

DR. SUBRAMANIAM SWAMY:  
Sir, you must not allow Mr. Ram Pyare to put a question to Mrs. Ram Dulari.

MR. SPEAKER: You have seen the results of the combination.

श्री सतीश अग्रवाल : श्री भागवत झा ने टोका उनको, लेकिन उन्हें भी डांट दिया ।

अध्यक्ष महोदय : यादव जी तसल्ली हुई कि नहीं आपकी ?

#### Expansion of Durgapur Steel Plant

\*334. SHRI CHITTA BASU:

SHRI AMAR ROYPRADHAN:

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

(a) whether Government have any proposal to modernise and expand the Durgapur Steel Plant;

(b) if so, specific steps taken in that direction;

(c) whether a team of experts from the Consortium of the British Steel Industry made a study of the Plant and Submitted its report;

(d) if so, salient features of the report; and

(e) action taken thereon?

THE MINISTER OF STATE IN THE MINISTRIES OF INDUSTRY AND STEEL AND MINES (SHRI CHARANJIT CHANANA): (a) to (e). A Statement is laid on the Table of the House.

#### Statement

(a) to (e). British Steel Corporation (Overseas Services) Limited prepared a development plan for modernisation ex-development plan for modernisation/export recommended revamping/modernisation of the existing iron and steel making facilities and installation of additional facilities like basic oxygen process of steel making to replace the open hearth process, continuous casting and a wire rod mill. No offer of financial assistance for implementation of this programme has been re-

ceived. Steel Authority of India Ltd. appointed an expert committee to examine that report. Apart from endorsing the above recommendations, the Committee also recommended installation of an additional 2000 M<sup>3</sup> blast furnace with all necessary facilities for raw-materials, storage, handling, coke making, sinter making, pig casting and auxiliaries etc. and installation of new Steel Melting Shop (SMS) with L.D. Convertors with a provision for expending the SMS at a later stage. In the light of these recommendations, a plan for restoring the health of this plant and for its phased development is being prepared. Implementation of this programme will be taken up after it has been considered by Government.

SHRI CHITTA BASU: Sir, the British Consortium in its report submitted that about Rs. 900 crores would be required for the modernisation and expansion of the capacity of the Durgapur steel plant from 1.4 million tonnes to 2.5 million tonnes. An Expert Committee from the Government of India side had been appointed and according to them, the estimate goes up to Rs. 1,100 crores. May I know from the hon. Minister in this context what has been the final estimate of the cost for the expansion and modernisation of the steel plant at Durgapur and whether the Government had sought any financial assistance or technological collaboration from any foreign country in this regard?

DR. SUBRAMANIAM SWAMY: We want Mrs. Ram Dulari to answer this question.

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI BHAGWAT JHA AZAD): No, we won't oblige you this time.

SHRI CHARANJIT CHANANA: As far as the plan for development is concerned, the report has two parts of the proposed investment. One is long term which involves Rs. 900 crores. The second one is short term which is for a period of four years i.e., from 1983-84 to 1987-88. That involves an investment of Rs. 236 crores. So, the total would be Rs. 1136 crores.

As far as the requirement of the financial assistance is concerned, the report is still under consideration of the Steel Authority of India Limited. The hon. Member has rightly said that an expert Committee was appointed. The expert committee has examined the report of the British Consortium and the final consideration is being given now to the whole report by the Steel Authority of India Limited.

SHRI CHITTA BASU: I specifically asked if the Government had sought any financial assistance or technological collaboration from any foreign country? Would you kindly enlighten?

SHRI CHARANJIT CHANANA: I have submitted to the hon. Member that both these questions will come up after the total report is finally accepted by the Government. In fact the type of technology that we would like to have and the type of capital renewal that modernisation would require, will decide the collaboration that we seek for.

SHRI CHITTA BASU: Is it a fact that some other foreign sources—

(a) the CIDA, the soft loan window of the Canadian Govt.

(b) U.S. Steel Corporation.

(c) Metchem, the Canadian subsidy of the US Steel have shown interest in the project? If so, has there been comparative evaluation of the offers being made?

SHRI CHARANJIT CHANANA: As far as the specific question of the hon. Member is concerned, I shall need time. But the hon. Member and the House should know that we are getting offers from various parties from various countries. But the detailed offers have not yet come. We will definitely welcome any offer that is worth while technological as well as financial. Only when they come, I can tell the hon. Member and the House the details and the reaction of the Government thereon.

SHRI AMAR ROYPRADHAN: At last the British Steel Corporation admitted

Durgapur Steel Plant born as a sick child of the Steel Industry of India. They suggested some immediate measures. They identified some points which need immediate attention:

(a) the installation of new hearth furnace with necessary additional facilities for blooming mills and billet mill,

(b) the forge shop should be equipped with oil hydraulic system,

(c) change is necessary to set up a basic oxygen process to replace open hearth process and wire rod mill, etc.

I would like to know from the hon. Minister the reaction of the Government thereto. What is the immediate action that has been taken and what is the reaction of the Public Investment Board thereto?

SHRI CHARANJIT CHANANA: I would repeat information given to the hon. House and the Member that the report is still under consideration at the level of the Steel Authority of India Ltd.

SHRI AMAR ROYPRADHAN: It is for immediate action.

SHRI CHARANJIT CHANANA: The hon. Member should note—

Number one is the balancing facilities for W & A, that is wheel and axle plant. The estimates cost is Rs. 4.06 crores. No. 2, is coke cutting facilities at a cost of Rs. 4.10 crores. No. 3, replacement of hammer mills and coke oven at Rs. 4.80 crores. No. 4, additional equipment for managing over mill. No. 5, additional facilities for central engineering and maintenance shop at Rs. 3.99 crores.

Actually, the hon. Member does not have to worry about this job at all. This is an in-house investment and an in-house organisation which is going on.