

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.1259
FOR ANSWER ON 04/05/2016

STEEL PLANT IN KHAMMAM DISTRICT OF TELANGANA

1259. SHRIMATI RENUKA CHOWDHURY:

Will the Minister of STEEL be pleased to state:

- (a) whether the Andhra Pradesh Reorganization Act, 2014 provides for setting up of a steel plant by SAIL in Khammam district of Telangana;
- (b) if so, the present status in this regard;
- (c) the reasons for inordinate delay in setting up of the steel plant; and
- (d) the immediate steps taken by Government to fulfil the promise made in this regard in an Act passed by the Parliament?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF
STEEL AND MINES

(SHRI VISHNU DEO SAI)

(a)to(d): In terms of the Thirteenth Schedule of the Andhra Pradesh Reorganization Act, 2014, SAIL was to examine within six months from the appointed day i.e. 02.06.2014, the feasibility of establishing an integrated steel plant in the Khammam District of Telangana. A feasibility report was submitted by SAIL to the Government on 02.12.2014. Thus, SAIL has completed the task assigned to it as per the Andhra Pradesh Reorganization Act, 2014. As per the report, the feasibility of setting up of Steel Plant with the given configurations is prima facie not financially viable. In view of this, a Task Force comprising of representatives from the Central & State Government, SAIL, RINL and NMDC was constituted on 06.02.2015 to suggest ways and means to make the project financially viable.
