

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2729
ANSWERED ON:12.12.2005
LOSSES INCURRED BY IISCO
Scindia Shri Jyotiraditya Madhavrao

Will the Minister of STEEL be pleased to state:

- (a) the separate details of operational/non-operational profit/loss making units of Indian Iron and Steel Company, location-wise and State-wise;
- (b) the quantity of steel produced by it and the profit earned therefrom during the last three years; and
- (c) the steps taken and proposed to be taken to strengthen this PSU?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) The details of operational/non-operational profit/loss location-wise and State-wise is as under :

Units of IISCO	Location	State	Status	Profit(+)/Loss(-)
	(Rs./crore)			
	during 2004-05			

Burnpur Works	Burnpur	West Bengal	Operational	- 3.54
Kulti Works	Kulti	West Bengal	Non-operational	- 14.65
	(operation ceased			
	w.e.f.1.4.2003)			
Collieries	Chasnalla	Jharkhand		
	Jitpur	Jharkhand		
	Ramnagore	West Bengal	Operational	57.39
Ore Mines	Gua	Jharkhand		
	Chiria/Manoharpur	Jharkhand	Operational	7.39

(b) The production/profit is as follows :

Year	Quantity of Steel (Saleable)	Profit earned (PBT)	(IISCO)	(Rs./crore)
	produced by IISCO (in `000 tonnes)			

2002-03	264	- 182.23		
2003-04	241	27.009		
2004-05	274	46.59		
2005-06# (#upto Sept`05)	129	3.60		

(c) The Board for Industrial and Financial Reconstruction (BIFR) approved a rehabilitation scheme for IISCO in November, 2003. The scheme approved the closure of Kulti Works as it was found to be economically unviable. The operation of Kulti Works was closed with effect from 1st April, 2003.

For optimum utilization of raw material resources of IISCO and harnessing synergies between IISCO and SAIL, Government has accorded approval to merge IISCO with SAIL.

Meanwhile, under the Corporate Plan 2011-12 for IISCO, Burnpur Works will be upgraded to produce 2 Million Tonne Per Year (MTPY) of Crude Steel in 2011-12, from a level of 0.35 Million Tonne (MT) in 2004-05. The plan also envisages development of collieries to enhance coking coal production to 1 MTPY. Chiria Iron Ore Mines will be developed to produce 7 MTPY of iron ore. Total

investment approved in the Corporate Plan is Rs.8,017.00 crore.