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Title: Regarding privatization of Salem Steel Plant.

SHRI SUNIL KHAN (DURGAPUR): Sir, it is a matter of great concern to the whole House that the Steel Authority of India is trying to hand over the Salem Steel Plant to M/s. Jindals who are the only bidder in the fray. But they failed to satisfy the qualifying conditions to be bidder for the Salem Steel Plant. Secondly, they propose the same route, same investment proposals and the same technological upgradation as the SAIL. The SAIL can do it better than Jindals.

As we all know, the Alloy Steel Plant of the Durgapur Steel Plant and the Salem Steel plant were set up as units complementary to each other. The Alloy Steel Plant has melting and casting facilities of stainless steel and the Salem Steel Plant has all the facilities of rolling them into plates and sheets. No more investment is required in the basic area of production and some problems relating to quality are there in ASP which can be cured by setting up of one AOD unit there. It will be a nominal investment of hardly Rs. 50 crore to Rs. 60 crore which will be returned to them in the next year. ...*(Interruptions)* There is a bulk order from China till the Olympics games will be held. There is also necessity of this stainless steel and its use is growing rapidly in railways, construction, storage, drug and food processing, dairy industry etc. I submit that marketing will not be a problem. ...*(Interruptions)* The freight charges of Indian railways are very high. Since the slabs from ASP are raw material for Salem Steel Plant the transportation charges should be at concessional rates for the stainless steel. This will improve the economies of both the plants.

I, therefore, urge upon the Government to look into this matter and not to sell the Salem Steel Plant.
...*(Interruptions)*

MR. SPEAKER: Shri A. Krishnaswamy.

SHRI DALIT EZHILMALAI (TIRUCHIRAPPALLI): Mr. Speaker Sir, you had called me, but I did not speak about it.

SHRI E.M. SUDARSANA NATCHIAPPAN (SIVAGANGA): Sir, I would like to associate with him because Salem Steel Plant is a matter of prestige for Tamil Nadu. Even as Minister for Heavy Industries, the hon. Speaker himself had visited Burns Standards Company in Salem. That has also been taken up for disinvestment. The Steel Authority of India's plant is running in profit, but at the same time, the Government wants to give it to a person who is already black-listed. They want to show that this is also being disinvested. Sir, Tamilian people, wherever they are living, take Salem Steel Plant as a prestige of Tamilians throughout the world. Therefore, this aspect should be appreciated by the Government and they should take it away from the list of units earmarked for disinvestment. They should not open the tender and they should not give it to anybody. It should be run by the public sector.

MR. SPEAKER: Shri A. Krishnaswamy.

SHRI DALIT EZHILMALAI : Sir, Salem Steel Plant will not go to the private owner. We will not allow this to happen in Tamil Nadu. Salem Steel Plant will continue to be the property of the Government.