

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.142
FOR ANSWER ON 16/11/2016

SETTING UP OF STEEL PLANT IN KHAMMAM

142. SHRI DEVENDER GOUD T.:

Will the Minister of STEEL be pleased to state:

- (a) whether it is a fact that SAIL has given report about setting up of steel plant in Khammam as per AP Reorganisation Act;
- (b) whether it is also a fact that SAIL reported that it is financially not feasible to set up a plant at Bayyaram in Khammam district of Telangana;
- (c) if so, what Government is planning to do in this regard;
- (d) whether Government sought suggestions from other steel companies to find out the viability of the project; and
- (e) why cannot Government ask other steel PSUs or private steel companies to set up steel plant in Khammam?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a)&(b): In terms of the Thirteenth Schedule of the Andhra Pradesh Reorganisation Act, 2014, SAIL was required to examine the feasibility of establishing an integrated steel plant in Khammam district of Telangana. The feasibility report was submitted by SAIL on 02.12.2014. As per the feasibility report, setting up of steel plant is prima facie not financially viable.

(c)to(e): A Task Force has been constituted on 19.10.2016 comprising of representatives from the Central & State Government, SAIL, RINL, NMDC, MECON & MSTC to consider the feasibility issues and to prepare a road map for setting up of Steel Plants in Andhra Pradesh and Telangana.
