

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

STARRED QUESTION NO:299  
ANSWERED ON:14.08.2006  
PORT BASED STEEL PLANTS  
Oram Shri Jual

**Will the Minister of STEEL be pleased to state:**

- (a) whether the proposal to set up some port-based steel plants in the country are under the consideration of the Government;
- (b) if so, the number of Memorandum of Understanding signed during Tenth Plan between the Government (both Union and State) and the private sector, State-wise; and
- (c) the progress made so far in this regard?

**Answer**

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a)to(c): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (C) OF THE LOK SABHA STARRED QUESTION NO.299 TO BE ANSWERED ON 14/08/2006, TABLED BY SHRI JUAL ORAM, MEMBER OF PARLIAMENT REGARDING PORT BASED STEEL PLANTS

(a)to(c): After the commissioning of Vizag Steel Plant under Rashtriya Ispat Nigam Ltd., the Government do not propose to set up any port based steel plant in the country. However, Government of Orissa has signed 3(three) Memoranda of Understanding with private sector steel plants for setting up major port based steel plants. The progress made in each case is annexed.

**Annexure**

S.No. Name of the company & location      Progress

1 M/s Tata Steel Ltd., Kalinganagar Industrial Complex,  
Duburi, Jajpur      Technology has been finalized

and technical tie-up with Nippon  
Steel has been entered into.

2000 acres of land has been  
acquired by the company.

Water allocation, Pollution  
clearance & Rail traffic  
clearance have been obtained.

Investment of Rs. 150 crores  
has already been made.

Mining lease application for  
iron ore mines has been  
submitted. Pre-feasibility &  
Topographic surveys and Rapid  
Environmental Impact Assessment  
(EIA) completed.

2 M/s Hy-Grade Pellets Ltd. (ESSAR Group), Paradeep      One Hundred acres of land has  
been purchased from farmers/  
land holders.

The work on the bought land  
including fencing, soil survey  
has been done.

Techno Economic Feasibility  
Reports for the Project have been  
drawn up.

Mining Applications have been  
filed for the iron ore  
requirement.

Essar Group has already  
established a full fledged

office in Bhubneswar.  
3 M/s POSCO India Project (P) Ltd., Paradeep POSCO-India Company has been  
incorporated in August 2005.

Newly incorporated company has  
opened head office at  
Bhubaneshwar in August 2005.

Total capital paid up by  
September 2005 is USD 51.3  
million.

The company has opened  
construction office in Paradeep  
in January 2006.

1,135 acres has been sanctioned  
to the company.

The company has prepared R&R  
package on the basis of Orissa  
R&R Policy, 2006.

The company had decided to  
adopt FINEX technology for  
production process.

The company has completed  
feasibility study and master  
engineering plan for 12 million  
tonnes steel capacity.

The company has applied for  
advanced Prospective Licence for  
iron ore mining.