

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:823  
ANSWERED ON:26.02.2009  
SETTING UP OF ULTRA MEGA STEEL PLANTS  
Mishra Dr. Rajesh Kumar

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

to the reply given to Unstarred Question No.903 on 23 October, 2008 and state:

- (a) whether the Inter-Ministerial Group have since submitted its report on the setting up of Ultra Mega Steel Plants in the country;
- (b) if so, the details in this regard;
- (c) if not, the reasons for the delay in taking a final decision on the setting up of such plants;
- (d) whether many State Governments have agreed for the setting up of these plants;and
- (e) if so, the details thereof?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI JITIN PRASADA)

(a)&(b): As per the extant policy of the Government, there is no limit regarding the capacity of setting up a steel plant in the country. As a matter of fact, some of the proposed steel units such as Posco India Limited, Arcelor Mittal Limited and JSW Steel Limited have proposed capacity in the range of 10-12 million tonnes per annum. However, certain issues raised by Honb'le Shri C. Ramchandriah,MP, Rajya Sabha and Shri Dhram Pal Sabharwal, MP, Rajya Sabha in their letters,are still under consideration and may be taken up for discussion in the next Inter Ministeral Group meeting.

(c) As per New Industrial Policy announced in July,1991, steel industry has been de-licensed and removed from the list of industries reserved for the public sector subject to certain locational restrictions.No industrial licence is, therefore, required for setting up steel plants under the Industrial (Development & Regulation) Act, 1951 and the entrepreneurs are free to set up such plants anywhere in the country except in the restricted locations based on their commercial judgement. However, Public Sector units such as Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) are already expanding their existing production capacities.SAIL is expanding its crude steel production capacity from existing 12.84 million tonnes per annum (mtpa) to 24.84 mtpa and RINL is expanding its capacity from 2.9 mtpa to 6.3 mtpa.

(d)&(e): Already 222 Memorandum of Understanding (MoUs) have been signed by various State Governments for setting up steel units in their respective States for total capacity of 275.698 million tonnes.

Some of the large capacity steel units being set up in various States are: -

S. No.	Company	Project / State	Existing capacity	Proposed capacity
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i	Tata Steel	Jameshpur, Jharkhand	5.0	10.0
	Ltd.	Kalinganagar,Orissa	6.0	
		Bastar, Chhattisgarh	5.5	
		Saraikeela, Jharkhand	12.0	

ii	Essar Steel	Hazira, Gujarat	4.6	8.5
	Ltd.	Paradeep, Orissa	6.0	
		Dantewada, Chhattisgarh	3.0	
		Chaibasa, Jharkhand	6.0	

iii JSW Steel Ltd. Vijayanagar, Karnataka 3.8 10.0  
Salboni, West Bengal 10.0  
Nimidihi, Jharkhand 10.0

iv Jindal Steel Raigarh, Chhattisgarh 3.0 6.0  
& Power Ltd. Angul, Orissa 12.5  
Patratu, Jharkhand 6.0

v Ispat Dolvi, Maharashtra 3.0 5.0  
Industries Ltd. Jharkhand 2.8

vi POSCO India Jagatsinghpur, Orissa 12.00  
Pvt. Ltd.

Vii Arcelor Keonjhar, Orissa 12.00  
Mittal India Jharkhand 12.00  
Ltd.