

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2161
ANSWERED ON:14.08.2006
FDI IN STEEL INDUSTRY
Joshi Shri Pralhad Venkatesh

Will the Minister of STEEL be pleased to state:

- (a) the details of the FDI in steel industry in the country during the last two years and the proposed investment in the next two years;
- (b) whether the Government has received any proposals from some private sector steel companies for investment in India;
- (c) if so, the details thereof;
- (d) whether the Government has received any requests from some States also for setting up of such steel plants in their respective States; and
- (e) if so, the details thereof and the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

(a)to(c): As per available information, the details of Foreign Direct Investment (FDI) approved by Government in iron & steel sector during April 2004 to March 2006 are annexed. As per the Government's Policy, FDI upto 100% is permitted in the steel sector under the automatic route. Further, mineral rich States of Orissa, Chhattisgarh and Jharkhand have signed Memoranda of Understanding (MoUs) with private sector steel companies for setting up steel plants in their respective States, the details of which are as under:-

S.No.	State	No. of MoUs signed	Capacity envisaged (mtpa)	Investment envisaged (in Rs. Crores)
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1.	Orissa	43	58.04	1,37,156.00
2.	Chhattisgarh	42	19.32	43,129.38
3.	Jharkhand	31	68.67	1,77,059.15
Total	116	146.03	3,57,344.53	

(d) No, Sir.

(e) Does not arise in view of (d) above.

ANNEXURE

STATEMENT ON DETAILED BREAK-UP FOR FOREIGN DIRECT INVESTMENT (FDI) APPROVED BY GOVERNMENT DURING APRIL 2004 TO MARCH 2006

S.No.	Name of the company	Name of the collaborator	Foreign equity (Rs.Crore)	% of foreign equity
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1	Bluescope Steel Building Solutions P. Ltd., Australia Pvt. Ltd.	Bluescope Steel Asia Holdings	8.870	99.97
2	EBG India Private Limited	Thyssenkrupp Electrical Steel EBG GMBH (TKES), Germany	25.40	100.00
3	Ferro Alloys Corporation Limited	Investar Ltd. Super Vision Ltd. Precisetec Ltd. Terecota Consultancy Ser Magetec Ltd Global Scal Investment, Mauritius	6.14	33.05
4	Facor Alloys Limited	Investar Ltd., Mauritius	7.52	38.35
5	Visa Industries Limited, Bhubaneswar, Orissa	Visa Comtrade A.G., Switzerland	44.30	47.41

6 Visa Industries Limited, Visa Comtrade A.G., 45.32 74.00
Bhubaneshwar, Orissa Switzerland
7 Visa Industries Limited, Visa Comtrade A.G., 35.00 31.82
Bhubaneshwar, Orissa Switzerland
8 Monnet Ispat Ltd. Citicrop Intl. Finance
Corporation, U.S.A. 3.53 19.56
9 Indian Metals & Litecaktiengesellschaft
Vanuatu (LitecAG), 0.35 22.44
Ferro Alloys Ltd.
10 Reyna Steels Ltd. Euro-Fin S.R.L. Italy 0.50 50.00
11 Wel Spun Trading Eupec Pipecoatings, GmbH, 6.00 4.24
Limited Germany
12 Bay-Forge Ltd. M/s. Fomas Spa, Italy 16.00 98.45