

(b) The large number of Industrial Entrepreneurs' Memoranda filed for new steel projects and expansion of existing capacities is indicative of the interest shown by the private sector to invest in the steel industry. The State Governments of Orissa and Karnataka have proposed to implement integrated steel plants in the joint sector. Interest has also been shown by some private sector companies to set up large integrated steel plants. A number of sponge iron/-pig iron plants are under implementation in the private sector.

#### Ship Breaking Yards

3936. SHRI SUSHIL KUMAR SAMBHAJIRAO SHINDE: Will the Minister of STEEL be pleased to state:

(a) what is the policy of Government regarding scheme for setting up ship breaking yards in the country and details of ongoing schemes with their performance profile, State-wise, for the last five years;

(b) what are the schemes in operations during the Eighth Five Year Plan and expansion of schemes proposed on the Western coast of Maharashtra in particular; and

(c) the details of steps taken/proposed to be taken to revive the working of ship breaking activities on Western coast of Maharashtra?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) to (c) The State Governments take up development of ship breaking yards in their respective States. Information is being collected from the concerned State Governments and will be laid on the Table of the House.

#### Duty on Import of Pig Iron

3937. SHRI RAJUBHAI A. PARMAR:

SHRI VITHALBHAI M. PATEL:

Will the Minister of STEEL be pleased to state:

(a) how the average prices of Pig iron from indigenous resources compare with that of the imported pig iron, following the decontrol of pig iron;

(b) whether in order to narrow down

the difference between the prices of imported raw material and the indigenous pig iron, government have considered the question of reducing the custom duty thereon;

(c) if so, what decision has since been taken in the matter; and

(d) what are the steps taken by Government to fulfil the requirement of Pig iron by different industries?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) In the month of November, 1992 the open market prices of pig iron inclusive of taxes were ranging between Rs. 5900 and Rs. 6700 per tonne. The landed cost of imported pig iron was about Rs. 7200 per tonne.

(b) to (d) In order to enable different industries to meet their requirements, pig iron has been made freely importable. Import duty on pig iron was also reduced from 55% to 35% *ad valorem* in January, 1992.

Government have also taken various steps to encourage production of pig iron in the private sector. These include exemption of the pig iron industry from the provisions of compulsory licensing, its identification as a high priority industry for foreign investment and dispensing with the price and distribution regulation of different iron and steel items including pig iron.

#### Modernisation of Rourkela Steel Plant

3938. SHRI GHUFRAN AZAM: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Metallurgical and Engineering Consultants (India) Limited has been awarding contracts to private parties, ignoring the claims of public sector with

regard to modernisation work of Rourkela Steel Plant; and

(b) whether there are some Government guidelines with regard to award of work to Public Sector and whether these guidelines are being flouted?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) and (b) In accordance with Government guidelines, both public and private sector organisations are to be given equal chance. The public sector organisations would be given preference only if other things are equal.

Metallurgical and Engineering Consultants (India) Limited (MECON) have received order for some of the packages under Rourkela Steel Plant Modernisation Project. Based on Government guidelines and the company's purchase procedure, MECON have placed orders both on public as well as private sector companies.

#### Production of Sponge Iron

3939. SHRI S.K.T. RAMA-CHANDRAN: Will the Minister of STEEL be pleased to state:

(a) what steps have been taken by Government to increase indigenous sponge iron production, so that an appreciable amount of foreign exchange outflow could be served; and

(b) what is the amount paid for the import of iron scrap in the year 1990-91 and 1991-92?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) Government have taken several steps to increase the production of sponge iron in the country including the setting of a demonstration plant in the public sector, exemption of the sponge iron industry from the provisions of compulsory licensing and providing raw

material linkages to new projects in the private sector.

(b) The approximate value of imported steel melting scrap in the last two years is given below:—

Year	Value (Rs. in crores)
1990-91	895
1991-92	480

#### Decline in Steel Demand

3940. SHRI MOHAMMED AMIN:  
SHRI ASHIS SEN:

Will the Minister of STEEL be pleased to state:

(a) whether demand for steel is going down day-by-day in the country; and

(b) if so, whether it indicates towards recession in the user industries?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) and (b) Off-take of finished steel for domestic consumption and exports during April-October, 1992 was of the same level as in the corresponding period of the previous year. At present, there is some sluggishness in demand for steel items which is due to several factors including tight money market position, seasonal variations in demand and lower off-take by some of the user industries.

#### जापान को लौह अयस्क की आपूर्ति

3941. श्री कैलाश नारायण सारंग: क्या इस्पात मंत्री यह बताने की कृपा करेंगे कि:

(क) जापान को बैलाडोला क्षेत्र से लौह अयस्क को आपूर्ति किए जाने का निर्धारित समय कब तक है;

(ख) क्या सरकार उक्त अवधि के बाद लौह अयस्क का उपयोग घरेलू उद्योगों में करने तथा सरकारी और निजी क्षेत्र में लौह और इस्पात संयंत्रों की स्थापना करने का विचार रखती है; और