

Smaller Steel Plants

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 *358. { Shri Bhakt Darshan:
 Shri Birendra Bahadur Singh:
 Shri Bhagwat Jha Azad:

Will the Minister of Steel and Heavy Industries be pleased to state:

(a) whether it is a fact that Government are considering to set up a few smaller steel plants in the country;

(b) what are the sites in view of Government for this; and

(c) by what time a final decision is expected in this matter?

The Deputy Minister in the Ministry of Steel and Heavy Industries (Shri P. C. Sethi): (a) No, Sir, not in the Third Plan apart from a plant based on Neyveli lignite which is already included in the Plan.

(b) and (c). So far as Neyveli is concerned, a project report is under preparation which will deal *inter alia*, with the question of site. A decision is likely to be taken in the latter half of 1963. As regards other sites, the question does not arise in connection with the Third Plan, though the problem will be studied in relation to the Fourth Plan.

Shri Bhakt Darshan: Who is preparing the project report?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): We have asked Dastur and Company to prepare it.

Shri Bhakt Darshan: Has it not been examined as to how the smaller steel plants can meet their way, when even big plants like Rourkela and Bhilai are not self-sufficient?

Shri C. Subramaniam: I do not understand the question. The presumption is that Rourkela and Bhilai are not self-sufficient. That is not correct.

Mr. Speaker: Perhaps they are not running to full capacity.

Shri C. Subramaniam: Bhilai is running to full capacity and Rourkela is on its way to running to its full capacity.

Shrimati Lakshmikanthamma: In view of the fact that the war is fought not only in the battlefield, but also in the production front, in view of the emergency, since most of our steel will be diverted to defence needs....

Mr. Speaker: She should put the question first and argue afterwards if she is allowed.

Shrimati Lakshmikanthamma: Will the Government consider such proposals as setting up a plant at places like Kothagudium where iron, coal and water are available.

Mr. Speaker: That is a suggestion for action.

Shri Hari Vishnu Kamath: Keeping in mind the national needs created by the emergency brought about by the Chinese aggression, may I know what steps are being taken to step up production of steel inside the country?

Shri C. Subramaniam: The question is completely different. It is about stepping up of production in the existing plants. The Government are considering to set up a few smaller steel plants in the country.

Mr. Speaker: He is only anxious that we might increase the production of steel.

Shri C. Subramaniam: That is being done, I can assure the hon. Member.

Shri K. C. Pant: The hon Deputy Minister mentioned that the only small steel plant to be set up in the Third Plan will be based on Neyveli Lignite. Is it not a fact that the Government are examining other fuels besides lignite for this particular project?

Shri C. Subramaniam: We are considering a few pig iron plants. But apart from that, we are not considering any smaller sized plants in the Third Plan.

Shri Ranga: Is it a fact that the Government of India have received repeated requests from the Government of Andhra Pradesh for the development of a small steel plant near Kothagudium as well as other places in Andhra where there is plenty of Iron ore available?

Shri C. Subramaniam: Yes, Sir; the question of having pig iron plants based in these areas is there under consideration, and licences have been issued to the private sector to set up a plant there.

Production at Rourkela Steel Plant

*359. **Shri Maheswar Naik:** Will the Minister of Steel and Heavy Industries be pleased to state:

(a) the latest position of production of various units of production of the Rourkela Steel Plant; and

(b) what steps have now been taken to bring the plant to the level of the current emergency level productivity?

The Deputy Minister in the Ministry of Steel and Heavy Industries (Shri P. C. Sethi): (a) Production in the Rourkela Steel Plant has improved considerably. During October, 1962, production of pig iron reached 95 per cent of the rated capacity and that of steel ingots 75 per cent of the capacity.

(b) All efforts are being made to bring the plant to its rated capacity of production as early as possible. Some workshop equipment, rolling stock and spare parts required for improving operation and maintenance have been ordered. The services of some additional German technicians are being obtained for operation and maintenance of the plant.

Shri Maheswar Naik: May I know whether the defects already noticed and the difficulties already experienced by the Rourkela steel factory have already been made good in order that the production may be maximised to the rated capacity?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): It has already been stated, even last month, as far as pig iron is concerned we have reached 95 per cent and 75 per cent in respect of steel. By the end of December it is hoped we will reach 90 per cent of the rated capacity.

Shri Maheswar Naik: In this connection, may I know whether the expansion scheme has already made any headway or it is yet to be started?

Shri C. Subramaniam: Yes, Sir; the expansion of the project is also going through.

Shri Maheswar Naik: My question was whether it has already been started.

Mr. Speaker: Order, order—Shri Indrajit Gupta.

Shri Indrajit Gupta: May I know whether there has recently been any break-down in the Rourkela plant's mill; if so, what was it due to and what is the present position?

Shri C. Subramaniam: There was a break-down in one of the motors. There is a second motor and it is running. We are trying to get the other thing repaired.

Shri S. M. Banerjee: The hon. Minister stated in this House that Rourkela was, unfortunately, a "sick child". I want to know whether that defect has now been rectified and production is now in full swing?

Shri C. Subramaniam: Yes, Sir; I can declare that it is no longer a sick child. It is a very healthy child and it is growing.

Shri Hari Vishnu Kamath: Is the Minister in a position to state the comparative position with regard to production at Rourkela, Bhilai and Durgapur?

Shri C. Subramaniam: As I have already indicated before, Bhilai has reached its full capacity of production. As far as Rourkela is concerned, it has reached 95 per cent for pig iron