

(b) whether Government have started taking steps to implement the decision; and

(c) the reasons for arriving at the decision?]

**रेल मंत्री (श्री सी० एम० पुनाचा) :**

(क) जी हां। सरकार और कम्पनियों के बीच जो करार हुए हैं, उनके उपबन्धों के अनुसार सरकार ने इन रेलों का संचालन (स्वामित्व अधिग्रहण किये बिना) अपने हाथ में लेने का विनिश्चय किया है।

(ख) जी हां।

(ग) ये दोनों रेलें लगातार घाटे में चल रही हैं और यह घाटा अत्यक्ष रूप से कम्पनियों को दी जाने वाली आर्थिक सहायता के रूप में केन्द्रीय सरकार द्वारा वहन किया जाता है। करार के अनुसार कम्पनियों को उनकी पूंजी पर 3 1/2 प्रतिशत प्रॉफिट की गारंटी है। उसमें जो कमी होती है उसे आर्थिक सहायता देकर केन्द्रीय सरकार पूरा करती है। संचालन की लागत में क़िफ़ायत करके आर्थिक सहायता के बोझ को कम करने और कुशल प्रबन्ध की व्यवस्था करने के उद्देश्य से इन रेलों का संचालन अपने हाथ में लेने का विनिश्चय किया गया।

†[THE MINISTER OF RAILWAYS (SHRI C. M. POONACHA): (a) Yes. The Government have decided to take over the working of those Railways (without acquiring ownership) under the provisions of the agreements between the Government and the Companies.

(b) Yes.

(c) These two Railways have been consistently running at a loss which is indirectly borne by the Central Government in the shape of the subsidy payable to the Companies to make up the deficiency in the return of 3½% on Capital guaranteed to them under

the agreements. It was decided to take over the working of these Railways with a view to reducing the burden of subsidy by economising on working costs and providing efficient management.]

**HALT OF CIRCAR EXPRESS AT MANGALAGIRI**

129. SHRI P. K. KUMARAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether representations were received requesting a brief halt of Circar Express at Mangalagiri; and

(b) if so, what action has been taken thereon?

**THE MINISTER OF RAILWAYS (SHRI C. M. POONACHA):** (a) Yes.

(b) Sectional train timings were adjusted to suit requirements of local traffic. Provision of stoppages of the Circar Express has not, however, been found possible for want of traffic justification.

**CONDITIONS OF SERVICE AND SCALES OF PAY IN STEEL PLANTS**

130. SARDAR RAM SINGH: Will the Minister of STEEL, MINES AND METALS be pleased to state:

(a) whether the conditions of service and scales of pay in the three public sector steel plants are identical;

(b) if not, the nature of posts where they are not identical; and

(c) whether any effort has been made to rationalise them and if not, the reasons therefor?

**THE MINISTER OF STEEL, MINES AND METALS (DR. M. CHANNA REDDY):** (a) to (c). The conditions of service and scales of pay (based on the revised wage structure recommended by the Central Wage Board for Iron and Steel Industry) for similar jobs in the public sector Steel

†[ ] English translation.

Plants at Rourkela, Bhilai and Durgapur are the same. In agreement with the recognised Unions, the management of Hindustan Steel Limited has also constituted a Joint Standing Committee at the Company level and Joint Plant Committees at Plant levels on wage differentials based on scientific job evaluation studies conducted in accordance with an agreed Job Evaluation Manual and for the correction of any anomalies.

#### EXPANSION OF STEEL INDUSTRY IN INDIA

131. SARDAR RAM SINGH: Will the Minister of STEEL, MINES AND METALS be pleased to state:

(a) whether it is a fact that the West German Reconstruction and Loan Corporation have submitted a report to the Government of India making some suggestions for the expansion of steel industry in India;

(b) if so, what are the main suggestions contained in the report?

THE MINISTER OF STEEL, MINES AND METALS (DR. M. CHANNA REDDY): (a) and (b). A study on 'Development and Objects of India Iron and Steel Industry' was undertaken by Kreditanstalt—the West German Reconstruction and Loan Corporation—primarily for their own use. A copy has been received.

It has been argued in the study that in view of the large sums of foreign exchange required for importing spares, raw materials and food stuffs as well as for other urgent purposes, the earmarking of a high percentage of foreign aid to the steel sector would not appear economically justified. Accordingly, it has been suggested that the construction of new mills should be postponed and further investments should be diverted for the expansion of already existing mills, as extension of existing facilities to their final stage would lower substantially

the cost of production and improve the productivity of these mills. The other important conclusions made out in the study are:

- (i) Improvement of the raw material basis so that the use of raw materials, and thus the cost of production, can be lowered, and the quality of iron and steel production improved;
- (ii) The time required for expanding steel mills and for constructing ancillary undertakings such as dressing and sintering plants should be shortened substantially;
- (iii) Under the contemplated extension projects, priority should be given to those susceptible of the most rapid implementation and involving the relatively lowest investments, and which could improve the existing production capacities of the mills most substantially. In the flat products sectors, priority should be given to the extension of Rourkela, especially as it can be assumed that already gained know-how and experience will shorten the initial period substantially;
- (iv) Foreign operational personnel should be employed so as to shorten the long time taken in implementing the projects.
- (v) Extensive survey of abundant, but primarily low grade, raw material deposits for the iron and steel industry should be initiated immediately; and
- (vi) Export potential for Indian iron and steel industry should be promoted more intensively than is being done at present, even though this might have to be done at the expense of less urgent domestic demand. These measures could be speeded up