

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:923
ANSWERED ON:08.12.2003
REVIVAL OF IISCO
NITISH SENGUPTA

Will the Minister of STEEL be pleased to state:

- (a) the present status of the proposal for revival of the Indian Iron and Steel Company (IISCO);
- (b) the steps being taken in this regard; and
- (c) the present financial position of the company?

Answer

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

(a) & (b): Implementation of rehabilitation proposal as approved by the Government has been initiated as follows :

(i) Grant of Rs.186 crores for financing the Voluntary Retirement Scheme (VRS) in Kulti Works as a prelude to its closure has been given. Kulti Works is now closed and 2544 employees have been separated through VRS.

(ii) Govt. Guarantees of Rs.431 crores (Rs.341 crores for Capital Expenditure + Rs.90 crores for VRS) have been provided for raising money for financing VRS in Burnpur Works and Collieries & Mines as well as for Capital Expenditure in these units. Funds amounting to Rs.64 crores have been raised against the Govt. Guarantee provided so far.

(iii) Steel Development Fund (SDF) loan of Rs.44.68 crores (including interest) and Joint Plant Committee (JPC) dues of Rs.18.46 crores have been waived.

(c) During April-September`2003, Indian Iron & Steel Company (IISCO) has incurred a net loss of Rs.43 crores as compared to Rs.100 crores during the same period of last year.