

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1150

ANSWERED ON:28.11.2011

STEEL FACTORIES IN BIHAR

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Will the Minister of STEEL be pleased to state:

- (a) whether the Government is planning to set up small, medium and large scale steel plants across the country including Bihar, Uttar Pradesh and Assam and if so, the details thereof, State-wise;
- (b) whether no substantial progress has been made regarding the setting up of Steel factories in Vaishali, Gaya and Bettiah districts of Bihar and Assam Steel Plant in Kamrup District even after their being approved several years back;
- (c) if so, the reasons therefor and the time likely to be taken to start production in these plants;
- (d) the details of all functional steel plants in the country, State-wise alongwith the details of all profit making steel plants and the sick steel plants; and
- (e) whether the Government is considering any proposal for the revival of the sick plants and if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a) Steel Authority of India Limited, Public Sector Undertaking of Ministry of Steel has approved setting up of 10 Steel Processing Units (SPU) in different States which are in annex-I

In addition, erstwhile Malvika Steel located at Jagdishpur has been acquired by SAIL and this plant is being revived with some additional facilities.

An integrated steel plant of 3 MTPA is being set up by NMDC Ltd. at Nagarnar in Chhattisgarh.

(b)&(c): The status of various Steel Processing Units (SPUs) in Bihar and Assam is as follows

(i) Bihar:

SPU at Bettiah:- The project is in advance stage of completion and is expected to be operational by November 2011.

SPU at Gaya:- Soil investigation work and site survey work has been completed. Conversion of agriculture land to industrial use is awaited. Final approval is yet to be accorded. Likely date of completion would be decided after final approval is given.

SPU at Mahnar (Dist. Vaishali):- Soil investigation and site survey work completed. The land is found to be low lying requiring significant land filling. This has an adverse impact on the financial viability of the project.

ii) Assam

SPU at Guwahati:- Survey of land has been completed. Most of the concessions and benefits considered at the time of 'In Principle approval' are not available at present. Final approval is yet to be accorded. Likely date of completion would be decided after final approval is given.

(d)&(e): The list of major integrated steel plants both in public and private sectors that are functioning in the various parts of the country, State/UT-wise is given in annex-II.

In addition, there are several medium and small steel units in the country including Mini Blast Furnace, Sponge Iron Units, Induction Furnace Units and Rolling Mills. The total number of such units is approximately 3647, as per the last survey conducted by Joint Plant Committee in 2009-10. Steel is a deregulated sector and Ministry of Steel maintains record of public sector steel units and private sector integrated steel units having capacity 1 million tonne or higher. However, no specific data of profit making or sick steel plants are available for the entire steel sector in the country.

There is no proposal under the consideration of revival of sick steel plants other than modernization/expansion of erstwhile IISCO plant

at Burnpur and revival of erstwhile Malvika Steel of Jagdishpur by SAIL.