

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:13

ANSWERED ON:01.08.2011

MOUS WITH MNCS FOR MINING AND STEEL PLANTS

Dhurve Jyoti

Will the Minister of STEEL be pleased to state:

- (a) the details of the Memorandum of Understanding (MOUs) signed between the various State Governments and multinational private companies for the investment in the steel sector during the last three years and current year, company-wise;
- (b) whether MOUs have been signed for mining and setting up of new steel plants in the country;
- (c) if so, the details of the MOUs and the terms of agreements;
- (d) whether these companies are also allowed to export iron ore as per the term of these agreements and if so, the percentage of iron ore to be processed in each of the units to be set up by these companies, company-wise and location-wise;
- (e) the total production capacity of each plant proposed to be set up in the steel sector, State-wise; and
- (f) the number of mega steel projects that are functional at present alongwith the details thereof?

Answer

THE MINISTER OF STEEL(SHRI BENI PRASAD VERMA)

(a)to(c): The details of MoUs signed along with the name of companies for setting up of iron and steel plants in mineral rich states Jharkhand, Orissa and Chhattisgarh during the last three years and current year and the present status of projects, state-wise and project-wise are annexed, as per the record of information available in the Ministry of Steel (Annexure A, B & C).

(d) As per available information in the Ministry of Steel, M/s. POSCO India is allowed to export iron ore from Orissa as per the conditions of MoU.

As per the terms of MoU, POSCO may swap certain quantities (not exceeding 30% of the total requirement for the Paradeep Plant annually) of such iron ore which have high alumina content with equal quantity of low alumina content iron ore of better Fe content imported for blending, in order to produce better quality steel in the Paradeep Project and conserve energy. Any export of iron ore by way of swap will be allowed only after an equivalent quantity of ore has been imported for the plant. The extent of the above quantity of iron ore by way of replacement for equal quantity of import of higher grade iron ore, will be within the framework of the Export-Import Policy of the Government of India applicable from time to time. It is clarified that no export of iron ore will be allowed from the captive mine except by way of full replacement through import of equal quantity of high grade ore and within the limits mentioned above.

(e) A list of major integrated steel projects proposed to be set up within next 2 to 3 years is given at Annexure – D. Further details are enclosed in the Annexure A, B & C.

(f) There is no definition available for mega steel projects as of now. Following is the list of major integrated steel producers in the country having capacities higher than 1 million tonne.

(Crude Steel in Million Tonnes)

S.No.	Company	Approximate Present Capacity#
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1	Steel Authority of India Limited	12.84
2	Tata Steel Limited	6.8
3	JSW Steel Limited	6.6
4	Essar Steel Limited	4.6
5	Rashtriya Ispat Nigam Limited	2.9
6	Ispat Industries Limited	3.0
7	Jindal Steel & Power Limited	2.4
8	Bhushan Steel Limited	1.5
9	Bhushan Steel & Power Limited	1.2

(# As per the latest information available in the Ministry of Steel)