

the State Government—to see that the same is fulfilled.

SHRI BHOGENDRA JHA: Sir, he did not reply to my question. Is there any time limit?

MR. DEPUTY-SPEAKER: We are nearing the end. He said that there was no time limit. Mr. Sharma, be short.

SHRI A. P. SHARMA: I shall be brief in my question. Repeatedly the Minister had given an assurance that if the strike was called off, he would see that there was no victimisation.

Sir, I want to know whether any assurance was given on the floor of this House. I want a specific answer. What does the Government mean that there would be no victimisation? Let him explain that.

MR. DEPUTY-SPEAKER: Be brief. We have come to the end of the Question Hour.

SHRI BALGOVIND VERMA: I have told you that we are not going back on what has been said on the floor of the House. We are looking into it to see that the cases are settled and the people are taken back. With that end in view, we are always putting pressure on the Government of Bihar, as it is the appropriate Government, to see that the things are settled.

MR. DEPUTY-SPEAKER: Now, we take up Short Notice Question.

SHRI A. P. SHARMA: Sir, I have asked a specific question. My question was short and specific whether any assurance was given. What does the Government mean that there would be no victimisation?

MR. DEPUTY-SPEAKER : I cannot compel the Minister to give a specific answer.

12.00

SHORT NOTICE QUESTION

Outlay on Salem Steel Project

S. N. Q. 4. **SHRI K. GOPAL:** Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the plan outlay for 1974-75 on Salem Steel Plant has been drastically cut;

(b) if so, the reasons therefor;

(c) the product mix envisaged and the capacity for this plant; and

(d) the time by which the plant will be commissioned?

THE DEPUTY MINISTER IN THE MINISTRY OF STEEL AND MINES (SHRI SUBODH HANSDA): (a) and (b) The outlay proposed originally for the Plan Schemes of the Department of Steel for 1974-75 has had to be reduced in view of the limited resources available; and this has been done as a part of the overall plan to contain expenditure. Accordingly provision for Salem Steel Plant has also been affected.

(c) The capacity of the Salem Steel Project would be 195,000 tonnes of special steel flat products per annum comprising 70,000 tonnes of stainless steel sheets, 75,000 tonnes of electrical sheets and 50,000 tonnes of mild steel and other special steel sheets.

(d) The Salem Steel Plant is expected to be commissioned in phases from the end of the Fifth Plan period.

SHRI K. GOPAL: In his reply, the hon. Minister has said that in view of the limited resources available, they have had to cut the outlay for the Salem Steel Plant for 1974-75. It is a well known fact that they make provision for many plants but a good lot of the amount is returned after a year because it is not spent. So, the argument that enough resources are not available may not hold good.

The hon. Minister has said that the allocation for 1974-75 has been drastically cut. I would like to know how much has been provided for 1974-75. In this connection, I would like to refer to the statement of the Minister of Industries in Madras. Mr. Madhavan, who said on the floor of the Madras Assembly that more than 7500 workers were going to be thrown out and the Chief Minister had also expressed his very grave concern about it. So, I would like to know how much amount has been allotted for 1974-75.

SHRI SUBODH HANSDA: The general reduction of the total outlay for all the steel plants was Rs. 38 crores and it has affected almost all the existing steel plants as well as the new steel plants which are going to be commissioned. In the case of the Salem steel plant, originally the amount allotted was Rs. 10 crores, and it was been cut down to Rs. 3 crores.

SHRI K. GOPAL: I just do not know what to say. It should be said to the credit of our late Mr. Mohan Kumaramaigalam that it was his foresight, thought and vision which had made it possible for all these new steel plants to come up. Last year, they had spent Rs. 4 crores, but this year the hon. Minister says that they are going to spend only Rs. 3 crores. I do not know the logic of it.

In reply to part (d) of the main question, the hon. Minister has said that the Salem Steel Plant is expected to be commissioned in phases from the end of the Fifth Plan period. Originally it had been decided that during 1976-77 they were going to start the manufacture of cold rolled sheets out of hot rolled coils for which international bids for technical know how were called, and some people visited the plant also. The reply given by the hon. Minister that it would be in phase from the end of the Fifth Plan period is vague. I would like to know what those phases are and when actual production is going to start.

SHRI SUBODH HANSDA: Already some progress has been made, and it is true that this plant is not behind schedule and already about Rs. 4 crores has been spent on various works. As regards phases, I have already mentioned that it will be in phases. There are actually three phases. In the first phase, the cold roll mill will be established, in which 30,000 tonnes of stainless steel sheets will be produced.

SHRI K. GOPAL : When?

SHRI SUBODH HANSDA: By the end of the Fifth Plan.

SHRIMATI PARVATI KRISHNAN : I would like to put two questions to the Minister.

MR DEPUTY-SPEAKER : Only one.

SHRIMATI PARVATI KRISHNAN : Was the Steel Authority consulted before this re-allocation was made? I would also like to know whether Government are going to be called upon to pay any penalty to the consulting firm in view of the fact that they are re-allocating the work and re-scheduling their programme, because already structures have been passed by the Committee on Public Undertakings on the earlier fantastic penalty of Rs. 60 lakhs in regard to Durgapur because of this lack of planning and vision.

THE MINISTER OF STEEL AND MINES (SHRI K. D. MALAVIYA) : The allocation in the budget is Rs. 3 crores. This outlay which was brought down from Rs. 15 crores, does not bind us to this expenditure if the programme of expansion and the production programme goes ahead satisfactorily, as we see it is going on. All that I can assure the House is that it is our intention to expedite the plant and finish it, sticking to the programme of production according to the decision of the Steel Authority. We shall try to do it. Just now it is a fact that we are facing a situation of an overall cut in expenditure. This has to be done in the background of

the crisis we are facing in the economic field. Therefore, it is a question of adjustment of the budget; it is not a question of our deliberately trying to cut down the expenditure and cutting down the production programme. Government will see to it that Salem, which is one of the most advanced of all the three plants, sticks to its programme of onward march.

MR. DEPUTY-SPEAKER : Any penalty to be paid to the consulting firm ?

SHRI K. D. MALAVIYA : I am just now not aware of it. I require notice.

SHRI B. V. NAIK : In the first answer, the hon. Minister was very specific that the programme had to be re-scheduled for want of resources. This seems to give credence to a theory advanced by one of our famous economists, Dr. Mihnas, that the Fifth Plan is going to be a non starter. Be it as it may, if resource is one of the limiting factors, why try to ride three horses at the same time ? Instead of taking up Vizas, Salem and Hospet all together, would it not be advisable to take on only Hospet because it has all the balance of advantages ?

SHRI K. GOPAL : We say : only Salem.

SHRI B. V. NAIK : Why not redraw the strategy.

SHRI SUBODH HANSDA : It is a suggestion for action.

SHRI B. V. NAIK : He has not answered my question.

SHRIMATI T. LAKSHMIKANTHAM-MA : No, all the three steel plants should be taken up together.

SHRI M. KATHAMUTHU : The late Shri Kumaramangalam had more than once assured the House that the target date for the commissioning of the plant would be adhered to. But now that is impossible. The date is changed. What is the reason for this ?

SHRI K. D. MALAVIYA : The circumstances that are now being faced by Government and the country necessarily impels us to review the entire programme. It is not a question of the Salem plant; the entire plan is being revised because of the limitation and non-availability of resources.

SHRI B. K. DASCHOWDHURY : In view of the hon. Minister's statement and in view of the fact that resources are scarce at the moment, has he made a comparative study of the prices of stainless going to be produced at Salem and other steel manufacturing units ? If so, what are the variations ?

MR. DEPUTY-SPEAKER : This does not arise.

SHRI B. K. DASCHOWDHURY : Just a clarification. Kindly see part (c) of the answer. He has said so many thousand tonnes of stainless and other products are going to be produced in this plant; and the capacity of the Salem steel plant would be 95,000 tonnes of special steel.

MR. DEPUTY-SPEAKER : This has nothing to do with price.

SHRI A. K. M. ISHAQUE : Sir, the economy of the country being what it is, what was the justification for setting up a new plant at Salem ?

MR. DEPUTY-SPEAKER : That is a question of policy.

SHRI C. T. DHANDAPANI : As far as Salem steel plant is concerned, after a very great struggle launched by DMK in Tamil Nadu we were able to get this. This is a deliberate injustice being done by the unjust act of this Minister. Sir, two answers are given by two Ministers. One Minister has said that there are no resources, and the other Minister has said that though there are no resources we will consider in the future satisfactory programme and functioning of the Salem steel plant. I want to ask the Minister whether the Govern-

ment has made any cut in regard to Bhilai, Bokaro and other steel plants because there is an answer given by the Minister today that the targets during the Fifth Five Year Plan will be from 8.9 million tonnes to 15.1 million tonnes. In that case why has Government reduced the amount of the Salem steel plant ?

SHRI K. D. MALAVIYA : I have not said that there were no resources or that as a result of the great struggle launched by DMK the Salem steel plant was planned. This steel plant has been planned according to the desires and the needs of the country and the overall spread-over of our steel plants. I have never said that there are no resources and, therefore, it has been reduced. I have only said that there has been strain on resources because of the circumstances that are now being created, which are very well known to the Members sitting opposite or on this side.

SHRIMATI T. LAKSHMIKANTHAMMA : After a great agitation the Government sanctioned three steel plants for the South—the importance of which we need not emphasise. Now, a cut is proposed in all the three plants. I think in Vizag the progress is at snail speed and we do not know how many years it will take for the steel plants to go into production. It is non-controversial that steel is a base for agriculture, industry and for every aspect. I would like to know whether the Steel Ministry will put pressure on the Planning Commission that there should be no cut in these steel projects.

SHRI K. D. MALAVIYA : We shall try to put the pressure.

SHRI JYOTIRMOY BOSU : This cut in allocation of funds for the steel plant will undoubtedly delay the completion of this plant. On the other hand we see that the prices of all requirements of the plant are going up. Will the hon. Minister kindly tell us on account of this delay whether we can foresee as to what will be the additional cost that we will require to complete these projects ?

SHRI K. D. MALAVIYA : There might be some additional cost added to this but we cannot make any commitment.

WRITTEN ANSWERS TO QUESTIONS

Visit by Prime Minister of Bulgaria

*493. SHRI P. A. SAMINATHAN :
SHRI NIHAR LASKAR :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the Prime Ministers of India and Bulgaria had discussions on the 5th March, 1974 in New Delhi ;

(b) if so, the subjects discussed and the decisions arrived at ; and

(c) whether any agreement has been reached ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) Yes, Sir.

(b) The discussions covered all aspects of Indo-Bulgaria relations as well as major international questions of common interest. A copy of the Joint-Bulgarian Communique issued at the conclusion of the visit is placed on the Table of the House. [*Placed in Library. See No. LT-6569/74.*]

(c) The following agreements/protocols, which were signed during the visit, have already been placed on the Table of the House on March 7, 1974 :—

(i) Protocol on Economic, Technical and Scientific Cooperation,

(ii) Long-term Trade and Payments Agreement, and

(iii) Exchange of Letters for the mutual abolition of visas.