

## RAJYA SABHA

Thursday, the 12th December, 1963/  
the 21st Aghrayana, 1885 (Saka)

The House met at eleven of the  
clock, MR. CHAIRMAN in the Chair.

### MEMBERS SWORN

Shrimati Shyam Kumari Khan  
(Uttar Pradesh).

Shri Jogendra Singh (Uttar  
Pradesh).

Col. Bashir Husain Zaidi  
(Uttar Pradesh).

### ORAL ANSWERS TO QUESTIONS

\*443. [The questioner (Shri B. N. Bhargava) was absent. For answer, vide cols. 3178—80 infra.]

\*300. [The questioner (Shri Dahyabhai V. Patel) was absent. For answer, vide cols. 3180-81 infra.]

### SUSPENSION OF OPERATIONS BY FOUNDRIES

\*444. SHRI A. D. MANI: Will the Minister of STEEL, MINES AND HEAVY ENGINEERING be pleased to state:

(a) whether the 2,200 engineering units and foundries in Gujarat had to suspend operations about August 6 this year; and

(b) if so, what were the circumstances which led to the closure of these foundries?

THE MINISTER OF STEEL, MINES AND HEAVY ENGINEERING (SHRI C. SUBRAMANIAM): (a) and (b) A statement is laid on the Table of the House.

### STATEMENT

(a) It is not possible to say whether 2,200 engineering units and foundries in Gujarat State had to suspend operations on 6th August, 1963, as no definite information is available. However, Government is aware of the shortage of pig iron for foundries

manufacturing castings for engineering units not only in Gujarat State but in other States also. Complaints have also been received from various States, including Gujarat State, regarding shortage of pig iron, resulting in closure of some units and restricted production.

(b) The main reason for shortage is that while the demand for pig iron (foundry grade) has been growing due to the development of foundry capacity, the availability has not correspondingly increased, because several schemes for production of pig iron which were licensed in the private sector did not materialise as anticipated. Steps are being taken to augment indigenous production, and also to import some pig iron from next year.

SHRI A. D. MANI: Sir, I am sorry I have not received the Statement. Can I have the benefit of the Statement being read by the hon. Minister?

SHRI C. SUBRAMANIAM: Yes, Sir. The Statement is as follows:

“(a) It is not possible to say whether 2,200 engineering units and foundries in Gujarat State had to suspend operations on 6th August, 1963, as no definite information is available. However, Government is aware of the shortage of pig iron for foundries manufacturing castings for engineering units not only in Gujarat State but in other States also. Complaints have also been received from various States, including Gujarat State, regarding shortage of pig iron, resulting in closure of some units and restricted production.

(b) The main reason for shortage is that while the demand for pig iron (foundry grade) has been growing due to the development of foundry capacity, the availability has not correspondingly increased, because several schemes for production of pig iron which were licensed

in the private sector did not materialise as anticipated. Steps are being taken to augment indigenous production, and also to import some pig iron from next year."

SHRI A. D. MANI: Sir, I would like to draw the attention of the Minister to a publication in the 'Economic Times' which is received by the Government and a copy of which is always available in the library. There the Ahmedabad correspondent on August 6 says as follows:

"Nearly 2,200 engineering units and foundries employing over 23,000 workers in Gujarat today suspended operations in protest against the alleged indifferent attitude of the Government towards the plight of the industry in regard to the supply of pig iron."

Sir, this statement has appeared in the Press. Am I to understand that the Government of Gujarat to whom the units which suspended work had made representations has not brought the matter to the notice of the Government of India?

SHRI C. SUBRAMANIAM: It has not been brought to the notice of the Government but, as was read out, it was not due to the shortage of pig iron but as a protest against them.

Therefore it was some sort of *hartal*.

SHRI A. D. MANI: Sir, I am sorry I must read out further what the news item says. It further says:

"The quota of pig iron for the State covered barely 13 per cent. of the requirements. The small units have not received supplies since February and as a result they have been working at only 30 per cent. capacity."

So, Sir, it is not a protest against the Government's attitude but against the failure of the Government to supply pig iron to the industries.

SHRI C. SUBRAMANIAM: Sir, I have got the figures with regard to supply of pig iron to Gujarat. In 1962-63 for the whole year it was

25,969 tons and all the foundries had continued to work. In 1963-64 i.e. April to September 1963, the total despatch comes to 11,623 tons. Therefore there has not been any particular shortage during 1963-64 for warranting any closing down of 2,200 foundries.

SHRI A. D. MANI: Has Government come to any conclusion with regard to the under-employment potential of the units in Gujarat, because it is stated that only 30 per cent. are able to work, only 30 per cent. of the capacity is being utilised? Is that a statement of fact?

SHRI C. SUBRAMANIAM: Yes, Sir, It would be possible particularly for smaller foundries to work only to that capacity. But the bigger ones, which are producing for the various essential industries, in addition to the allotment made to the foundries directly for various purposes, they get priority allotment which goes to show that most of the foundries will be able to work round about 60 to 70 per cent.

SHRI K. S. CHAVDA: May I know what steps the hon. Minister intends to take to meet the growing demand for pig iron in Gujarat as well as in other States?

SHRI C. SUBRAMANIAM: Sir, we have to increase our indigenous production. We intend putting up blast furnaces in the existing steel plants, etc., for the purpose of producing pig iron.

श्री विमल कुमार मन्नालाल जी चौरङ्गिया :  
ज्या श्रीमान् यह बतलायेंगे कि जैसा अभी  
बनाया कि प्राइवेट सेक्टर को जो ल.इसेस  
दिये थे, उनको उन्होंने मैटीरियलाइज नहीं  
किया, इस वजह से पिग आयरन ज्यादा पैदा  
नहीं हो सका, तो उसके सम्बन्ध में एक तो  
क्या कार्यवाही की और दूसरे शासन ने अपना  
जो ल.य निर्धारित किया था स्वयं की फैक्ट्रीज  
में उसके हिसाब से कितना पिग आयरन कम  
पैदा किया अथवा ज्यादा पैदा किया ?

SHRI C. SUBRAMANIAM: Can the hon. Member put his question in English?

SHRI V. M. CHORDIA: Will the hon. Minister be kind enough to state what action has been taken against those persons who were given licences to produce pig iron? Secondly, what was the target of the public sector in regard to production of pig iron and also whether the Government has produced up to that target or below the target or whether production has exceeded the target?

SHRI C. SUBRAMANIAM: In the public sector projects and also in the existing private sector projects we have produced a little more than what was targeted. But unfortunately the factories which were licensed in the private sector have not come into existence. Where no action has been taken, the licences have been cancelled. But two or three are taking some steps to put up the factories.

SHRI K. SANTHANAM: May I know, Sir, whether, in view of the shortage of pig iron, every State Government will be encouraged to put up small factories for the production of pig iron in quantities of 100,000 to 300,000 tons?

SHRI C. SUBRAMANIAM: Yes, if they come forward, we will certainly encourage them. As a matter of fact we have given a licence to the Andhra Industrial Development Corporation, which is a Government body, for the production of pig iron. I think we have licensed one unit in the State sector also, in Punjab. In the same way, Sir, if other State Governments come forward, we will certainly consider it quite favourably.

SHRI M. C. SHAH: May I know the requirements of these engineering units and foundries for the year 1963-64 and what is the allotment to them?

SHRI C. SUBRAMANIAM: For 1963-64 it is estimated that, if we have to give for the full working

capacity, two million tons of pig iron will be required. Our production will be round about 1.2 million tons.

SHRI M. C. SHAH: What is the allotment?

SHRI C. SUBRAMANIAM: The whole of it is allotted.

SHRI LOKANATH MISRA: May I know the reasons why the licences issued to the private sector industries were not used up?

SHRI C. SUBRAMANIAM: Evidently, in many cases, Sir, the private sector is interested in making immediate profits and big profits. Perhaps this is not one of the items in which they can make immediate profits.

SHRI A. D. MANI: Sir, I should like to ask whether there is any proposal to increase the quota of pig iron for Gujarat which is now getting only thirteen per cent. of its requirements.

SHRI C. SUBRAMANIAM: Sir, it was only recently that we increased the quota of all States. As a matter of fact, for State-list foundries the original allotment was 110,000 tons and a few months back we increased it to 223,000 tons, that is, we have doubled it. Therefore, in almost all the States the quota has been doubled.

#### †CHRISTIAN MISSIONARIES

\*392. SHRI FARIDUL HAQ ANSARI: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether Government have any information that China was making use of Christian Missionaries for the purpose of anti-Indian propaganda both in India and abroad;

(b) whether any booklet containing prejudicial matters against India written by a foreigner attached to some mission in Delhi is in circulation in the country; and

(c) if so, what steps Government have taken to curb these activities?

†Transferred from the 10th December, 1963.