

(d) whether the requirement of the handloom industry is likely to be met even then the low production of yarn as a result thereof; and

(e) if not, the steps being taken in this regard?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (e) No new directions have been issued recently to the spinning mills regarding availability of spin yarn to the handloom industry as adequate availability is already ensured and no report of either shortage or abnormal price increase has been reported.

[English]

*300/13*  
**Rourkela Steel Plant**

1685. / SHRI TATHAGATA SATPATHY :  
DR. ULHAS VASUDEO PATIL :  
SHRI PRASAD BABURAO TANPURE :

Will the Minister of STEEL AND MINES be pleased to state:

(a) whether there had been cost over-run in the modernisation project of Rourkela Steel Plant;

(b) if so, the position in this regard during the last three years;

(c) whether any efforts are being made by the Government during the current fiscal year to meet the depreciation costs and the interest burden of modernisation project;

(d) if so, the details thereof;

(e) whether this plant is putting attention for modernisation rather than production; and

(f) if so, the details thereof and details of facilities?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) and (b)

Yes, Sir. The details of cost overrun are as under :—

Approved Cost	Rs. 3954 crore (Base: 1st Qtr'92)
Anticipated Cost	Rs. 5112 crore (Base: 4th Qtr'97)
Cost overrun	Rs. 1158 crore.

(c) and (d) No, Sir. However, based on IDBI's recommendations on financial restructuring, SAIL has approached the Government for its financial restructuring which primarily envisages relief from the Steel Development Fund (SDF) loan/Government of India loan towards writing down of fixed assets to the extent of interest capitalized, writing-off of loan and advances given by SAIL to IISCO, etc.

(e) and (f) Adequate attention is being given by the management both to modernisation work as well as to production. The modernisation work has been completed in August'98 except for one Reheating Furnace (Reheating Furnace No. 5) at Hot Strip Mill, which is likely to be completed by March'2000. The salient details of the modernised facilities and the production performance of the plant during last 3 years are given in the enclosed statement.

**Statement**

*The salient details of modernised facilities at RSP*

**Phase-I**

Centralised Raw Material Handling System
Coal Averaging and other Coal Handling facilities
Sinter Screening and Conveyonsation of Stock Houses in Blast Furnaces
Cast House Slag Granulation facility for Blast Furnace No. 4
180 TPD Air Separation Unit
Modification of Domite Brick Plant
Combined blowing facilities in existing LD converter no. 4 and 5 at Steel Melting Shop-I

Augmentation of Power Distribution facilities

**Phase-II**

Base Blending facilities in Centralized Raw Material Handling System

Installation of Partial Briquetting of Coal Charge facilities

Installation of 1 x 192 M2 Sinter machine at New Sintering Plant

Conveyors from and to New Sintering Plant

Installation of 2 x 150 T LD converters at New Basic Oxygen Furnace (BOF) Shop

Installation of 2 Nos. of Single Strand Slab Casters in new BOF Shop

Phasing out 3 x 40 T converters and 4 x 80T Open Hearth Furnaces and installation of one Single Strand Slab Caster in existing Steel Melting Shop

Modification of Plate Mill and Hot Strip Mill

Installation of 4 x 250 TPD New Calcining Plant

Installation of 1 x 180 TPD Air Separation Unit

Installation of 1 x 60 TPD New Medium Pressure Boiler

Sizing Plant at Satna Line Stone Queries

Installation of One Reheating Furnace in Plate Mill and Two Reheating Furnaces in Hot Strip Mill of larger capacity in place of two old Reheating Furnaces in Hot Strip Mill.

*Production of Saleable Steel in Rourkela Steel Plant*

Year	1995-96	1996-97	1997-98
000 Tonnes	1148	1180	1181

**Indo-Myanmar Trade**

1686. SHRI N.J. BATHWA : Will the Minister of COMMERCE be pleased to state:

(a) the terms and conditions of the Indo-Myanmar Trade Treaty;

(b) whether the Government are aware that the marketing centres at Moreh have been shifted to the Myanmar side at Neamphalong and Tamu; and

(c) if so, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) India and Myanmar signed a Bilateral Trade Agreement on 27.5.1970 agreeing to develop and strengthen in every possible way trade relations between the two countries for mutual benefit on the basis of the principle of equality of rights and also agreed to accord Most Favoured Nation (MFN) treatment to each other. India and Myanmar have also signed a Border Trade Agreement on 21.1.1994. The highlights of the agreement are:

- (i) Border trade would be conducted through the designated custom posts in accordance with the laws, regulations and procedures in force in either country at Moreh in Manipur corresponding to Tamu in Myanmar and Champai in Mizoram corresponding to Rih in Myanmar and also at other places as may be notified by mutual agreement.
- (ii) Exchange of locally produced commodities as identified therein, by people living along both sides of the Indo-Myanmar border will be continued as per the prevailing customary practice including the barter mechanism.
- (iii) Trade may be conducted in freely convertible currencies or other currencies as may be mutually agreed upon by the two countries, including through counter trade arrangements.
- (iv) Periodical review by both sides to ensure successful implementation of the objectives and provisions of the Border Trade Agreement.

The border trade at Moreh was made operational in 12.4.95 whereas the border trade at other points has not yet been operationalised. Myanmar have decided in November 1997 that the normal trade through the border should take place only in US dollars with Myanmar exports preceding the imports from India.

(b) No marketing centre of Moreh has been shifted to the Myanmar side.

(c) Does not arise.

*Foreign Trade*

*5.13-04*