

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:4983  
ANSWERED ON:07.05.2012  
MOUS FOR SETTING UP STEEL PLANTS  
Das Shri Khagen

**Will the Minister of STEEL be pleased to state:**

- (a) the details of the Memorandum of Understandings (MoUs) entered for setting up of steel plants across the country;
- (b) whether many of these plants have not become operational and started production even after the lapse of six year of the MoUs;
- (c) if so, the reasons therefor;
- (d) whether the Ministry has stipulated any time frame for starting the production in such plants;
- (e) if so, the details thereof and if not, the reasons therefor; and
- (f) the role played and the steps taken by the Ministry in this regard?

**Answer**

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

- (a) As per the available information in the Ministry of Steel, 301 MoUs have been signed by the Steel developers with various State Governments across the country. State-wise details of MoUs, as available in the Ministry, are given at Annexure –A, B & C.
- (b)&(c): Yes, Madam. Most of the projects are delayed due to problems related to land acquisition, pending environment and forest clearances, raw material linkages and local law & order situation.
- (d)&(e): No, Madam. Steel is a de-regulated sector. Ministry of Steel does not stipulate any time frame for starting production in the individual steel units. It is purely project specific outcome which depends on many factors like availability of finance, conditions of market and other techno-commercial parameters, in addition to the progress on the fronts of land acquisition, raw material linkages and environment & forest clearances etc.
- (f) Ministry of Steel facilitates the implementation of the major private sector projects through coordination with concerned Ministries and State Governments. An Inter-Ministerial Group (IMG) has been set up in the Ministry for monitoring and coordinating on the issues concerning major steel investments.