

**Feasibility report on Salem Steel Plant
by Dasturco**

S. N. Q. 5: SHRI K. GOPAL :

SHRI M. R. LAKSHMI-
NARAYANAN :

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

(a) whether any decision has since been
taken on the feasibility report on Salem
Steel Plant submitted by M/s Dasturco,

(b) if not, the reasons therefor;

(c) whether M/s Dasturco have been
asked to submit fresh reports resulting in
considerable delay; and

(d) the time by which the construction
of the Steel Plant is expected to be taken
up?

THE MINISTER OF STEEL AND
MINES (SHRI S. MOHAN KUMARAMAN-
GALAM): (a) to (c). After scrutiny
of the Feasibility Report by the Depart-
ment of Steel, a series of meetings was
held with the Consultants, M/s M. N.
Dastur & Co., and also with the concerned
Ministries/Departments and it has been
decided that the product-mix for the Salem
Steel Plant should include only flat products.
The product-mix would be :

	tonnes per annum
(i) Stainless steel	70,000
(ii) Silicon steel sheets	75,000
(iii) Other special steels	30,000
(iv) Mild steel sheets/ strips	20,000
Total	195,000

of finished steel

The total capital outlay estimated is about
Rs. 340 crores but every effort would be
made to reduce both capital and operating
costs wherever possible during the prepara-
tion of the Detailed Project Report.

(b) It is expected that as soon as the
Consultants are in a position to indicate
the terrace levels, site levelling work can
commence. This may take about six months
from now.

SHRI K. GOPAL : The hon. Prime
Minister laid the foundation stone for
the Salem Plant as early as in September,
1970. It has taken more than 1½ years to
finalise the feasibility report. I would
like to know when the consultants were
appointed and whether there has been any
delay in submitting the report. Now that
the decision has been taken with regard to
the product-mix and investment, I would
like to know when exactly the construction
will begin.

SHRI S. MOHAN KUMARAMAN-
GALAM : The Consultants were appoi-
nted on February 25, 1971 and were given
six months to submit the feasibility report.
There was some delay in the finalisation
of the product-mix and they sought exten-
sion and submitted the report on Decem-
ber 10, 1971. Since this plant is going to
produce special steel, and alloy, it took
some time to finalise all that. I have no
doubt that the construction will be speeded
up now. I would tell the hon. Member
that it will take us another six months
to start site levelling work.

SHRI K. GOPAL : The hon. Minister
says that the product-mix consists of flat
products of special steel. There is already
an alloy steel plant at Durgapur, I wonder
whether it will be profitable to produce this
item in the Salem Steel Plant. There is
heavy demand for seamless tubes and, I
believe, they are going to have a plant in
India. If no decision has been taken with
regard to this item, I would like to know
whether this item will also be produced in
the Salem Steel Plant. As it is, we are
importing this item.

SHRI S. MOHAN KUMARAMAN-
GALAM : The decision regarding the pro-

duct-mix for the Salem Steel Plant has been taken after examination of all the alternatives available. It is the considered view of the Government as well as of the Consultants that this is the most profitable product-mix for the Salem Steel Plant. Once that decision has been taken that it is going to produce only flat products, it will not be proper to set up special facilities for the production of seamless tubes in the Salem Plant. The hon. Member will understand that the raw material for the production of steel is blooms and, since the production of blooms is not included in the product-mix, the question of having that at the Salem Plant does not arise.

SHRI M. R. LAKSHMINARAYAN : The hon. Minister says that the work will be started in another six months. I would like to know whether there is a court order enhancing the rate at which the land has to be acquired and, if so, what was the price fixed by the State Government before and what is the price suggested by the Government now. Is the Government of Tamil Nadu going to accept the price or is going to oppose it? Further, I would like to know whether any land has been acquired for this project through the Tamil Nadu Government and that there is full cooperation given by the Tamil Nadu Government to start the project as early as possible.

SHRI S. MOHAN KUMARAMANGALAM : The hon. Member will appreciate that the price for which land is acquired is fixed not by the Government but by the Land Acquisition Officer. It is true that some of the persons whose land was acquired were not satisfied with the award of the Land Acquisition Officer and they have taken it to the court. The court has fixed a somewhat higher figure. That is a matter, however, which is entirely within the ambit of the State Government and we have been assured by the State Government that they are taking up the matter on appeal. So far as the

cooperation from the State Government is concerned, there is absolutely no misunderstanding on that score at all.

SHRI K. LAKKAPPA : In view of the recent statement made by the hon. Minister regarding cost of production of setting up of new steel plants and in view of the inordinate delay in the setting up of new steel plants and because of the statement made by him that the existing steel plants should be expanded instead of going in for new steel plants, suspicion has been created in the minds of the people whether the new steel plants will be coming up including the Salem and Vijayanagar steel plants. Therefore, in that background, I would ask the Minister whether he will give an assurance that the new steel plants at Salem and Vijayanagar will be set up . . .

MR. SPEAKER : You can ask a separate Short Notice Question on this.

SHRI K. LAKKAPPA : I have put a question about the Salem steel plant. Because inordinate delay has been caused even though the report of Dastur & Co. has come in, I would like to know whether there is any rethinking in the minds of the Ministry, especially because of the recent statement made on the floor of the House regarding cost of production in setting up new plant, about setting up of new steel plants.

SHRI S. MOHAN KUMARAMANGALAM : I have never made any statement dealing with the question of expansion of existing steel plants as something in the alternative to the setting up of steel plants in Visakhapatnam and Vijayanagar. The decision of the Government to set up these steel plants is final, and there is no rethinking on that score. The hon. Member has suggested that there has been inordinate delay to relation to the plans for the construction of the Salem Steel Plant. I am not prepared to admit that. On the contrary, we have expedited the matters

to the maximum extent possible. But taking a decision involving an investment of something like Rs. 340 crores has to be done after exercising the utmost care regarding the product mix and the process to be adopted.

SHRI G. VISWANATHAN: May I know when the work on Salem Steel Plant will be completed and it will go into production ?

SHRI S. MOHAN KUMARAMANGA-LAM: I would not like to commit myself firmly to any particular date, but I would give a rough date in a minute, because we have asked the consultants to work out a PERT chart which will give the time for completion of every single stage in the process and that would enable us to come to a more determined conclusion about the final date by which the plant will go into production. At present our assessment is that it should be in the year 1977-78.

WRITTEN ANSWERS TO QUESTIONS

भारतीय सीमा पर रूके हुए विदेशी पर्यटक

*904. श्री झोंकार लाल बेरवा : क्या पर्यटन और जागर विभागन मन्त्री यह बताने की कृपा करेंगे कि :

(क) क्या 84 विदेशी पर्यटक भारत-पाक सीमा पर भारतीय क्षेत्र में रूके हुए हैं; और

(ख) यदि हाँ, तो अब उनकी स्थिति क्या है और इस पर सरकार की क्या प्रतिक्रिया है ?

पर्यटन और जागर विभागन मन्त्री
(श्री. कर्ण सिंह): (क) और (ख) .

काफी बड़ी संख्या में विदेशी पर्यटकों को घाटी रोड भारत-पाक सीमा पर भारतीय क्षेत्र में रूके रहना पड़ा क्योंकि पाकिस्तान सरकार उन्हें अपने देश में प्रवेश की आज्ञा प्रदान नहीं कर रही थी। भारत स्थित स्विस दूतावास के माध्यम से भारत सरकार द्वारा किये गये प्रयत्नों के फलस्वरूप पाकिस्तानी प्राधिकारियों ने 7 मई, 1972 को एक दिन के लिये अपनी सीमा पर प्रवेश खोलना स्वीकार किया और इस प्रकार 262 विदेशी पर्यटक 47 बाह्यो सहित सीमा पार कर पाकिस्तान में प्रवेश कर सके।

Settlement of Pay and Allowances of INA Personnel

*906. **SHRI G. Y. KRISHNAN :** Will the Minister of DEFENCE be pleased to state :

(a) the number of personnel of Indian National Army whose claims of pay and allowances have been settled so far; and

(b) the number of the personnel whose claims are yet to be settled ?

THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM) : (a) and (b). Presumably, information is required in regard to claims by INA personnel for restoration of forfeited pay and allowances. If so, the position, as on the 31st March 1972, in respect of the claims for the payments authorised in October 1967 and June, 1970 is as follows :—

(i) <i>Payments authorised in October, 1967 :</i>	
No. of claims received.	15,101
No. of claims settled.	14,920
No. of claims yet to be settled.	181