

is very much linked with Varanasi. He has constructed bathing places there by spending such a huge amount. There a plan is being executed for the last two years to convert Varanasi Bhatni line into a broad-gauge one. It is a Rs. 60 crore project. But so far only Rs. 6 crores have been sanctioned for it. This would not serve the purpose. Will the hon. Minister make efforts to earmark some amount for that project out of these funds?

MR. SPEAKER: He has already said that these funds are a part of a complete plan.

SHRI RAM NAGINA MISHRA: It is an old project.

MR. SPEAKER: It does not come under that.

[English]

Modernisation of IISCO

245. SHRI BASUDEB ACHARIA†:
SHRI SUBHASH YADAV:

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

(a) whether any action plan with a specified time frame has been formulated to implement the modernisation scheme for the Indian Iron and Steel Company Limited and other steel plants; and

(b) if so, the details thereof?

THE MINISTER OF STEEL AND MINES (SHRI M. L. FOTEDAR): (a) and (b). A Statement is given below.

STATEMENT

(a) and (b). Yes, Sir. With a view to modernising the IISCO Plant, at the request of the Government of India, the Japanese International Co-operation Agency has prepared a feasibility report on the modernisation of Bumpur Works and Gua Iron Ore Mines of IISCO.

The proposed scheme envisages extensive changes in the Plant and contemplates an expansion in two stages over a period of six years to the ultimate capacity of production of 2.1 million tonnes of crude steel per annum.

Apart from IISCO, Durgapur and Rourkela Steel Plants are also proposed to be modernised. The modernisation of Durgapur Steel Plant is expected to commence in 1987 and be completed by 1992-93. This will enable it to operate at its rated capacity of 1.6 million tonnes per annum of ingot steel. The modernisation of Rourkela Steel Plant is expected to commence in 1988 and be completed by 1993. This will improve the capacity to 1.9 million tonnes per annum.

SHRI BASUDEB ACHARIA: The Sword of Damocles is hanging over the heads of 2,000 IISCO workers. The workers of IISCO are in perpetual worry about their future. This L. S. integrated steel factory is being treated as a drying unit. Martin Burn & Company had made this IISCO deliberately a sick unit by extracting maximum profits out of this company, and after nationalisation, the Government of India has invested an amount of only Rs. 168 crores which is totally inadequate to make this L. S. integrated steel factory viable. Dastur & Company prepared a feasibility report in the 70s, and it was followed by a Russian company which also prepared a feasibility report. Now, the Japanese company, the Japanese International Cooperation Agency has prepared a feasibility report on the modernisation of Bumpur Works and Gua Iron Ore Mines of IISCO. May I know from the hon. Minister whether Government has examined the feasibility report prepared by the Japanese International Cooperation Agency, whether it is a fact that thousands of workers have to retrenched with the modernisation of IISCO and whether any fund has been earmarked for the modernisation of IISCO during the Seventh Five-Year Plan?

SHRI M. L. FOTEDAR: The hon. Member is aware that this is one of the oldest plants in our country. It was taken over by the

Government in 1972 because of low production. The Japanese International Cooperation Agency has prepared a feasibility report which has been submitted only last month, in July 1987. That is under examination. This feasibility report envisages that there will be a reduction of about 10,000 in manpower. I would read out the figures. The feasibility report suggests that there will be an expansion in capacity and reduction of manpower. In terms of the report submitted recently, the existing manpower is 24,000.....

SHRI BASUDEB ACHARIA: In the Burnpur unit?

SHRI M. L. FOTEDAR: In the entire IISCO plant. The existing total is 24,000 in the entire IISCO plant and after modernisation it will be 14,000. I may remind the hon. Member that the IISCO Bachao Committee which has been formed and which is represented by many Trade Unions belonging to the Party of my friend and other Unions also....

SHRI BASUDEB ACHARIA: Not Party, but Trade Union.

SHRI M. L. FOTEDAR: The Trade Unions, including the INTUC also, though they are not on the Bachao Committee, all of them have been pressing the Government that this Plant should be modernised. This has been one of their demands. As the hon. Member has said, in 1984 the Russians also prepared a feasibility report. The latest report is of the Japanese-Government wants to bring the modern technology-and that is being examined by the Government. This envisages also that the manpower productivity of liquid Steel, which is at present 24 tonnes per man per year, after modernisation will come to 152 tonnes per man per year. And then the effective capacity which is at present 0.5 million tonnes will come to 2.15 million tonnes of crude steel. I may tell the Hon. Member that this is under examination. There are no funds in the Seventh Five Year Plan for this purpose. We are examining as to how to get the funds. Whether we will do it on trunkay basis or any other basis,

that is still under examination. So, at this stage, I will not be able to tell the Hon. Member when it will be modernised and with whose help and with whose collaboration and with what technology because everything is under examination.

SHRI BASUDEB ACHARIA: Why is this feasibility report prepared by the Russian company not acceptable to the Government? And whether this unit can be made viable with the help of Medium Modern Technology which exists in our country?

SHRI M. L. FOTEDAR: I may tell the Hon. Member that the Russian feasibility report envisages that the total plant capacity will be 1 million tonnes. Whereas the Japanese report suggests that the total capacity will be 2.1 million tonnes of crude steel. So, that is the difference. And in 1984 the report has suggested that it will be 131. We need not go by which country has suggested what. Whatever we do will be in the larger national interests, in the interest of workers, in the interest of the people, in the interest of plant. We would like to import the best and modern technology.

SHRI SHIVENDRA BAHADUR SINGH: Mr. Speaker, Sir, I would like to know from the Hon. Minister about the Japanese feasibility report about IISCO that he has expressed. In his answer he has also mentioned about Durgapur and Raurkela. I would like to know from the Hon. Minister what is the report on Durgapur, which companies are being asked for their feasibility report and if any funds have been created by SAIL or by Durgapur steel itself?

Similarly, for Raurkela, what is the position? When the Hon. Minister has said so many other things about Durgapur and Raurkela, what is the position regarding Bhilai steel plant because modernisation is supposed to be started in Bhilai first. I would like to know from the Hon. Minister what has been decided for the Bhilai Steel?

SHRI M. L. FOTEDAR: Hon. Member has asked whether any action plan has been

specified, time-frame has been prepared for modernisation scheme. I will reply three points-Durgapur, IISCO, Raurkela. He has asked about the Durgapur steel plant. I may tell the Hon. Member that the Seventh Plan allocation for this plant is Rs 460 crores, and the Budget provision for 1987-88 is Rs. 25 crores. The total estimated cost is Rs 1357 cores.

So far as Raurkela steel plant is concerned for this also, the total estimated cost is 1600 crores of rupees and for the Seventh Plan allocation, it is Rs 360 crores. At the moment, there is no proposal for the Bhilai steel plant.

SHRI C. MADHAV REDDI: Sir, the Hon. Minister was pointing about the paucity of funds which has come in the way of modernisation of steel plants and he has quoted figures from the Seventh Plan. May I know whether the Government of India is aware that way back in 1985 the World Bank evinced interest in financing all the steel mills in the country for modernisation? May I know whether any progress has been achieved, if so, what is the present stage?

I would like to know from the new Steel Minister what is the present new steel policy of the Government? And what has happened with regard to the much publicised White Paper on steel and at what stage it is today?

SHRI M. L. FOTEDAR: So far as the interest evinced by the World Bank is concerned. I am sorry, I don't have the figures as the question did not pertain to that aspect. So far as the White Paper on the steel policy is concerned - because it does not relate to the policy and it relates to the modernisation of some plants-when I get a question which pertains to that, I will reply.

Clearance to Irrigation Projects of Kerala

*246. **SHRI T. BASHEER:** Will the Minister of WATER RESOURCES be pleased to state:

(a) the number of irrigation schemes for which approval of the Centre has been sought by the Kerala Government;

(b) the number of schemes approved so far; and

(c) the details of the schemes still awaiting approval of Union Government?

THE MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): (a) to (c). Out of three major and two medium irrigation projects received since 1982, comments on two major and two medium projects have been sent to the State Government for compliance. One project has been returned on account of environmental consideration.

SHRI T. BASHEER: The irrigation facilities created in Kerala in the 6th Plan period and till now are very much inadequate and the financial allocation made by the Central Government also has been very much unsatisfactory. Our feeling is that Kerala is not getting the adequate share in this regard. So, I take this opportunity to urge upon the Government to provide more financial assistance to Kerala Government especially to complete the ongoing projects.

In this context I would like to know from the Hon. Minister the number of on-going projects, both major and medium, in Kerala and how many projects are to be completed by the end of the 7th Plan period. Please also let me know the total irrigation potential that has to be added during the 7th Plan period in Kerala.

SHRI B. SHANKARANAND: Sir., I don't accept the contention of the Hon. Member that the Central Government has not provided the necessary assistance to the irrigation facilities of Kerala. Perhaps the House is aware that the irrigation facilities are planned, funded and implemented by the States concerned. I should say at this hour that Kerala is the only State in the country which is receiving special attention and special assistance....(Interruptions)..... As I