

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:5311

ANSWERED ON:29.04.2013

STEEL FACTORIES IN ODISHA

Choudhry Smt. Shruti;Laguri Shri Yashbant Narayan Singh;Rajesh Shri M. B.;Tudu Shri Laxman

Will the Minister of STEEL be pleased to state:

- (a) whether the Government proposes to set up any steel based industries in Mayurbhanj and Keonjhar districts in Odisha;
- (b) if so, the details thereof;
- (c) whether the Steel Authority of India Limited (SAIL) proposes to enter into any joint venture with the Indian Railways and if so, the details thereof along with details of the joint venture entered into by the SAIL with any other public sector enterprise;
- (d) whether the SAIL proposes to set up steel processing units during the 12th Plan period in collaboration with foreign agencies and firms with the assistance of international bank agencies; and
- (e) if so, the details thereof along with the total funds earmarked for this purpose?

Answer

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

(a)&(b) SAIL has no plan for setting up steel industry at Mayurbhanj district. Regarding setting up steel based industry at Keonjhar district, details are as follows:

SAIL is in discussions with Industrial Development Corporation of Odisha Ltd. (IDCOL) for exploring the possibility of acquisition / Joint Venture with its wholly owned subsidiaries IFCAL (IDCOL Ferro Chrome Alloys Ltd.) and IKWL (IDCOL Kalinga Iron Works Ltd.). IFCAL is engaged in production of High Carbon Ferro Chrome and sources raw material from its chromite mines at Tailangi (Sukinda Valley), whereas IKWL is engaged in production of Pig Iron at Barbil (Keonjhar District), Odisha.

An MOU in this regard was signed between SAIL and IDCOL in May,2012. Due diligence and valuation of IFCAL and IKWL is in progress.

(c) Yes, Madam. SAIL and RITES, a PSU under the aegis of Indian Railways, have formed a joint venture namely "SAIL RITES Bengal Wagon Industry Pvt. Ltd." for fabrication and refurbishing of wagons at Kulti, West Bengal. Installation of plant and machinery is in progress. Another JV company "SAIL Bengal Alloy Castings Private Limited" between SAIL and Burn Standard Company Limited, a PSU under Ministry of Railways, has been incorporated for setting up a factory in Jellingham, West Bengal to manufacture cast steel bogies, couplers and other related products for railways. Preparation of Detailed Project Report (DPR) for the project has been initiated. SAIL has also initiated discussions with Indian Railways to explore the possibility of jointly setting up of passenger coach manufacturing facility.

Details of joint ventures entered into by SAIL with other Public Sector Enterprise are at Annexure.

(d)& (e) No, Madam.