

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:3796
ANSWERED ON:30.07.2009
INVESTMENT FOR MEGA STEEL PROJECTS
Sarvey Shri Sathyanarayana

Will the Minister of STEEL be pleased to state:

- (a) whether the Government proposes to expedite long-pending investment proposals for mega steel plants in the country including Andhra Pradesh, Orissa and Jharkhand;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government in this regard?

Answer

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

(a)to(c): According to 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 judgment. The Government in such a market set-up has the role of a facilitator only – it provides the overall policy environment to promote industry growth.

Government has constituted an Inter-Ministerial Group (IMG) to monitor and coordinate issues concerning major steel investments 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.

Apart from this, the modernization and capacity expansion projects of public sector steel units such as Steel Authority of India Limited (SAIL), Rashtriya Ispat Nigam Limited (RINL) and NMDC Limited.