

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2707
ANSWERED ON:26.08.2013
STEEL PLANTS IN BIHAR
Singh Dr. Raghuvansh Prasad

Will the Minister of STEEL be pleased to state:

- (a) whether foundation stones for setting up steel plants one each in Vaishali and Gaya districts in Bihar was laid after getting the in-principle approvals from the concerned authorities and if so, the details thereof;
- (b) whether the Steel Authority of India Limited (SAIL) has acquired the land for setting up the proposed steel plants and if so, the details thereof;
- (c) whether the works pertaining to the setting up of steel plant in Vaishali and Gaya has not started even after a lapse of more than four years and if so, the details thereof and the reasons therefor;
- (d) whether the delay is due to the land related problems and if so, the details thereof and if not, the reasons for the delay in setting up these plants; and
- (e) whether SAIL has taken up the matter with the State Government for the redressal of the land related problems and if so, the response of the State Government thereto and the time frame within which these plants are likely to become functional?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

- (a) Yes, Madam. The foundation stone for setting up of Steel Processing Units (SPUs) were laid at Mahnar (Distt. Vaishali) in April, 2008 and at Gaya in December, 2008 after in-principle approval of the projects by SAIL Board.
- (b) 50 acres of land was acquired in March, 2008 for SPU at Mahnar in Vaishali District and 27.3 acres of land was acquired in November, 2008 for SPU at Gaya.
- (c)to(e): Soil investigation and site survey report indicated that the land is low lying at Vaishali and significant land filling is required. This has an adverse impact on the financial viability of the project and the project is on hold. For SPU at Gaya, soil investigation and site survey work has been completed. The Steel Authority of India Limited (SAIL)/ Bokaro Steel Plant (BSL) have applied to Government of Bihar for conversion of Agriculture land to Industrial use. However, the agriculture land procured for the project is yet to be converted for industrial use. The setting up of SPU/ plants is a time consuming and continuous process wherein approval/ clearances are required from a number of agencies. As a result it is not feasible to commit any time frame for start of operations of the project.