

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:1585

ANSWERED ON:06.03.2006

AGREEMENT WITH FOREIGN COMPANIES FOR STEEL UNITS

Patle Shri Shishupal Natthu;Rawat Shri Ashok Kumar;Shiwankar Shri Maha Deo Rao;Yadav Shri Kailash Nath Singh

**Will the Minister of STEEL be pleased to state:**

- (a) whether the Government has made agreements with foreign companies to establish steel units in the country;
- (b) if so, the number of companies likely to be established in collaboration with foreign companies during 2005-06 and 2006-07;
- (c) whether the collaboration with foreign companies has been instrumental in the growth of steel sector in India;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

(a) The Union Government has not made agreements with foreign companies to establish steel units in the country. As per the policy in vogue, 100% foreign direct investment is allowed under the automatic route in steel sector.

(b)to(e): Do not arise in view of (a) above.