

(iii) releasing the semis to market, thereby making available more semi-furnished steel/finished steel in the domestic market.

(c) & (d): As a result of the above measure, the stocks of steel ingots, which had touched the high level of 7.49 lakh tonnes on 1-8-1980, came down to 5.06 lakh tonnes on 1-12-1980. Efforts to bring down the stocks further are continuing.

An Airline's Magazine to be Lighter Reading

1719. SHRI S. M. KRISHNA : Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether his attention has been drawn to the news item "An Airline's Magazine to be Lighter Reading" appearing in the Statesman, New Delhi, dated the 21st January, 1981 ; and

(b) if so, his reaction thereto in so far as the taking of similar measures by the Air-India and I.A. is concerned ?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI A.P. SHARMA) : (a) Yes, Sir.

(b) The article is under study.

Stepping up of Sponge Iron Production Capacity

1720. SHRI R. L. BHATIA : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government are contemplating substantially stepping up sponge iron production capacity; and

(b) if so, the broad outlines of the proposal the location and size of the plants after considering their proximity to the raw material sources vis-a-vis the consuming sector, storage and transportation ?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE) : (a) & (b). A demonstration sponge iron plant, based on the use of coal as solid reductant, has already been set up at Kothagudem, Andhra Pradesh. The Orissa Sponge Iron Ltd. has been granted a licence for 3,00,000 tonnes capacity of which 1,50,000 tonnes is under implementation. The Bihar Industrial Development Corporation has also been granted a letter of intent for

setting up a sponge iron plant of 1,20,000 tonnes capacity. In addition, the department of Petroleum has agreed to the utilisation of gas from the Bombay High for the production of 4 to 5 lakh tonnes of sponge iron, based on gas. The Kothagudem unit was commissioned very recently and the Orissa unit is expected to be commissioned by end of 1981. The results of operation of these plants would be useful in guiding the Government in framing the policy regarding the creation of new sponge iron capacity. A small inter-ministerial committee has also been recently set up for examining various aspects of the problems like location of the plant, its size etc.

Soft Loan Granted by IDBI to Large Industrial Houses

1721. SHRI R. L. BHATIA : Will the Minister of FINANCE be pleased to state the names of large industrial houses which have been granted IDBI soft loan during the current year. The amount thereof and terms of payment ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT) : The names of large industrial houses registered under Section 26 of the Monopolies and Restrictive Trade Practices Act, 1969, which have been sanctioned financial assistance by the Industrial Development Bank of India under the Soft Loan Scheme, together with amounts sanctioned during the period January, 1980 to January, 1981 is given in the attached statement.

The main terms and conditions under which the loans are given under the Scheme are as follows :

- (i) Assistance at a concessional rate of 7.5% per annum against the normal lending rate of 11.00% (figures given are exclusive of interest tax) is granted on a graduated scale ranging from 100% in the case of weak units to 20% to well-off concerns, depending upon the health of the unit.
- (ii) The repayment period of the loan under the Scheme is upto 15 years including moratorium of 3 to 5 years.
- (iii) A reasonable contribution from the industrial concerns towards the cost of the modernisation scheme is insisted upon.