

Sixteenth Loksabha

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Title: Need to set up a steel plant in YSR Kadapa district of Andhra Pradesh

SHRI Y.S. AVINASH REDDY (KADAPA): It is to bring to your kind notice that in Andhra Pradesh Reorganisation Act, 2014 in its 13th schedule clearly mentioned the establishment of a steel plant in YSR Kadapa district of Andhra Pradesh. It has been 3 years since the formation of new Andhra Pradesh state but yet the promises made during the bifurcation are yet to be fulfilled.

It had been recently informed that the SAIL had submitted the feasibility report on 2nd December 2014 itself. As per the feasibility report, setting up of steel plant is prima facie not financially viable. Subsequently, a task force has been constituted on 19th October, 2016 comprising of representatives from the Central Government, State Government, SAIL, RINL, NMDC, MECON Ltd and MSTC to consider the feasibility issues and to prepare a road map for setting up of steel plant in Andhra Pradesh. During the last meeting the task force held on 9th March, 2017 it was decided that the findings of the survey of the regions of Andhra Pradesh by Geological Survey of India may be shared with MECON as and when they become available and MECON would then submit its report about iron ore deposits.

Sir, if we look at a big steel plant like Vizag Steel Plant, Iron ore comes from faraway places. Yet it is a feasible and profitable project reaping good profits. But, in Kadapa the question of feasibility does not arise as large deposits of iron ore are available in and around Kadapa, and in Anantapur, Kurnool districts of Andhra Pradesh so availability of Iron ore is abundant.

Further, if Government of India and State Government provide some tax incentives and subsidy then the project will become viable without any doubt.

The division of erstwhile AP state was done completely ignoring and against the feelings, opinions of the Seemaadhra region. The bifurcation of the state was done by hurting the sentiments of the people of Rayalaseema region in particular.

After division, the only thing the people of Rayalaseema region are anxiously looking for is setting up of steel plant in YSR District of Andhra Pradesh as promised in AP Reorganisation Act, 2014.

In view of the above, I request you to kindly expedite the matter to initiate setting up of steel plant in YSR Kadapa District of Andhra Pradesh at the earliest.