

(c) and (d) : The requisite information is being collected and will be laid on the Table of the Sabha.

#### NAVY SCHOOL IN ORISSA

\*544 SHRI K. P. SINGH DEO : Will the Minister of DEFENCE be pleased to state :

(a) whether Government have any proposal to establish a Naval School in Orissa; and

(b) if so, the details of the proposal and whether it has been finalised ?

THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM) : (a) and (b) The proposal for locating the Boys Naval Training Centre at Chilka having been dropped on account of its possible adverse effects on the environment, the feasibility of establishment of the Centre at Paradip is under review.

#### VIZAG STEEL PLANT

\*545 SHRI JANARDHANA REDDY : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government have taken a decision to enhance the planned capacity for the Vizag Steel Plant from 2 million tons to 6 million tons;

(b) if not, by when a final decision in this respect is likely to be taken; and

(c) whether preparatory work like diversion of Godavari water to Visakhapatnam is being taken up straight away to meet the water requirements of the plant ?

THE MINISTER OF STEEL AND MINES (SHRI S. MOHAN KUMARAMANGALAM) (a) to (c) A statement is laid on the Table of the House.

#### STATEMENT

(a) and (b) According to the Consultants, on account of the high cost of plant and equipment, raw materials, transportation charges, etc., the capital and operating costs for a two million ingot tonne plant at Visakhapatnam would be high and there would be substantial recurring loss on the investment involved. A study group was, therefore, set up by Government in May 1972 to examine the scope for reduction of both capital and operating costs. In its report, the study group has recommended

I that the capacity of this plant may be raised by installing blast furnaces larger than those proposed by the Consultants in their feasibility report, to obtain economics of scale. The Consultants were, therefore, advised to work out a number of fresh exercises on the plant capacity, product-mix, capital outlay, operating costs, etc. These studies have been completed and the annual capacity now being examined is between 2 -5 million and 3 -0 million ingot tonnes. A final decision is expected to be taken shortly.

(c) Action has been taken on a number of preliminary items of work. The plant area has been demarcated after testing of soil samples and completing plate bearing tests. Topographical survey has been completed. The Railways have completed the survey for exchange yard and sidings. Land acquisition is in progress. The State Government have prepared a scheme for meeting the requirements of water of the steel plant and township. This scheme which envisages the diversion of the Godavari, may need to be modified after the plant capacity is finalised. Work on this scheme would be taken up in accordance with the scheduled to be drawn up by the project authorities.

#### WORKS COMMITTEE IN NORTHERN RAILWAY

\*546. SHRI JAGAN NATH BHARDWAJ : Will the Minister of LABOUR AND REHABILITATION be pleased to refer to the answer to Unstarred Question No. 1303 given in the Rajya Sabha on 25th August, 1972, and state:

(a) whether Government have since taken a decision to constitute Works Committee in Northern Railway; and

(b) if so, the details thereof?

THE MINISTER OF LABOUR AND REHABILITATION (SHRI R. K. KHADILKAR) : (a) and (b) Adequate machinery in the form of the permanent negotiating machinery and departmental and national councils of the Joint Consultative Machinery exists in the railways for promoting amity and good relations between the railways and their workmen. None of the recognised Federations Unions on the railways have demanded the constitution of the works committees.