

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:4462

ANSWERED ON:22.04.2013

HURDLES IN STEEL SECTOR

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Will the Minister of STEEL be pleased to state:

- (a) whether the Government has identified the major steel projects involving huge investments which have been stuck up due to various factors leading to undue delay in their completion;
- (b) if so, the details thereof along with the reasons for such delay;
- (c) whether both the foreign and domestic steel companies have recently voiced their concerns over the delays leading to cost overruns; and
- (d) if so, the details thereof along with the steps taken/being taken by the Government to remove the hurdles faced by the steel industry?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI BENI PRASAD VERMA)

(a) to (d) Identification of major steel projects which are stuck up due to various factors is an ongoing process. Such projects are identified in consultation with the concerned project proponents. The major reasons for delay in completion of steel projects are related to delay in acquisition of land, delay in statutory clearances, non availability of raw material linkages, law and order problems, delay by projects management contractors etc. Normally delay in completion of projects result in cost over-runs. However, no project proponent has specifically raised this issue before Ministry of Steel.

The issues of the steel industries are taken up by Ministry of Steel with the concerned Central Ministries and State Governments with a view to expedite their resolution by way of Inter Ministerial Group meetings/Sectoral meetings.