

DR. K. L. SHRIMALI: I am not aware of what the Aligarh University may have done in this connection, but it would have been ungracious on our part not to have sent this message.

**SETTING UP OF SMALL STEEL PLANTS IN  
PRIVATE SECTOR**

\*299. SHRI N. M. LINGAM: Will the Minister of STEEL, MINES AND FUEL be pleased to state whether Government have taken any decision regarding the establishment of small steel plants using low shaft furnaces in the private sector?

THE MINISTER OF STEEL, MINES AND FUEL ( SARDAR SWARAN SINGH ) : Government do not propose to permit setting up of new units for the manufacture of steel in the private sector; however, Government have recently decided to permit setting up of plants for the manufacture of pig iron up to a maximum capacity of 100,000 tons per annum.

SHRI N. M. LINGAM: May I know, Sir, why the Government is not allowing the setting up of steel plants in the private sector by using the low shaft furnace process, in view of the fact that it is in harmony with the Industrial Policy Resolution of the Government itself?

SARDAR SWARAN SINGH: In the Industrial Policy Resolution, the setting up of new steel plants is reserved for the public sector. Maybe, small electric furnaces and the like might be established in the private sector. The setting up of steel plants based upon low shaft furnaces for the production of iron is not likely to be competitive.

SHRI N. M. LINGAM: May I know, Sir, whether the setting up of small and medium scale industries is not recognised in the Industrial Policy Resolution and, if so, the setting up of small steel plants using the low shaft furnace method is not contrary to the policy laid down by the Government?

SARDAR SWARAN SINGH: It is an academic question.

SHRI N. M. LINGAM: It is not academic. It is the policy laid down. We have the resources. We have large stocks of iron ore. We have large quantities of low grade coal or lignite and we have only very small quantities of coking coal. Why not make use of these for supplementing the large steel plants in the country.

SARDAR SWARAN SINGH: One of the methods of utilising non-coking coal is by the establishment of plants for producing pig iron. The hon. Member should realise that pig iron cannot be produced unless coal is used.

SHRI BHUPESH GUPTA: May I know, Sir, whether it is not a fact that even with regard to the question as to who should be licensed for these new pig iron undertakings, there was a controversy in the Planning Commission and why did Government give licences to the private sector people when it was open to the Government for itself to start such undertakings?

SARDAR SWARAN SINGH: I am not aware of any controversy in the Planning Commission and to my knowledge there was no controversy at all in the Planning Commission about this matter. With regard to the granting of permission for setting up pig iron plants in the private sector, this is a decision which has already been taken and already we have permitted the establishment of pig iron plants up to a capacity of 15,000 tons annual capacity. The present decision is to permit them to set up plants with a higher capacity because it was found that a pig iron plant up to a capacity of 15,000 tons is not very economic.

SHRI N. M. LINGAM: May I know, Sir, if the decision not to license the setting up of small and medium-scale steel plants is on ideological grounds

or on the ground that it is against the Industrial Policy Resolution or is it because the Government are not satisfied with the economics of such production?

SARDAR SWARAN SINGH: For both these reasons.

DR. H. N. KUNZRU: He has given three reasons. How does he say 'for both reasons'?

SARDAR SWARAN SINGH: I think there were two. If the hon. Member could find out the third reason, I might say 'yes' or 'no' to that also.

MR. CHAIRMAN: 'Ideological reason, economic reason'—these are the two I heard.

SHRI BHUPESH GUPTA: And various other reasons.

SARDAR SWARAN SINGH: May I clarify the position? There is no question of any ideological objection as such. The Industrial Policy Resolution is quite clear that the establishment of steel plants is reserved for the public sector. If the Industrial Policy Resolution itself is regarded as an ideology, then the use of that adjective may be there but the suggestion of the honourable Member is not in consonance with the Industrial Policy Resolution.

#### DIRECTIONS TO STATE GOVERNMENTS REGARDING DELHI PRIMARY EDUCATION ACT

\*300. SHRI B. N. BHARGAVA: Will the Minister of EDUCATION be pleased to state whether Government have issued any directions to State Governments suggesting that the Delhi Primary Education Act may be looked upon as a model legislation for the whole country as stated by him in the Rajya Sabha on the 12th April, 1960?

THE MINISTER OF EDUCATION (DR. K. L. SHRIMALI): A suggestion has been made to the State Gov-

ernments to re-examine, and if necessary, modify their existing laws on Primary Education in the light of the model provided by the Delhi Primary Education Act, 1960.

श्री भगवत नारायण भार्गव : क्या इस सम्बन्ध में राज्यों से कोई उत्तर केन्द्रीय सरकार को मिला है ?

डा० कालू लाल श्रीमाली : जी हाँ, आन्ध्र प्रदेश और पंजाब ने तो अपनी अपनी एम्बेल्ली में लेजिसलेशन भी इंट्रोड्यूस कर दिये हैं। असाम ने लिखा है कि वे शीघ्र ही इस लेजिसलेशन के मुताबिक लेजिसलेशन इंट्रोड्यूस करेंगे। मैसूर ने लिखा है कि वे लेजिसलेशन तैयार कर रहे हैं। और राज्यों से जवाब नहीं आया है लेकिन कई राज्यों ने कहा है कि वे विचार कर रहे हैं कि शीघ्र ही इसके मुताबिक नया विधेयक अपनी संसद् में रखेंगे।

#### WORKING GROUP ON THE JUDICIAL POWERS OF PANCHAYATS

\*301. SHRI B. N. BHARGAVA: Will the Minister of LAW be pleased to state:

(a) whether Government propose to constitute a working group for the consideration of the judicial powers of Panchayats; and

(b) if so, what will be the constitution of the said group?

THE MINISTER OF LAW (SHRI A. K. SEN): (a) and (b) Government has appointed a study team consisting of the Special Secretary in the Ministry of Law, Legislative Department, a representative each from the Ministries of Home Affairs and Community Development for studying the working of Panchayat Courts in India.