

Review of Mini Steel Industry

4673. SHRIMATI BASAVARAJESWARI: Will the Minister of INDUSTRY be pleased to state:

(a) whether the public financial institutions have decided to follow a cautious policy in extending the systems to new mini-steel plants;

(b) if so, whether a review of the mini-steel industry has been made by the Industrial Bank of India recently; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRIM. ARUNACHALAM): (a) Financial Institutions have been considering applications for financial assistance from Mini Steel Plants on a selective basis. The considerations, inter alia, include specification of a minimum capacity of 50,000 tonnes per annum, incorporation of recent developments in electric arc furnace steel making and continuous feeding of sponge iron (substitute for scrap) upto 70%. The main objective being adoption of modern and appropriate technology with a view to improving productivity, saving electrical energy, conservation of scarce raw-material (scrap); reduction in cost and production of diversified grades of steels.

(b) No specific industry study on Mini Steel has been made by IDBI.

(c) Does not arise.

Blocking of Installation Capacity by Industrial Houses

4674. SHRI VISHNU MODI: Will the Minister of INDUSTRY be pleased to state:

(a) whether his attention has been drawn to the news-item appeared in Hindustan Times of 21 October 1987 under the caption "making a fast buck through letters of intent";

(b) if so, the reaction of Government thereon; and

(c) the steps proposed to be taken by Government to curb this tendency of blocking the installation capacity by the various industrial houses?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) Yes, Sir.

(b) and (c). Implementation of letters of intent are monitored by the administrative Ministries and validity of the letters of intent area extended by them only after satisfying that the parties have taken appropriate steps towards implementation of the letters of intent. It has also been prescribed that generally letters of intent can be extended only upto a period of five years after which the letters of intent will be treated as lapsed.

Industrial sickness in Karnataka

4675. SHRI LAKSHMAN MALLICK:
SHRI S.M. GURADDI:
SHRI H.N. NANJE GOWDA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether industrial sickness in Karnataka State has been increasing rapidly;

(b) if so, the reasons therefor; and

(c) the remedial steps being taken or proposed?

THE MINISTER OF STATE IN THE