

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:2154

ANSWERED ON:14.12.2004

STEEL PLANTS

Jha Shri Raghunath

**Will the Minister of STEEL be pleased to state:**

to para 3.1.4 on page 67 of C&AG report No.4 of 2003 (PSU) under the heading 'lack of initiative of Ministry' and state:

(a) whether the Committee of Secretaries (CoS) examined and reviewed Business Restructuring Plan of Steel Plants and submitted progress report to the Cabinet Committee on Economic Affairs;

(b) if so, the number of times giving the details thereof and the action taken by the Government thereon;

(c) whether any of the loss making plants were either sold or closed or do they continue to incur heavy losses;

(d) if so, the reasons therefor; and

(e) the details of the losses suffered by each plant during each of the last five years?

**Answer**

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

(a) & (b) Yes, Sir. The Committee of Secretaries (COS) reviewed the progress made in the implementation of financial and business restructuring package of Steel Authority of India Limited (SAIL) on five occasions i.e. 19/4/2000, 15/11/2000, 08/1/2002, 7/10/2003 and 03/8/2004. Subsequently, the Cabinet Committee of Economic Affairs (CCEA) has carried out reviews on three occasion i.e. 12/3/2001, 25/11/2002 and 02/12/2003. On one occasion, Group of Ministers (GOM) has reviewed the same as directed by CCEA in its meeting held on 25/11/02. The Government has been taking regular follow up action on the directions/decisions of the COS and CCEA and keeping them apprised of the developments in this regard.

(c) & (d) Under the financial and business restructuring package that was approved for SAIL in February` 2000, no plant of SAIL has been closed. However, un-viable units and some units in the non-core sector i.e. Power Plants of Rourkela Steel Plant, Durgapur Steel Plant and Bhilai Steel Plant have been divested and formed Joint Venture (JV) companies with NTPC. The Power Plant of Bokaro Steel Plant has also been divested and formed another JV company with Damodar Valley Corporation (DVC). All the Power Plant JV companies are operating successfully.

(e) The details of Profit/Loss of SAIL plants and IISCO for the last five years are given below :

(Rupees in crores)

Steel Plants	99-2000	2000-01	2001-02	2002-03	2003-04
Bhilai	923	424	777	351	932
Durgapur	- 651	- 236	- 262	- 247	81
Rourkela	- 704	- 445	- 1036	- 593	- 109
Bokaro	120	49	- 459	311	1120
Alloy Steel Plant	- 260	- 184	- 149	- 180	- 172
Salem	- 142	- 155	- 153	- 119	2
VISL	- 91	- 68	- 103	- 136	- 82
OTHERS	- 84	- 32	- 22	- 87	- 144
SAIL (Profit Before Tax)	- 1720	- 729	- 1707	- 316	2628
SAIL (Profit After Tax)	- 1720	- 729	- 1707	- 304	2512
IISCO	- 210	- 187	- 180	- 182	27

# Others include Raw Material Division & Central Units of SAIL