

Writing of steel development fund loan.

896. SHRI YADLAPATI VENKAT. RAO: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether SAIL has asked Government to write off steel development fund loan;

(b) if so, the reasons therefor; and

(c) the details of restructuring plan of SAIL to hive off non-economic units?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) and (b) Based on the recommendations of Industrial Development Bank of India (IDBI) on financial restructuring, Steel Authority of India Limited (SAIL) has approached the Government for its financial restructuring which primarily envisages relief from Steel Development Fund (SDF) loan/Government of India loan towards writing down of fixed assets to the extent of interest capitalized, writing-off of loans and advances given by SAIL to IISCO, etc.

(c) The IDBI have, in their report, inter-alia, concluded that SAIL should consider business solutions as a long-term strategy for improving operations and enhancing returns such as rationalisation/divestment of idle or non-core assets, divestment from unrelated/non-core operations, and of loss making units etc.

Import of coal and coke

897. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of STEEL AND MINES be pleased to state;

(a) whether it is a fact that Government support import of coal and coke;

(b) if so the reasons therefor;

(c) whether any representation has been received against the import of coke; and

(d) if so, the action taken thereon, so far?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) and (b) Integrated steel plants of SAIL, RINL and TISCO consume about 20 million tonnes of Coking Coal per annum. Out of this about 12 million Tonnes are from domestic sources and has a high ash content, and the rest is imported. The imports are undertaken to bridge the quantitative and qualitative shortfall in the domestic supply. Metallurgical Coke of desired quality for use in Mini Blast Furnaces is also not available in adequate quantity indigenously and is hence imported.

(c) and (d) Representations had been received against import of Chinese Coke at low prices. An anti-dumping petition was filed by M/s BLA Industries, Gujarat before the Designated Authority on behalf of the domestic coke industry supported by M/s Industries and Commerce Association, Dhanbad against the import of metallurgical coke from China in to India. The Authority after investigating the matter gave its final findings on 27.8.98. As per the Notification dated 27.10.1998 an anti-dumping duty equivalent to the difference between Rs. 4673 and the landed value of Metallurgical Coke per metric tonne has been imposed when the same is originating in or is exported from Peoples' Republic of China and imported into India. The anti-dumping duty so levied comes into effect from 6.5.98 i.e. the date of imposition of provisional duty.

Revival of Rourkela Steel Plant

898. MISS FRIDA TOPNO: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Government are aware of the fact that the Rourkela Steel Plant (RSP) after modernisation is facing acute financial crisis;

(b) if so, the present loss per day of Rourkela Steel Plant;

(c) whether Government have some proposals to privatise some units of Rourkela Steel Plant;

(d) if so, the names of the units proposed for privatisation;

(e) the proposals before Government to revive Rourkela Steel Plant; and

(f) the total amount of fresh packages proposed to revive RSP and the time schedule for it?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) to (f) Modernisation scheme in Rourkela Steel Plant (RSP) is at an advanced stage of completion. The modernised units are under stabilisation. At present, the loss of RSP, based on half yearly results of 1998-99, averages to approximately Rs. 2 crore per day. With stabilisation, the performance of RSP would improve. At present, further major investments in RSP are not planned. Steel Authority of India Limited (SAIL) have no firm proposal to privatise the units of RSP. However, SAIL plans to formulate subsidiary companies/joint ventures for non-core units.

Sectoral reforms in steel sector

899. SHRI SURESH KALMADI: Will the Minister of STEEL AND MINES be pleased to state;

(a) whether it is a fact that Government have decided to effect sectoral reforms including tariff protection to the steel sector; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) and (b) A Working Group had been set up by Government to study the present slow down in the steel sector. The Group has since submitted its report. The recommendations of the Working Group, inter alia include:

(i) Rationalisation of DEPB (Duty Exemption Pass Book) Scheme rates, and extension of the Scheme to 'deemed exports'.

(ii) To consider feasibility of converting ad-valorem rate of import duty into fixed duties on certain finished steel items.

(iii) To consider a combination of measures comprising levy of special import duty on imports of seconds and defectives along with raising duties for certain types of steel upto World Trade Organisation bound rates.

(iv) To consider removal of imports of Seconds and Defectives below a specific floor price, from OGL.

(v) to deal with cases of dumping by establishing a fast track mechanism.

(vi) Withdrawal/waiver of Special Customs Duty of 2%+3% and Special Additional Duty of 4% on input items for steel sector which are not available within the country.

Modernisation of Steel Plant

900. SHRI BRAHMAKUMAR BHATT: Will the Minister of STEEL AND MINES be pleased to state:

(a) the details of steel plants in the country;

(b) how many out of them are being modernised;

(c) whether help in modernisation of the plants is being sought from the foreign companies or private enterprises; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) There are 187 EAF based steel plants in the country.

(b) As per available information, modernisation programme has been taken up in four steel plants in the public and private sector. As most of the steel plants are in the private sector, initiative has to