

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2294

ANSWERED ON:03.08.2015

New Steel Plants

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Will the Minister of STEEL be pleased to state:

- (a) the number of the new steel plants which are presently under construction both in public and private sector in the country, State/UT-wise;
- (b) whether there has been cost and time overrun in completion of the said plants and if so, the details thereof along with the reasons therefor, plant-wise;
- (c) whether the Government proposes to set up more new steel plants in various parts of the country including Andhra Pradesh, Telangana, Jharkhand and Uttar Pradesh;
- (d) if so, the details thereof, State/UT-wise; and
- (e) the steps taken by the Government to make these plants operational in a time bound manner?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF (SHRI VISHNU DEO SAI)
STEEL AND MINES

(a)&(b): Steel is a deregulated sector and the role of Government is limited to that of a facilitator. The decisions to construct new steel plants are essentially taken by the respective companies, based on commercial considerations.

A new integrated steel plant is being constructed by NMDC Limited at Nagarnar, Chhattisgarh. The project is likely to be completed by December, 2016 against the original completion schedule of May, 2015 but no cost overrun is anticipated. The implementation of the project has been affected mainly due to delays in awarding of important packages, receipt of forest clearances and supply of engineering and fabricated materials as well as inadequate mobilization of resources by the contracting agencies.

(c)to(e): Steel Ministry is facilitating development of greenfield steel projects by setting up Special Purpose Vehicles (SPVs) in Joint Ventures between PSUs of Ministry of Steel and State PSUs. MoUs for setting up of Steel SPVs in Chhattisgarh was signed on 09.05.2015 and in Jharkhand on 28.06.2015 to fast track the project development activities for formation of Steel SPV and Mining SPV.
