

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1453
ANSWERED ON:03.12.2012
FOREIGN COLLABORATION IN STEEL SECTOR
Reddy Shri Modugula Venugopala

Will the Minister of STEEL be pleased to state:

- (a) whether the foreign steel companies have entered into agreements with the Indian companies for setting up joint ventures in the steel sector;
- (b) if so, the details thereof along with the present status thereon;
- (c) the number of Memorandum of Understandings signed in this regard; and
- (d) the benefits likely to be accrued to the steel sector from these joint ventures?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a) to (d): The details of Memorandum of Understandings (MoUs) signed by Steel Authority of India Limited and NMDC Limited with foreign companies for setting up joint venture in the steel sector are given below:

S.No.	Name of the Indian Company	Name of the Foreign Company	Date of signing of MoU.	Present Status	Details of MoU/	Likely benefits.
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1.	Steel Authority Steel, Limited (SAIL)	Kobe Iron Private Ltd., Japan	30/03/2010	SAIL-KOBE Joint Venture Company of SAIL and Kobe steel making.	Iron India ITmk3 is the latest technology for iron making. This technology was developed by Kobe Steel, Japan and is an alternative to BF-BOF route of iron making. Through Itmk3 technology, iron ore fines on 25.05.2012. At present Detailed Project Report (DPR) Itmk3 technology eliminates the requirement of setting up coke oven and sintering plant. and Kobe Steel.	
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2. Steel POSCO 27/08/2009 SAIL and POSCO entered into The FINEX technology which is Authority Limited, MoU for possible JV an alternative to BF-BOF route of India South initiatives for setting of steel making is only operating Limited Korea up of Finex technology at POSCO's plant in South Korea. (SAIL) based steel plant at Finex is an innovative iron making Bokaro and a Cold process developed by Posco and Rolled Non-Oriented Siemens VAI for production of

(CRNO) steel unit in hot-metal based on direct Maharashtra. A DPR has use of iron-ore fines and been prepared jointly non-coking coal. Finex by SAIL and POSCO, technology eliminates which envisages a Finex the requirement of setting up of technology based steel sintering plant and coke oven and plant at 3 mtpa capacity allows the direct use of low-cost at Bokaro and a ore fines and coal, bringing down

3,00,000 tonnes

overall plant installation and CRNO unit at Vile Bhagad operational costs. Another Industrial Area in advantage of Finex is the Maharashtra. reduction of pollution, producing significantly less sulphur and nitrogen oxide than current furnaces.

3. Steel Kobe 30/11/2010 For exploring the possibility Authority Steel of setting up of an integrated of India Limited, steel plant at Jagdishpur for Limited Japan production of high value steel (SAIL)

items mainly for Automobile, Railways and Power Sector.

4. NMDC Kobe 19/04/2010 Kobe Steel and TBDL If the MoU with Kobe Steel Limited Steel have entered into fructifies into a Joint Limited, an MoU to develop Venture, it will open up Japan

new iron making ITmk3 a new avenue of reduction technologies using of low grade iron ore using coal as reductant. non-coking coal which will be highly beneficial for India.

5. NMDC OJSC 10/12/2010 To set up a Joint It will result into production Limited Severstal, Venture company for of high grade/auto grade steel Russia setting up a 3 million and long products. ton per annum steel plant in Karnataka under 50:50 Joint Venture.