

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1985
ANSWERED ON:26.03.2012
SETTING UP OF STEEL FACTORIES
Guddu Shri Premchandra;Sushant Dr. Rajan

Will the Minister of STEEL be pleased to state:

- (a) whether the Government has proposed to set up steel factories at Bandkha in Madhya Pradesh and Kandrori in Himachal Pradesh;
- (b) if so, the estimated cost of the projects alongwith the estimated production capacity and employment opportunity likely to be generated from these plants;
- (c) the status of the construction work of these plants alongwith the stipulated time frame for the completion of the said factories;
- (d) whether there has been an inordinate delay in the processing of tenders for the construction work of these plants; and
- (e) if so, the action taken by the Government in the matter?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a)to(c): Steel Authority of India Limited (SAIL) is setting up a Steel Processing Unit (SPU) at Kandrori, District Kangra in Himachal Pradesh to produce TMT Bars with an estimated cost of Rs.72.30 crores (Net of CENVAT). It is also planned to set up a Steel Processing Unit (SPU) at Bandkha, District Ujjain in Madhya Pradesh by SAIL under Joint Venture with an estimated cost of Rs. 60 crores. These units will have the production capacity of 1,00,000 tonnes per annum of TMT bars/rounds. The employment opportunity likely to be generated at each of these plants will be about 100-125 persons.

For the Steel Processing Unit (SPU) at Kandrori, major civil and structural works and erection of equipment is in advance stage of completion and unit is expected to be commissioned by June 2012. The unit at Bandkha is expected to be completed in a period of 18 months from the date of transfer of land in the name of the Joint Venture Company.

(d)&(e): There has been no inordinate delay in the processing of tenders for the Steel Processing Unit at Kandrori. For the unit at Bandkha, the tendering process for construction work will start once the land is transferred in the name of the Joint Venture Company.