

**Setting up of a Power Plant for
Durgapur Steel Plant**

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***387. SHRI SUSHIL
BHATTACHARYYA:**

**SHRI KRISHNA CHANDRA
HALDER:**

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

(a) whether there is any proposal to set up a power plant for the Durgapur Steel Plant;

(b) if so, details thereof;

(c) when it will be completed; and

(d) what is the progress made so far?

**THE MINISTER OF COMMERCE
AND STEEL AND MINES (SHRI
PRANAB MUKHERJEE):** (a) to (d). Government have sanctioned a scheme for setting up additional thermal power generation facilities consisting of 2x60 MW sets in Durgapur Steel Plant. The scheme is under implementation. Earth-work and land development job is nearing completion and pile driving has already commenced. Orders for equipment, civil engineering and structural jobs have been placed. The first set is likely to be commissioned in 1982-83 and the second set six months later.

SHRI SUSHIL BHATTACHARYYA: Mr. Speaker, Sir, in the context of serious power crisis in the eastern region, this power plant will help much to improve the production of Durgapur Steel Plant and the Alloy Steel. May I ask the hon. Minister whether it is a captive plant or a part of the general Grid.

SHRI PRANAB MUKHERJEE: It is a captive power plant.

SHRI SUSHIL BHATTACHARYYA: I would like to know whether the Government is considering a similar captive plant in Burnpur-Asansol area.

SHRI PRANAB MUKHERJEE: No, Sir.

SHRI KRISHNA CHANDRA HALDER: Mr. Speaker, Sir, I would like to know from the hon. Minister when these two captive power plants will be completed. Then at that time, some expansion work of DSP will be in operation and modernisation of ASP will be taken up so far as I know. I hope he will say, whether it is true or not. And at that time, what will be the total consumption of DSP and ASP regarding power and what will be the consumption of the steel town equivalent to Durgapur.

I would also like to know from the hon. Minister whether these two power plants and the one existing small plant which is in operation now and is functioning, will cater to the needs of both Durgapur DSP and ASP and the township as a whole.

SHRI PRANAB MUKHERJEE: Sir, so far as the expansion is concerned, it is known to the hon. Member that for Alloy steel plant it has already been decided that an additional capacity of 60,000 tonnes will be added to the existing capacity of 100,000 tonnes. So far as the DSP is concerned, I have said on the floor of this very House that a Group has been set up to come forward with a proposal for the expansion of DSP.

In regard to the power requirement, when the expansion takes place and when these two units come, it would be 146 MW and that will take care of the entire requirement of DSP and ASP.

Regarding the third question about the existing power generation capacity, it is very meagre, only 20 MW and for that too, three of these units are very old and they have to be replaced, but that 20 MW will also be made available to supplement the demand apart from the contractual obligation of these three.

DR. KRUPASINDHU BHOI: May I know whether the Government has taken a policy decision to have captive power plants attached to all the existing steel plants and those that will come up later, or this is an isolated case?

SHRI PRANAB MUKHERJEE: In some of the steel plants we already have captive plants. So far as our captive plants are concerned, their generation is quite satisfactory. While the national average is 45 to 50 per cent, the generation of our own captive power plants is of the order of 75 to 80 per cent.

The general policy regarding captive power plants pertains to the Ministry of Energy. No policy decision has been taken to meet the deficit by having captive power plants everywhere. So far as the steel plants are concerned, I have answered the question.

PROF. MADHU DANDAVATE: Is it not a fact that due to the power constraint in the Durgapur steel plant, they are not able to meet even the reduced requirements of the railways in regard to wheel sets and as a result of that, wheel sets have to be imported at prices far higher than the indigenous rates? In order to remove these difficulties of the Indian Railways, will they try to see that the captive power plants at the Durgapur steel plant are upgraded, so that there will be no power constraint and all the requirements of the railways are adequately met?

SHRI PRANAB MUKHERJEE: I agree with the hon. Member. I have taken it up with my colleague in the Ministry of Energy as to what short-term arrangements we can make to get additional power particularly for the Wheel & Axle Shop.

SHRI DINEN BHATTACHARYA: From which countries are you contemplating to get the equipment necessary for this expansion?

SHRI PRANAB MUKHERJEE:
From Poland.

Loan from Japan for Bombay Off-Shore Oilfield Projects

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***389. SHRI PIUS TIRKEY:**
SHRI AHMED M. PATEL:

Will the Minister of FINANCE be pleased to state:

(a) whether Japan and India have exchanged notes for loan for the Bombay offshore Oilfields Development Projects; and

(b) if so, the details of the loan and by what time India will repay the whole amount to Japan?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) and (b). A Statement is laid on the Table of the House.

The most recent Notes exchanged between the Governments of India and Japan on 7th June 1980 provide for a loan to be extended by the Overseas Economic Cooperation Fund of Japan for the Bombay Offshore Oilfield Development Project (Platforms and Pipelines).

The amount of loan provided for in the Notes is Yen 8.6 billion, currently equivalent to Rs. 28.76 crores. As the actual loan will be made available only by a further loan agreement to be concluded between the Govt. of India and the Overseas Economic Cooperation Fund, the detailed terms and conditions of the loan will be governed by such loan agreement yet to be signed. However, according to the understanding reached in the Exchange of Notes the loan will be disbursed over a period upto 3 years, it will be repayable over a period of 30 years including a grace period of 10 years and the rate of interest will be 2.75 per cent per annum.