

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
STARRED QUESTION NO.*127
FOR ANSWER ON 22/03/2012

STEEL PRODUCTION IN PLANTS

*127. SHRI R.C. SINGH:

Will the Minister of STEEL be pleased to state:

- (a) whether even after six years of MoU for setting up of steel plants in the country, production has not started in any of the plants;
- (b) if so, the reasons therefor;
- (c) whether the Ministry has stipulated any time-frame for starting the production;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the role of the Ministry with regard to the MoU and commencement of production?

ANSWER

THE MINISTER OF STEEL

(SHRI BENI PRASAD VERMA)

(a)to(e): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) OF THE
RAJYA SABHA STARRED QUESTION NO.*127 FOR ANSWER ON
22/03/2012 TABLED BY SHRI R.C. SINGH, MEMBER OF PARLIAMENT
REGARDING STEEL PRODUCTION IN PLANTS**

(a) No, Sir. As per the available information, a number of new steel capacities have come into operation. The steel capacity in the country has increased from 56.84 MTPA (March 2007) to about 88 MTPA presently.

(b) Question does not arise.

(c)to(e): Steel is a de-regulated sector. Ministry of Steel does not stipulate any time frame for starting production in the individual steel units. It is purely project specific outcome which depends on many factors like availability of finance, conditions of the market and other techno- commercial parameters in addition to progress on the fronts of land acquisition, raw material linkages, forest and environment clearances etc.

Memorandum of Understanding (MoU) is purely an understanding between the concerned State Government and the respective steel investors. Government of India has no role to play in it.

However, an Inter-Ministerial Group (IMG) has been set up in the Ministry which is vested with the job of monitoring and co-coordinating the issues concerning major steel investments.
