

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:980

ANSWERED ON:07.12.2004

BOMB SHELLS IN IMPORTED STEEL SCRAPS

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Will the Minister of STEEL be pleased to state:

- (a) whether the India is dependent on imported Iron and Steel scraps to produce iron and steel for domestic consumption as also export;
- (b) if so, the reasons therefor;
- (c) the total scraps likely to be imported during 2004-05 separately;
- (d) whether the imported scrap caused blasts in the country at several places;
- (e) if so, the details thereof;
- (f) the loss suffered to the country and compensation paid to the injured and dead;
- (g) whether the Government propose to inquire into the matter and fix the responsibility for this lapse; and
- (h) if so, the details thereof?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) & (b) Substantial production of crude steel in the country is through the Electric Arc Furnace and Induction Furnace route. These units use scrap or sponge iron as raw material for producing crude steel. Given the limited availability of locally generated scrap, the Indian steel industry has increasingly depended on the world market for supply of this critical metallic input.

(c) The details of import of iron and steel scrap during Apr`04-Aug`04 is given in the table below:

Apr. `04-Aug`04

Quantity (in `000 tonnes) Value

783.7 Rs. 1066.76 crores

Based on the present trend it is expected that about 1.5 million tonnes of scrap will be imported during 2004-05.

(d) & (e) Ministry of Home Affairs has intimated that an explosion took place on 30.9.2004 inside M/s. Bhushan Steel & Strips Ltd., Ghaziabad when a magnetic crane was about to release its load on a heap of scrap, after unloading it from a truck. Subsequently rockets, iron shells etc. were recovered from Bulandshahar, Muzaffarnagar, Bhaghpat etc. in Uttar Pradesh. As per reports received, bomb Shells amidst scrap were also recovered in the States of Maharashtra, Uttaranchal, Chattisgarh, Rajasthan, Gujarat and Punjab.

(f) Ten persons were killed and eight sustained injuries in the explosion. The Government of Uttar Pradesh has informed that M/s. Bhushan Steel has paid Rs. 1 lakh each to the families of the persons killed in the incident and Rs. 25,000 each to the persons who sustained injuries in the incident.

(g) & (h) While there is no provision to penalize the foreign supplier of scrap under the Foreign Trade (Development and Regulations)

Act, 1992 the importer of such lethal consignment is liable to be prosecuted. A show cause notice has been issued to M/s. Bhushan Steel & Strips Ltd. by the Directorate General of Foreign Trade.