

**LOK SABHA
UNSTARRED QUESTION NO.2211
FOR ANSWER ON 03/08/2015**

JOINT VENTURE PROJECTS OF SAIL

2211. SHRI N.K. PREMACHANDRAN:

Will the Minister of STEEL be pleased to state:

- (a) whether the Government proposes to start new joint venture industries with the participation of Steel Authority of India Limited (SAIL);
- (b) if so, the details thereof;
- (c) whether the SAIL is withdrawing from the MoUs for starting joint venture industries with the participation of Central and State Public Sector Undertakings;
- (d) if so, the details thereof and the reasons therefor;
- (e) whether the SAIL proposes to fulfil the terms and conditions in the MoU executed with other Central and State Public Sector Undertakings for establishment of industry in various States/UTs including KSIDS and KMML State/UT-wise; and
- (f) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI VISHNU DEO SAI)

(a)&(b): The Ministry of Steel, Government of India is facilitating development of Greenfield Steel Projects by setting up Special Purpose Vehicles (SPVs) in Joint Ventures between PSUs of the Ministry and State PSUs.

An MoU for setting up of Steel SPVs in Chhattisgarh was signed on 09.05.2015 by the Ministry of Steel, Government of India, SAIL and NMDC Ltd. with Chhattisgarh State Government.

However, formation of joint venture industries is a commercial decision and new joint ventures industries are started by Steel Authority of India Limited (SAIL) with the approval of its Board in accordance with Department of Public Enterprises (DPE) guidelines in this regard after conducting due diligence and establishing the technical and financial viability of the project.

(c)&(d): No, Madam. SAIL is not unilaterally withdrawing from any MoU which it has signed.

(e)&(f): MoUs are record of broad understanding between the parties for a joint association and may fructify into specific agreements as and when agreed to by the parties.

An MoU was signed between SAIL, Kerala State Industrial Development Corporation Limited (KSIDC) and Kerala Minerals and Metals Limited (KMML) in 2013 for jointly exploring possibilities of setting up a Titanium Sponge and Metal Complex at Chavara, Kollam in Kerala.
