

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2273

ANSWERED ON:03.12.2009

SETTING UP OF MINI STEEL PLANTS

Kashyap Shri Virender;Muttemwar Shri Vilas Baburao;Thakur Shri Anurag Singh

Will the Minister of STEEL be pleased to state:

- (a) whether the Government proposes to set up more mini steel plants in the country;
- (b) if so, the number of licence given by the Union Government to install mini steel plants in the country including Himachal Pradesh and the basis on which these licences have been issued;
- (c) the steps being taken by the Union Government to promote the setting up of mini steel plants in the country;
- (d) whether the Union Government proposes to set up a steel plant in Kangra; and
- (e) if so, cost, capacity and the present status thereof and the time by which the plant is likely be set up?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF STEEL(SHRI A. SAI PRATHAP)

(a)&(b): According to the New Industrial Policy announced in July, 1991, steel industry has been de-licensed and removed from the list of industries reserved for the public sector subject to certain locational restrictions. No industrial licence is, therefore, required for setting up steel plants under the Industrial (Development & Regulation) Act, 1951 and the entrepreneurs are free to set up such plants anywhere in the country except in the restricted locations based on their commercial judgment.

However, 2(two) industrial licences namely Ashwini Steel Pvt. Ltd, in Village Lodariyal, Ahmedabad, Gujarat and Niranjana Singh Kartar Singh Forgings Pvt. Ltd. in Village Jandiali, Ludhiana, Punjab have been issued by the Government for manufacture of items like iron & steel in primary / semi – finished forms, M.S. Castings/Steel Ingots etc., in relaxation of location policy. The above two licenses were issued by the Licensing Committee working in Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, after due diligence and consultation and consideration thereof in accordance with the location policy of the Government.

(c)to(e): There is no proposal of the Government to set up mini steel plant in the Kangra in Himachal Pradesh. However, Steel Authority of India Ltd. (SAIL) proposes to set up a steel processing unit in Kangra, Himachal Pradesh, which envisages facilities of TMT bar mill with production capacity of 100,000 tonne per annum. The proposal has been approved 'in principle' by the SAIL Board and land has been acquired. The estimated cost of the project and time frame for completion has not been finalized.