

(a) whether a “Sponge Iron” Plant in Janjgir Champa district of Madhya Pradesh, while getting Chotia coal block for its captive power plant, had promised to double its capacity from four lakh tonnes by 2004;

(b) if so, whether the capacity was doubled by 2004 when more additional coal extraction was applied; and

(c) whether monitoring of capacity augmentation is done by any Government agency of the Central Government to find out under produced sponge iron?

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA): (a) and (b) The matter of allocation of coal blocks falls under the purview of Ministry of Coal. Ministry of Coal has informed that M/s Prakash Industries Ltd. has been allocated Chotia coal block on 04.09.2003 for its proposed 4 lakh tonnes per annum (LTPA) expansion capacity of sponge iron plant under Section 3(3)(a)(iii) of the Coal Mines (Nationalisation) Act, 1973. Ministry of Coal has further informed that for its existing 4 LTPA capacity sponge iron project and captive power plant, the company was having coal linkage from Coal India Ltd. However, on starting production from Chotia block, the coal lifting from linkage for its existing plant was gradually reduced, synchronizing with captive production and the company requested for surrender of coal linkage and sought permission to use coal from Chotia block. This was on account of delay in developing the additional capacity of 4 LTPA. Ministry of Coal accepted the request of surrender of coal linkage for its existing sponge iron plant on 23.10.2007. Ministry of Coal has informed that M/s Prakash Industries Ltd. is bound by the terms and conditions of the allocation letter of Chotia coal block and the guidelines for allocation of captive coal block.

(c) Iron and Steel sector is a de-regulated sector and the production of sponge iron by any unit is not regulated by the Government. However, in connection with allocation of captive coal/lignite blocks, information is compiled by the Office of the Coal Controller under Ministry of Coal on the status of the captive coal/lignite blocks and the linked end use projects and periodical review meetings are held under the Chairmanship of Additional Secretary, Ministry of Coal to review the status of the allocated coal/lignite block and associated end-use projects.

Setting up of steel plant in Mayurbhanj

1370. SHRI KISHORE KUMAR MOHANTY: Will the Minister of STEEL be pleased to state:

(a) whether the Ministry has permitted any Indian foreign company to put the steel plants in the Mayurbhanj district of Orissa, where there is not a single industry;

(b) if so, the details thereof; and

(c) if not, whether the Ministry would find the possibility and plan to make any departmental survey for these kinds of proposals which are supporting the economically backward people of the district?

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA): (a) and (b) According to the New Industrial Policy announced in July, 1991, steel industry has been de-licensed and removed from the list of industries reserved for the public sector subject to certain locational restrictions. No industrial licence is, therefore, required for setting up steel plants and the entrepreneurs are free to set up such plants anywhere in the country except in the restricted locations.

As per information available in the Ministry of Steel no major steel investment has been proposed in the Mayurbhanj district in Orissa.

(c) The steel investor are free to decide location of the project, including in Mayurbhanj district, based on the techno-economic feasibility of their project. Ministry of Steel has no direct role in deciding the location of a steel project by a steel company.

Establishment of Steel Processing Units

†1371. SHRI SHREEGOPAL VYAS: Will the Minister of STEEL be pleased to state:

(a) whether SAIL has established steel processing units in different parts of the country during the last few years;

(b) if so, the details thereof, especially pertaining to Chhattisgarh; and

(c) if so, the details thereof?

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA): (a) Yes, Sir.

(b) and (c) There are 10 nos. of Steel Processing Units (SPUs) for which SAIL Board has accorded "in-principle" approval and these are to be set up in different States viz. Bihar (Bettiah, Mahnar and Gaya), Madhya Pradesh (Hoshangabad, Ujjain and Gwalior), Assam (Guwahati), Uttar Pradesh (Lakhimpur), Jammu and Kashmir (Srinagar) and Himachal Pradesh (Kangra). The SPUs at Bettiah and Kangra have been accorded final approval by SAIL Board for implementation. There is no proposal at present for any Steel Processing Unit (SPU) to be set up in the State of Chhattisgarh.

Development of tourism in Uttar Pradesh

†1372. SHRI NARESH CHANDRA AGRAWAL: Will the Minister of TOURISM be pleased to state:

(a) the funds allocated to Uttar Pradesh for tourism sector in the last three years by Government;

†Original notice of the question was received in Hindi.