

(b) what is the impact of the decision on the domestic producers; and

(c) whether it is also a fact that Government have decided to withdraw floor price once for all by the end of the year?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) to (c) Yes, Sir. The floor prices of seven steel items have been revised w.e.f. 1st November, 99 on the basis of trend of international steel prices from non-dumping sources for preceding six months. The domestic steel producers are unlikely to be adversely affected. The floor prices of prime items of steel shall remain effective for a period of 2 months from 1st November, 99 and shall be treated as withdrawn after the said period of 2 months.

Poor Quality of Tracks and Train Accidents

†1942. SHRI JHUMUK LAL BHENDIA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Comptroller and Auditor General of India (C & AG) has held Bhilai Steel Plant responsible for poor quality of tracks and various train accidents;

(a) whether it is also a fact that in its latest report on railways, C&AG found Bhilai Steel Plant guilty of not improving the quality inspite of requests made by the Ministry of Railways and also for the loss of around Rs. 85 crores of Government money; and

(c) if so, the efforts being made by the Steel Plant to bring improvement as per the required standard and by when it would be completed?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) and (b) Yes, Sir. The report of the Comptroller & Auditor General of India (C&AG) states that the Railways suffered a loss of Rs. 81.32 crore due to supply of defective rails by Bhilai Steel Plant (BSP), SAIL.

(c) Ministry of Railways had suggested certain quality improvement measures to be taken by SAIL, which included:

(i) Provision of Vacuum Degassing Plant;

† Original notice of the question was received in Hindi.

12/12/99

(ii) Provision of facility for On-line Ultrasonic Testing of Rails during manufacturing stage; and

(iii) Commissioning of new Bi-planer Machine.

Accordingly, SAIL has implemented the following:

(i) Production of all steel for rails through vacuum are degassing (VAD) to get less than 3 ppm hydrogen level in the liquid steel and obtain very clean steel.

(ii) Testing of all Rails through on-line ultrasonic testing machine to confirm internal soundness of Rails.

(iii) Testing of all Rails through eddy current crack detection unit to ensure detection of defects.

In addition, under the modernisation of Rail and Structural Mill, SAIL has implemented installation of Bi-planer straightening machine, (BPSM), replaced 2 D Motor & drive, MG set by thyristor converter, carbide saws & milling machines, Hot stamping machine, Rollers in Rail finishing section, installed ISGEC Press for refinishing of Rails. SAIL has also replaced 2 Nos. of 850mm stand Housing, 1 D Motor & drive, installed Eddy current testing machine. Laddle furnace for secondary refining and RH degasser Units are under implementation.

Appointment of MC Kinsey and Company as Consultant

1943. SHRI JIBON ROY: Will the Minister of STEEL be pleased to state:

(a) whether the Steel Authority of India appointed MC Kinsey and Company for consultation of restructuring of SAIL;

(b) the terms of reference of the consultancy;

(c) the amount paid to the MC Kinsey and company for the service rendered by it;

(d) whether the T.V.S. in Steel industry objected to the proposal of the company; and

(e) the action taken by Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) Yes, Sir.