

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2132
ANSWERED ON:13.03.2008
JOINT VENTURE PROJECTS BY SAIL
Khairi Shri Chandrakant Bhaurao

Will the Minister of STEEL be pleased to state:

- (a) whether the Steel Authority of India Ltd. (SAIL) has embarked upon a Joint Venture with any private company during the last three years;
- (b) if so, the details thereof;
- (c) whether any tenders were floated in this regard with special reference to Bokaro Steel Plant; and
- (d) if so, the number of bidders and the process adopted for finalisation of bids and indicating the results thereof?

Answer

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

(a)&(b): Yes, Sir. During the last three years, Steel Authority of India Limited (SAIL) has entered into two Joint Venture Projects for Cement and one Joint Venture Agreement for Coal, as per details given below:

(i) A Joint Venture Company has been incorporated in April, 2007 for setting up a Cement Plant at Bhilai with a capacity of 2.2 million tonnes per annum. The Joint Venture partner, M/s Jaiprakash Associates Limited has a share of 74 percent and SAIL's share is 26 percent.

(ii) Shareholders' Agreement has been signed in February, 2008 for setting up a Joint Venture Cement Company at Bokaro Steel Plant with a capacity to produce 2.1 million tonnes per annum. The Joint Venture partner, M/s Jaiprakash has a share of 74 percent and SAIL's share is 26 percent.

(iii) SAIL has signed a Joint Venture Agreement with Tata Steel in January, 2008 for Mining of Coal.

(c)&(d): Yes, Sir. For both the Joint Venture projects at Bhilai and Bokaro, SAIL has adopted an Open Tender process. In case of Bokaro Steel Plant, in response to advertisement issued in December, 2005, six parties had responded. Finally, in May, 2007 three parties submitted their final bids. Based on techno-commercial evaluation, M/s Jaiprakash Associates was selected as the strategic partner in October, 2007.