

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2466

ANSWERED ON:30.08.2007

SETTING UP OF STEEL PLANTS BY FOREIGN COMPANIES

Oram Shri JuaI;Rao Shri Sambasiva Rayapati

Will the Minister of STEEL be pleased to state:

(a) whether some foreign steel companies are either setting up or expressing their keenness to set up steel plants in Orissa and other States;

(b) if so, the details of the proposals came to the notice of the Government; and

(c) the norms prescribed by the Government for foreign companies to set up steel plants in States?

Answer

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

(a)&(b): Yes, Sir. As per available information M/s. Mittal Steel Company N.V. Netherlands and M/s. Pohang Steel Company (POSCO) of South Korea have signed Memoranda of Understanding with state Governments of Jharkhand and Orissa respectively showing interest to set up Integrated Steel Plants. The details of the proposals is as under: -

S.No.	Name of the company	MoU signed	Capacity Proposed	with investment	the State	(in crores)
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1	M/s. Pohang Steel Company (POSCO), South Korea	Orissa	12 MTPA	Rs. 51,000.00		
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2	M/s. Mittal Steel Company N.V. Netherlands	Orissa	12 MTPA	Rs. 40,000.00		
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3	M/s. Mittal Steel Company N.V. Netherlands	Jharkhand	12 MTPA	Rs. 40,000.00		
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(c) As per the extant policy Foreign Direct Investment (FDI) upto 100% under the automatic route is allowed for setting up steel unit in India.