

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:4450
ANSWERED ON:17.12.2009
DELAY IN IMPLEMENTATION OF STEEL PROJECTS
Dubey Shri Nishikant

Will the Minister of STEEL be pleased to state:

- (a) whether a number of projects in steel sector are getting delayed due to non-allotment of mines;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether his Ministry has interacted with Ministry of Mines to find out the factors/reasons behind it; and
- (d) if so, the details thereof?

Answer

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

(a)to(d): Steel being a deregulated sector, decisions related to setting up of steel plants are taken essentially by the concerned companies. A number of investors have signed MoUs with various State Governments for setting up steel plants in respective States. However, the actual implementation of the projects depend upon a number of factors including availability and possession of land, receiving all the statutory clearances, availability of raw material through linkage/ allocation of captive mines etc.

It is mentioned that the State Governments are the owners of minerals and grant mining leases of various minerals in accordance with the provisions of the Mines and Minerals (Development & Regulation) Act, 1957. For minerals specified in Schedule 1 to the MMDR Act, 1957, e.g. iron ore, manganese ore etc., prior approval of Central Government is required before grant of mineral concessions by the concerned State Government.

To streamline the procedure of grant of mineral concessions, Government has approved National Mineral Policy, 2008 along-with amended recommendations of the Hoda Committee. Ministry of Mines is in the process of bringing a new legislation to replace the existing Mines & Minerals (Development & Regulation) Act, 1957 to give effect to the intent of the National Mineral Policy, 2008 and recommendations of the Hoda Committee as approved by the Government. Ministry of Steel has been continuously interacting with Ministry of Mines on the subject and has already conveyed its views on the Draft MMDR Act to Ministry of Mines, keeping in view the concerns of domestic steel industry and to promote long term growth and development of the steel industry in the country.