

difficulties because of frequent changes in the control rate of fish by the Ceylonese Government?

**Shri Manubhai Shah:** That is true, and that is what we brought to the notice of the Ceylonese authorities. Because of the very difficult balance of payment situation they have been varying the rates from time to time; but now under the new trade treaty signed only last month they have agreed that there should be no changes without consulting us.

#### Manufacture of Special Steel

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- \*490. { **Shri B. K. Das:**  
 { **Shri Subodh Hansda:**  
 { **Shri S. C. Samanta:**  
 { **Shri Mantri:**  
 { **Shri Ram Ratan Gupta:**

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

(a) the progress made in the manufacture of special steel in the country;

(b) how many licences have been given and how many have started production;

(c) whether Government sponsored plant at Durgapur is many months behind schedule; and

(d) if so, the reasons therefor?

**The Deputy Minister in the Ministry of Steel and Heavy Industries (Shri P. C. Sethi):** (a) At present the indigenous production of special steels is limited to about 24,000 tonnes of spring steel and 24,000 tonnes of electrical sheets (dynamo grade). In addition a small unit permitted under the Iron and Steel (Control) Order for a capacity of 9,600 tonnes of spring steel is likely to go into production shortly. The total capacity so far licensed, including the existing units for various types of alloys and special steels (including stainless steel and electrical sheets) is 488,600 tonnes. Government have also approved in principle a capacity of 17,000 tonnes

for stainless steels (2 units), 60,000 tonnes of constructional steels (3 units), and 18,000 tonnes of electrical sheets (1 unit).

(b) 20 licences were given since 1959 including 15 licences issued after March 1961, none has gone into production. Of these 20, 3 are under erection, 5 have been approved for import of plant, 3 are under consideration for import of plant, 2 licences have been revoked, the revocation of one is being considered and 6 are yet to submit import proposals.

(c) The Alloy and Special Steel Plant being set up at Durgapur is a few months behind schedule but in view of the emergency it is now being handled on a 'Crash' basis and production may start at about the scheduled time viz. the last year of the Third Five Year Plan.

(d) Some modifications were suggested by Production—know-how advisers and these and their financial aspects had to be re-examined. This took some time.

**Shri B. K. Das:** In view of the emergency it was considered that Bhadravathy Steel Plant should be entirely converted into making special steel. May I know whether any decision has been taken on that?

**The Minister of Steel and Heavy Industries (Shri C. Subramaniam):** The programme now is to convert the entire existing capacity into alloy steel production.

**Shri B. K. Das:** What about the Durgapur plant? Has the tender been invited or accepted?

**Shri C. Subramaniam:** All the tenders have been received. They are under scrutiny now.

**Shri Subodh Hansda:** May I know whether in the Durgapur steel plant the question of provision of raw materials that are to be used for the production of special steel has also been taken into consideration?

**Shri C. Subramaniam:** Yes, Sir. Durgapur steel plant will have stainless steel production to the extent of 17,000 tons.

**Shri K. C. Pant:** Does the Government propose to take any special steps to expedite the programme of manufacturing special steel in view of the urgent and vital defence requirements of these raw materials?

**Shri C. Subramaniam:** Yes, Sir. As a matter of fact, we have an immediate programme to put through in the Bhadravathi steel works. In addition to that, we are hastening the implementation of the Durgapur plant also.

**डा० गोविन्द दास :** यह जो विशेष प्रकार का फोलाद तैयार किया जाने वाला है यह एक ही प्रकार का होगा या इस के कई प्रकार हैं, और अगर कई प्रकार हैं तो क्या भिलाई में और जो दूसरे सरकारी कारखाने हैं उन में भी इसके उत्पादन की कोई व्यवस्था की जा रही है ?

**श्री प्र० चं० सेठी :** इसमें कई प्रकार के स्टील का उत्पादन होगा जैसे फी कटिंग एंड स्प्रिंग स्टील्स, टूल स्टील्स, कंस्ट्रक्शन स्टील्स, डार्क एंड अदर हार्ड ग्रेड स्टील्स, एलाय स्टील्स, स्टेनलैस स्टील्स, इलेक्ट्रिकल शीट्स !

**डा० गोविन्द दास :** मैं ने एक बात और पूछी थी उसका जवाब नहीं मिला । मैं ने पूछा था कि जो सरकारी कारखाने में उनमें अलग अलग तरह का फोलाद तैयार किया जाएगा या किसी खास कारखाने को यह काम दिया गया है ?

**Shri C. Subramaniam:** In the Durgapur steel project almost all these categories would be produced.

**श्री श्री :** क्या टाटा आयरन एंड स्टील कम्पनी ने अपना लाइसेंस वापस कर दिया है ? यदि हाँ, तो क्या उस के स्थान पर पब्लिक सेक्टर में कोई दूसरा कारखाना खोलने की व्यवस्था की जा रही है ?

**Shri C. Subramaniam:** A licence was issued to the Tatas in 1959. I think they have not been successful till now in taking steps for the implementation of this project. Therefore, the question is under consideration as to whether they should be allowed further time to implement the project. In the meanwhile, Government have taken the decision that the Bhadravathi Steel Works should be converted into a special and alloy steel plant. Therefore, it may not be necessary to allow the Tata steel project to go through.

**Shri Daji:** Is it correct that the gap created by the failure of the Tatas to use the licence is being sought to be made up by setting up another public sector undertaking with Soviet collaboration or help?

**Shri C. Subramaniam:** No positive step has been taken. As I have already stated, in view of the new programme that we have undertaken in the Bhadravathi steel project, there may not be much of a gap. But that is under scrutiny now.

**Mr. Speaker:** Next question. Shri S. C. Samanta... Absent. Dr. P. N. Khan.

**Dr. P. N. Khan:** Question No. 491.

**Shri S. M. Banerjee:** Sir, I request that Question No. 493 may also be taken up alongwith this question.

**Mr. Speaker:** If it is convenient, Question No. 493 might be taken up alongwith this.

**Heavy Electricals Ltd., Bhopal**

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\*491. { Shri S. C. Samanta:  
Dr. P. N. Khan:

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

(a) the reasons for the poor production at Heavy Electricals Ltd., Bhopal; and

(b) the arrangements that exist under the original agreement with Associated Electrical Industries Ltd.