but the iron ore and limestone in Rourkela are of a much poorer quality than that of any other steel plant in the country. What makes the steelmakers shudder is not the poor quality as such, but the fluctuation in the quality. There has not been deliberation at the plant on how to make the quality consistent. This is definitely the plant's main weakness.

EIR: Aren't there means to solve this problem?
Subramony: There are technologies available to improve the situation, and we are taking care of the problem within the present modernization [of the] plant.

We are also trying to solve the fuel problem. The plant consumes a great deal of oil, and oil is not available today, since costs have gone so high. You can always find imbalances in every steel plant; it is nothing new with Rourkela. But we are going to remove these imbalances in our modernization drive.

Here in the steel industry in India we are proud of Rourkela. It has done its job, and it is doing its job, and whether it is German industrialists or equipment suppliers or the public sector, everyone can be very proud of what they have done here in India. Nothing has gone wrong; technical problems or design problems remain, but they can be taken care of. Nothing is 100 percent perfect in the world. The attempts are really good, and the equipment is doing very well. . . .

I have no doubt that German industry will come forward with full enthusiasm as they did in the beginning, to help Rourkela out this time as we want to modernize and expand.

Interview: Naresh C. Nayak

'The latest technology is appropriate'

Naresh C. Nayak, general manager for the works at Rourkela Steel Plant, has been there since the plant opened in 1959. He was recruited to the team of engineers selected to build the plant when he worked as an engineer in Germany. This interview as conducted by Hartmut and Ortrun Cramer at the Rourkela Steel plant March 22.

EIR: Mr. Nayak, you were here in Rourkela from the very beginning, 24 years ago. At that time you must have regarded yourself as a pioneer. Do you still feel the same?
Nayak: Very much so! This is one of the greatest satisfactions for me and people like me, who started their career with the steel industry in Rourkela.

EIR: Can you explain how Rourkela was developed?
Nayak: As far as I know, the idea came up in the immediate post-war period, when the Federal Republic came into being. Pandit Nehru was the prime minister; he thought first of all about the development of core industry. Steel was very important in his mind. He looked for industrially advanced countries which could collaborate with us. West Germany offered help.

Experts from India and Germany selected Rourkela as a site for several reasons. One was that ore is very near at hand, about 100 kilometers from here. It is on the main Calcutta-to-Bombay railway line. Hydroelectric power was available in the area, together with limestone and coal, and lastly it was thought that the site here for a town was very beautiful.

The two giant companies Krupp and Demag formed the Indien Gemeinschaft Krupp-Demag, to bring in what technical assistance was needed from Germany industry, and to work with Hindustan Steel, Ltd., which was formed here. These two companies developed the concept for the plant and recruited the personnel.

EIR: Since the area here was basically a total desert, how did you solve the problem of recruiting the workforce, both skilled workers and technicians, and educating them for their task?
Nayak: The nucleus of the workforce, mainly the executives and the engineers, was recuited by the initial board of Hindustan Steel, which toured Europe and the United States, to find Indian nationals who were interested in joining their company. . . . I was with AEG in Stuttgart when the initial board interviewed us at Essen. . . .

They also looked for experienced people in India, from Tata Iron and Steel Company at Jamshedpur, from a small firm in Karnataka, South India, and for some people from Rourkela. These people were sent to Germany to join those who had been working in Germany, the United Kingdom, or the United States. . . .

At the same time recruitment of the so-called diploma holders and science graduates for the intermediate supervising positions was started, as well as the ITI [Industrial Training Institute] certificate holders, people who had a one-and-a-half-year training course to qualify as fitters, electricians, and welders. . . .

Then, in our own training institute, they were put through an intense program here in Rourkela. The engineers, the first batch like us, the pioneers, were trained in Germany. But every year new graduate engineers were recruited here, some of whom were sent to the United States.

EIR: You have people coming to Rourkela from all over India, belonging to various religions and ethnic groups. Did you have any problems in the past 24 years?
Nayak: Never any serious problem as far as the various ethinic groups are concerned. In 1964, there was some kind of a communal riot between Muslims and Hindus here. But this was externally provoked. Bangladesh had not been formed in 1964; it was still East Pakistan. Some stories of atrocities

committed on Hindus in East Pakistan were very much publicized in newspapers here.

EIR: How is the steel plant functioning technically?
Nayak: We have had our share of major problems, and we have also learned through experience. Most of our systems of operation or of maintenance were evolved through experience. Now, as far as the operational functioning is concerned, it is going very well.

EIR: What was the basic function of Rourkela in the Indian economy?
Nayak: Originally, Rourkela provided the Indian economy the much-needed flat products like plates, hot rolled sheets, cold rolled strips and sheets, and so on. Later on, when we produced 1.8 million tons of steel, we provided coated products like galvanized sheets. We also began to manufacture pipes, which we are now mainly doing, and in the field of large-diameter electrical resistance weld pipes and spiral weld pipes, we are practically the only manufacturer in the country.

EIR: At the time Rourkela was built, the LD process [basic oxygen] was the most modern in the world. So India, a developing country, got the most advanced technology. Today international organizations like the Brandt Commission, and the World Bank call for "appropriate technologies," meaning more primitive technology.
Nayak: If you take the example of the LD process, you see that the latest technology can also be the "appropriate" technology for a developing country. In fact, I remember that ours was the fourth plant in the entire world to adopt the LD process of steelmaking. At that time, a delegation went from Rourkela to Europe to study the situation. They came back and reported against the adoption of this technology, and said we should not go for this at that time. But we did.

When it comes to a degree of automation or computerization in a particular field of work, we have to be careful and not go in for something which is merely a fashion. But as far as processes like the LD process of steelmaking are concerned, we should use the latest processes, as long as they are proven to work.

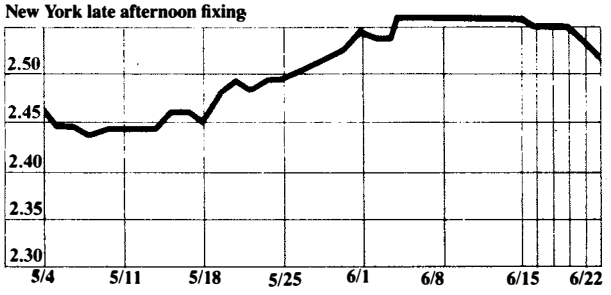
EIR: We can see that Rourkela is a very green steel city. Was this planned from the beginning?
Nayak: Yes, it was. I still remember that Krupp's department was in charge of planning the town. It was planned that a range of hills would separate the plant site from the town, so that the smoke from the plant would not be visible in the town. The valleys and the hills were deliberately chosen as a beautiful location. This is the prettiest steel city in India, and, as far as I can see, one of the prettiest in the world. . . .

I would like to thank Germany for the cooperation extended in the past; I hope that the cooperation has been of mutual benefit, and I hope this will continue for years to come.

Currency Rates

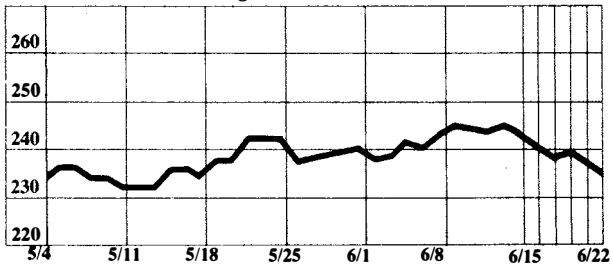
The dollar in deutschemarks

New York late afternoon fixing



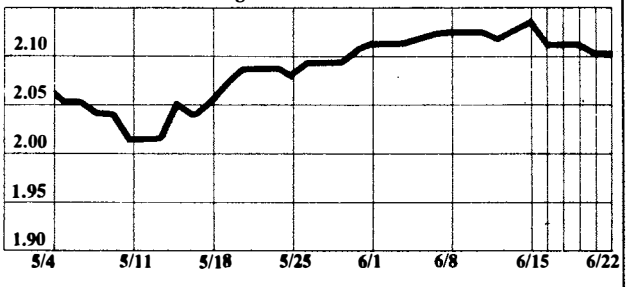
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing