

SHRI VASANT SATHE : Granting of extension is based on the merits of an officer.

SHRI RAMSWAROOP RAM : But it is the policy of the Government not to grant extension in service.

SHRI VASANT SATHE : We shall act according to the policy of the Government.

[English]

Setting up of Nijaynagar Steel Plant at Hospet in Karnataka.

*249. **SHRI V.S. KRISHNA IYER :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) Whether the late Prime Minister Smt. Indira Gandhi had laid the foundation stone of the Vijayanagar Steel Plant at Hospet in Karnataka some nine years back;

(b) If so, the total amount spent so far on the about plant;

(c) the amount required to commission the plant;

(d) whether Government propose to provide more funds in the coming years; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) : Yes, Sir, in October, 1971.

(b) Total amount spent so far is about Rs. 8.5 crores.

(c) In accordance with the Detailed Project Report, based on direct reduction technology, submitted by MECON in October, 1984, the capital cost of the first phase of the Plant (including captive power generation) has been estimated at Rs. 422 crores,

(d) and (e) Investment decision on this Project has not so far been taken by the Government.

SHRI V.S. KRISHNA IYER : Sir, it is a very disappointing reply. The foundation stone of this steel plant was laid in 1971 by no less a person than Shrimati Indira Gandhi, the then Prime Minister. You have spent already about Rs. 8.5 crores. The people of Karnataka are very much agitated over this. It is a question of life and death for them. The Steel Plant is a must for the economic prosperity of the State. I want a categorical reply from the Government whether they would like to take up this plant. The Honourable Steel Minister should give a definite reply as to whether he is going to take up the execution of this Steel Plant.

SHRI NATWAR SINGH : My distinguished senior colleague, Shri Vasant Sathe replies to a question the other day and he said that our Department has requested the Planning Commission to provide Rs. 400 crores. (Interruptions)

SHRI NARAYN CHOUBEY : But the foundation-stone was laid back.

MR. DEPUTY-SPEAKER : Let him reply.

SHRI K. NATWAR SINGH : If you do me the courtesy of listening to me. You might have your answer.

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PARTAP SINGH) : That is precisely the problem.

SHRI K. NATWAR SINGH : I am trying to answer your question. The answer is that after the allocations are made in the Seventh Plan, we will go ahead.

If you want to know about the details as to what work has been done so far, we can give this to you. But unless the allocation is made in the Seventh Plan, it is impossible for us to give any definite answer. (Interruptions)

SHRI V.S. KRISHNA IYER : Sir, his answer is not clear as probably I

did not follow. Has any fund been provided in the Seventh Plan? Have they recommended for a provision in the Seventh Plan? Let it be very clear. Has the Ministry of Steel recommended to the Planning Commission for a provision of certain fund in the Seventh Plan?

SHRI K. NATWAR SINGH : We have recommended to the Planning Commission.

SHRI M. V. CHANDRASHEKARA MURTHY : Mr. Deputy-Speaker, Sir, it is the long-felt desire of the people of Karnata, since 14 years, to have this plant. But I want to know from the Hon. Minister whether the Janata Government at the Centre during 1977-79 had kept this plant in the cold storage on the pretext that the collaborator preferred shore-based plant. If so, what is the reaction of the Government? I want a firm answer from the present Government.

MR. DEPUTY SPEAKER : Do you want to know regarding the Hospet plant? Does the Minister want to make any comment?

SHRI K. NATWAR SINGH : I have my own views on the Janata Government. But I would rather keep them myself for the moment.

SHRI M. V. CHANDRASHEKARA MURTHY : Sir, I seek your protection. I put a relevant question.

(Interruptions.)

MR. DEPUTY SPEAKER : Other hon. Members may keep silence. Please sit down.

(Interruptions)

MR. DEPUTY SPEAKER : What do you want to know specifically?

[Translation]

SHRI NARAYAN CHOUBEY : The Janata Government was out of power

in 1979. Why do you refer to Janata Government time and again?

[English]

MR. DEPUTYSPEAKER : Mr. Narayan choubey, please sit down.

(Interruptions)

MR. DEPUTY SPEAKER : I want to know what actually he wants. I want to listen to him. Allow me to listen to him. Why are all of you shouting like this?

SHRI M. V. CHANDRASHEKARA MURTHY : During the period 1977-79, the Janata Government at the Centre and a particular Minister had kept this proposal in the cold storage on the pretext that the collaborator preferred a shore-based plant. It was at the cost of the people of Karnataka.

(Interruptions)

What is the reaction of the Government?

MR. DEPUTYSPEAKER : Does the Minister want to say anything on this? Was the proposal kept in cold storage?

SHRI K. NATWAR SINGH : How can I express an opinion on this question.

MR. DEPUTY SPEAKER : During that period, whether the project had been kept in silence?

SHRI K. NATWAR SINGH : The project did not make any progress at all.

(Interruptions)

MR. DEPUTY SPEAKER : I want to get some information for you. Why are you troubling? Mr. Minister, are you having some information? *(Interruptions.)*

MR. DEPUTY-SPEAKER : Order

please. Please sit down.

SHRI K. NATWAR SINGH : I will give you the information. The report was given by the steel Authority of India. It was commissioned in 1975 and submitted by MECON in 1977. Various technical committees were set up by SAIL on DPR and certain changes in the parameters and product-mix were asked for. The SAIL Board approved the DPR in August, 1981. So, from 1977 to 1980, there was no progress at all.

(Interruptions)

MR. DEPUTYSPEAKER : That is all. Please sit down.

SHRI S. JAIPAL REDDY : Sir, the foundation-stone of the plant was laid in 1971. It is now 14 years passed. The Janata Government was in power for two years. So, what did the Congress Government do in the 12 remaining years ?

(Interruptions)

MR. DEPUTY SPEAKER : What do you want to say ? What question do you want to put ?

SHRI S. JAIPAL RADDY : I am putting the question. (Interruptions.)

MR. DEPUTY SPEAKER : You sit down.

SARI S. JAIPAL REDDY : Mr. Deputy Speaker, I seek your protection.

(Interruptions)

SHRI S. JAIPAL REDDY : It is 14 years since 1971 when the foundation stone was laid. The Janata Government was there only for just $2\frac{1}{2}$ years. What did the Congress (I) Government do for the remaining $11\frac{1}{2}$ years for achieving any progress in regard to the Vijayanagar Steel Plant at Hospet ?

SHRI VASANT SATHE : Much of

what the Congress Government did in all these years was undone in 2 years by the Janata Government.

(Interruptions)

PROF. MADHU DANDAVATE : Whatever we have achieved in 150 years of freedom struggle was destroyed by them in 2 years of Emergency.

SHRI VASANT SATHE : It takes time to build; it does not take much time to destroy...(Interruptions) It is no use crying over the spilt milk. You forget about these 14 years...

SHRI S. JAIPAL REDDY : You want me to remember only 2 years.

SHRI VASANT SATHE : I have included those 2 years also in these 14 years so that you forget that also.

If you want to know what is happening to the Vijayanagar Steel Plant. I will tell you what is happening. As far as the Vijayanagar Steel Plant is concerned, originally, it was thought that it would be based on the then available technology which is based on coking coal. Now, the coking coal is not available in that region. The coking coal is in short supply in the country. It was then found that any technology based on the coking coal would not work, would not be economical and would not be feasible. That is why the MECON were asked to come in to find out whether any onther technology—the plant had to be taken up; it was a promise and we wanted to do it—could be used. It has been found that there is a technology called D.R. Direct Reduction technology, by which sponge iron with electricity you can convert into steel. We have also worked this technology. We can have sponge iron and produce steel.

Now, the only question is that we must have an assured supply of power. Our experience, unfortunately, with Karnataka has been that even for the plants like Kudremukh...

SHRI S. JAIPAL REDDY : Since when ?

SHRI VASANT SATHE : You forget about when. Are you interested in the result or are you interested in finding fault ? I am telling you the position. Even today the Karnataka Government is not able to assure power. They have not given power even when we have paid Rs. 70 crores for the Kudremukh project. No power is available in Karnataka even for their own steel plants, like, Viswesaraya steel plant. No power is available there. My hon. friend should know that unless power is assured, this steel plant cannot work.

SHRI S. JAIPAL REDDY : Is he aware about power which has been denied to the people of Karnataka ?

SHRI VASANT SATHE : Therefore, it is no requesting the Planning Commission and the Finance Minister to give Rs. 400 crores if you cannot assure power. You assure power and I assure you the plant.

SHRI K.H. RANGANATH : Is it not a fact that when Mr. George Fernandes was the Industry Minister, he suggested that a shore-based project was better and, thereby they shelved the construction of the Vijayanagar Steel Plant ?

*(Interruptions)**

MR. DEPUTY SPEAKER : The Question Hour is over. There is no time. Please sit down. You give your question in writing. I am going to the Short Notice Question of Prof. K.K. Tewary.

*(Interruptions)**

MR. DEPUTY SPEAKER : Nothing will go on record.

*(Interruptions)**

MR. DEPUTY-SPEAKER : The time

is over. You give your question in writing to the Hon. Minister who will answer your question. Please sit down. You cannot question my authority.

The question hour is over. Now We shall take up the short Notice Question. Prof. K. K. Tewary.

SHORT NOTICE QUESTION

[English]

Reported Release of a technical report by the union Carbide Corporation, USA on the Gas Leakage at Bhopal

1. PROF. K. K. TEWARY : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) Whether attention of Government has been drawn to the reported release of a Technical Report by the Union Carbide Corporation, USA on the causes of Toxic gas leakage from their plant at Bhopal and reported statements of the Chairman and other officials of that Corporation disclaiming any responsibility or liability on the part of the Union Carbide Corporation, USA in regard to the disaster and their attempt to attribute all responsibility entirely on the Indian Managers and Operators of the said plant;

(b) If so, the reactions of Government in this regard ?

THE MINISTER FOR CHEMICALS AND FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS (SHRI VEERENDRA PATIL) : (a) Yes, Sir.

(b) The reported conclusions in the so-called technical report of the Union Carbide Corporation, USA are apparently based on insufficient evidence and therefore, are speculative. Further, the statements reported to have been made