

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2809
ANSWERED ON:12.12.2005
MERGER OF STEEL AND MINING UNITS
Acharia Shri Basudeb

Will the Minister of STEEL be pleased to state:

- (a) Whether the Government has constituted an expert group to study the feasibility of merger of steel and mining Public Sector Undertakings;
- (b) if so, the details thereof;
- (c) whether the Government has taken steps to ensure that Kudremukh Iron and Steel Company remains profitably functioning; and
- (d) if so, the steps initiated to defend the Hon`ble Supreme Court's order on closure of this unit on environmental grounds?

Answer

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

(a)&(b): Yes Sir. In deference to demands from various quarters, the Ministry of Steel has constituted an Expert Group headed by Shri B.L. Das, Ex-Secretary (Steel) to evaluate the technical and financial feasibility of various proposals for merger of PSUs under the Ministry on 18th October, 2005. The Expert Group is yet to examine the matter and give its recommendations. Decision regarding merger will be taken only after the Expert Group gives its recommendations.

(c) The Hon`ble Supreme Court has not ordered closure of Kudremukh Iron and Steel Company which is a joint venture company promoted by Kudremukh Iron Ore Company Limited, MECON Limited and MSTC Limited. The Supreme Court's order relate to Kudremukh Iron Ore Company Limited (KIOCL).

(d) As far as Supreme Court's order on closure of KIOCL is concerned, the following steps have been initiated :-

- i) Discussions with the Ministry of Environment & Forests regarding filing of an Interlocutory Application by them.
- ii) Arranging discussion with Solicitor General of India regarding future steps