

[13 December, 1999]

RAJYA SABHA

(v) Asset restructuring; (vi) Disposal of idle assets; and (vii) Financial restructuring.

Government provides an appropriate policy regime to encourage private steel plants for adopting modern cost effective technologies in the steel plants in the country. Towards this objective, the following policy measures have been taken:

(i) automatic approval up to a limit of US \$ 2 million for foreign technology agreements; and (ii) automatic approval for Foreign Direct Investment (FDI) upto 74% of the equity. However initiatives for revamping the private sector steel plants so as to become competitive in the world market have to come from the entrepreneurs themselves.

No budgetary support is being extended by government to the steel producing public sector companies, for revamping. Private sector companies are not eligible for any budgetary support.

Indo-China Joint Venture in Steel Sector

†1194. SHRI SWARAJ KAUSHAL: Will the Minister of STEEL be pleased to state:

(a) whether any talks have been held recently between India and China for setting up a joint-venture in steel sector;

(b) if so, its salient features; and

(c) the outcome of the talks?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) to (c) A Chinese delegation visited India from 22nd to 26th November, 1999. Collaboration in the area of technology transfer and enhanced co-operation in the iron and steel sector figured during the discussions between the two sides.

†Original Notice of the Question was received in Hindi.