

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:444

ANSWERED ON:05.09.2011

STEEL PROJECTS

Dubey Shri Nishikant ;Naqvi Shri Zafar Ali

Will the Minister of STEEL be pleased to state:

- (a) the details regarding the total number of the ongoing, pending and incomplete projects related to the steel industry in various States including Uttar Pradesh and Bihar during the last three years;
- (b) the reasons for the delay in the execution of these projects within the stipulated time;
- (c) the total amount of funds sanctioned, released and incurred so far, project-wise; and
- (d) the time by which these pending and incomplete projects are likely to be completed, State-wise?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a)to(d): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF THE LOK SABHA STARRED QUESTION NO.444 TO BE ANSWERED ON 05/09/2011 TABLED BY SHRI ZAFAR ALI NAQVI AND SHRI NISHIKANT DUBEY, MEMBERS OF PARLIAMENT, REGARDING STEEL PROJECTS

(a),(c)&(d): Ministry of Steel is monitoring and reviewing the physical and financial status of steel projects of its public sector units. The status of various steel capacity projects by the public sector units under Ministry of Steel and the likely date of commissioning is given in the Annexure-1. The financial progress of such projects is given in the Annexure-2.

Steel being a deregulated sector, the detailed strategy regarding physical and financial matters of the private sector projects are decided by the individual investors themselves. Ministry of Steel facilitates the implementation of the major private sector projects through coordination with concerned Ministries and State Governments. Based on the information furnished by the respective companies the status and probable date of completion of some of the major private sector projects is given in Annexure-3.

There are no major steel projects being undertaken in Bihar and Uttar Pradesh. However, Steel Authority of India Limited (SAIL) is executing the work of mini steel unit at Jagdishpur and Steel Processing Units in both Uttar Pradesh and Bihar. The details of these are given at Annexure-4.

(b) Steel capacity expansion and modernization projects normally take 3 to 5 years for completion on account of the need for high resource mobilization, procurement of high value equipment and coordination with multiple numbers of agencies involved in the project. The Public Sector Steel Units, Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) are also augmenting their capacities and in these projects there have been some delays, particularly in procurement of some packages for reasons such as inadequate response of bidders, deviation in bid offers vis-a vis bidding conditions and high prices offered by tenderers as compared to the project cost estimates.