

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:4075

ANSWERED ON:19.12.2011

INVESTMENTS IN OVERSEAS STEEL PROJECTS

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Will the Minister of STEEL be pleased to state:

- (a) the details of the overseas projects in which investments have been made by the Indian steel companies, country-wise;
- (b) the details of the number of persons recruited in such projects alongwith the employment opportunities likely to be generated by these companies in such projects in future;
- (c) whether certain Indian steel companies have received proposals for investment in the steel plants in Afghanistan; and
- (d) if so, the details thereof alongwith the reaction of the Government thereto?

Answer

THE MINISTER OF STEEL(SHRI BENI PRASAD VERMA)

(a)&(b): Steel is a deregulated sector.Private steel companies take decisions in respect of investment in foreign countries as per their business plans/ ambitions in accordance with RBI Guidelines etc. Ministry of Steel, however, does not maintain data on this. As far as Central Public Sector Enterprises (CPSEs) under the Ministry of Steel are concerned no such investments have been made so far.

(c)&(d): Yes, Madam. A global tender was floated by Ministry of Mines, Islamic Republic of Afghanistan for development of Hajigak iron ore deposit having estimated reserve of 1.77 billion tonne in Bamiyan Province.

A consortium comprising Indian companies' viz. Steel Authority of India Limited (SAIL – Lead Member), NMDC Limited, Rashtriya Ispat Nigam Limited (RINL), Jindal Steel and Power Limited (JSPL), JSW, JSW Ispat and Monnet Ispat & Energy submitted its bid on 04/9/2011.

In the bid submitted by SAIL led consortium, it has been proposed to develop the Hajigak Iron-ore deposits, setting up of a steel plant subject to coking coal linkages by Government of Afghanistan and development of infrastructure like rail, road, power plant etc.

This consortium has been awarded three Blocks with estimated iron ore reserves of 1288.75 MT and further negotiations are to take place soon.

This is purely a commercial decision, taken by the CPSEs and the private sector companies concerned as per their business ambitions and mutual interests. Ministry of Steel is not averse to this development.