.

Retrenchment of workers of Azamjahi Mills, Warangal, Andhra Pradesh

SHRI MOTURU HANUMANTH RAO (Andhra Pradesh): Madam, this is in regard to the retrenchment in Warangal of 700 workers of a nationalised mill, Azamjahi Mills, Andhra Pradesh. The retrenchment has been going on since August. Thus, the workers and their families have been deprived of their livelihood.

and thrown into the streets. Besides this development and because of it, a fear has spread out in the other workers, employees and the general public in the area that the Mill itself would be closed down shortly making the lives of thousands of people miserable.

It is said that this has become inevitable as the Mill was running at a huge loss. But facts show that the workers are in no way responsible for it. Generally the cost of manpower has been going down from year to year and the value of their production increasing year by year. While the cost of manpower was 33.1 per cent in 1982-83, it came down to 30.2 per cent in 1983-84 and to 28.8 per cent in 1984-85. So, the value added by them per month has gone up from 300 to 950 and to 1101 in the same period. So, the National Textile Corporation has been responsible for inefficient running and incurring of losses. The National Textile Corporation has been neglecting the Mills in the South and particularly the Mills in Andhra Pradesh since there is no corporation of its own as in Gujarat, Maharashtra and Tamil Nadu.

Despite Mr. Ajit Singh, the Chairman of the National Textile Corporation, visiting this Mill at the instance of Mr. Vengal Rao, Minister of Industry, nothing useful has come out of it. Mr. Vengal Rao himself promised on the occasion of the Warangal Municipality giving him a reception that necessary funds to run the mill would be made available to see that it runs. But funds have not come to save it. On the other hand, the process of closing down has begun by retrenching 700 workers. This retrenchment is going on not only here but even at Chirala Textile Mill in Andhra Pradesh. Therefore, the Government of India's new Textile Policy of amalgamation has brought disastrous results and the workers are so much disappointed and demoralised

at this result. So, it should be taken up seriously as a matter of urgent public importance, which affects employment, production and the people. The hon. Minister for Textiles must see immediately that retrenchment in Azamjahi and Chirala mills is stopped to save the workers. Thank you.

Need to continue the crop insurance scheme

SHRI NARREDDY THULASI REDDY (Andhra Pradesh): Madam Deputy Chairperson, through you I would like to bring to the notice of this august House and the Government of India a matter of public importance about the continuation of the crop insurance scheme. Madam, on the basis of the experience of the pilot crop insurance scheme between 1981 and 1984, the Government of India formulated a comprehensive crop insurance scheme for implementation from kharif 1985 season by the various State Governments. Andhra Pradesh was the first State to join the comprehensive crop insurance scheme. Paddy, jowar, ragi, maize, green gram, black gram, groundnut, gingily and horse gram were included under this scheme. The number of farmers covered in Andhra Pradesh is as follows: In 1985-86, 6.42 lakhs. In 1986-87, 7.09 lakhs. In 1987-88, 8.96 lakhs. The premium collected is as follows: In 1985-86, Rs. 386.24 lakhs. In 1986-87, Rs. 448.60 Lakhs. And in 1987-88, Rs. 592.37 lakhs.

The area covered in Andhra Pradesh is as follows. In 1985-86, 14.05 lakh hectares. In 1986-87, 12.53 lakh hectares. In 1987-88, 21.81 lakh hectares.

Madam, there has been an increasing demand from the farmers that commercial crops like cotton, tobacco and sugarcane should also be brought under the purview of this scheme. But unfortunately the Government of India have informed that the implementation of the comprehensive crop insurance scheme under notified crops