

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:15
ANSWERED ON:21.07.2003
STEEL PLANTS UNDER PUBLIC SECTOR
CHANDRAKANT BHAURAO KHAIRE

Will the Minister of STEEL be pleased to state:

- (a) whether the Government have conducted any study to find out the capacity of steel plants set up under the public sector;
- (b) whether some of the steel plants under the public sector have shown unsatisfactory results despite modernisation;
- (c) if so, the reasons therefor;
- (d) whether the Government have taken any measures to ensure better performance under this sector;
- (e) if so, the details thereof; and
- (f) the success achieved so far as a result thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)to(f): A statement is placed on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF THE LOK SABHA STARRED QUESTION NO.15 T
ANSWERED ON 21.7.2003 TABLED BY SHRI CHANDRAKANT KHAIRE REGARDING STEEL PLANTS UNDER F
SECTOR

(a) No formal studies have been instituted to find out the capacity of steel plants in the public sector since such capacities are already known through the Detailed Project Reports made at the time of setting up of the plants or their subsequent expansion/modernisation.

(b)&(c): The physical performance of SAIL plants have improved after modernization.

(d)&(e): The following steps have been taken by the Government to improve the performance of its steel plants:

- Intensive cost control drive which envisages improvement of yield, reduction in consumption of coking coal and other raw material, reduction in consumption of power and fuel, reduction in consumption of stores and spares, improvement in other key techno-economic parameters, etc.
- Implementation of Voluntary Retirement Scheme.
- Market oriented product-mix, increasing sales network and more focus on customer satisfaction etc.
- Quality improvement to meet customer requirements and schemes relating to statutory requirement like safety, environment etc.

(f) As a result of the above measures coupled with improvement in market conditions, performance of steel plants have shown considerable improvement. SAIL achieved the highest ever production of 10.35 MT of saleable steel in 2002-03 and has been able to reduce its losses from Rs. 1707 crores in 2001-02 to Rs. 304 crores in 2002-03. RINL achieved a saleable steel production of 3.06 MT, and achieved a net profit of Rs. 450 crores, for the first time since its inception.