

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:817
ANSWERED ON:29.07.2010
INVESTMENT IN STEEL SECTOR
Siricilla Shri Rajaiah

Will the Minister of STEEL be pleased to state:

- (a) whether the country is not well equipped to handle big ticket investment although it needs over half a trillion dollars to shore up its infrastructure in steel sector;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the steps being taken by the Government to overcome such situation to handle mega projects during the remaining Eleventh Five Year Plan?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP)

(a)&(b): Steel is a deregulated sector. The role of Government is that of a facilitator. As far as the setting up of steel investments are concerned, the size and type of steel capacity expansion projects are decided by the individual investors on techno-commercial considerations. Currently, a large number of major steel investment projects are at various stages of progress, both in Greenfield (new projects) and Brownfield (capacity expansion of existing plants) areas. Based on the information furnished by the individual companies, the likely scenario of steel production capacity in India has been prepared in the Ministry of Steel (Annexure).

(c) Keeping in view the importance of the implementation of major steel projects in the country, an Inter Ministerial Group (IMG) has been constituted in the Ministry of Steel, to monitor and coordinate major steel investment in the country. The Inter Ministerial Group functions under the Chairmanship of Secretary (Steel) with members from various Central Ministries / Departments, such as Railways, Road Transport & Highways, Shipping, Industrial Policy & Promotion, Mines, Environment & Forest and the concerned State Governments.