

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2129
ANSWERED ON:14.12.2004
PRODUCTION PROFIT LOSS OF STEEL PLANTS
Acharia Shri Basudeb;Mane Smt. Nivedita

Will the Minister of STEEL be pleased to state:

- (a) the details of manpower, production, profit and loss of all steel plants in public and private sectors during 2002-03 and 2003-04, plant-wise;
- (b) the contribution of raw materials, energy, depreciation, interest and wage as the percentage of cost of production for the same period with plant-wise break-up;
- (c) the details of energy consumption, productivity, coke rate in each plant during the same period;
- (d) the effect of ash percentage in the coke rate in each plant during the same period;
- (e) the comparative figures in other countries like U.K., U.S.A., Germany, Russia, Japan & China regarding production, consumption, productivity, as percentage in coke, coke rate and energy consumed; and
- (f) the steps taken to improve the steel production in the country?

Answer

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

- (a) While the Government does not monitor functioning of private sector steel plants, the plant-wise details of manpower, production, profit and loss of all the public sector steel plants during 2002-03 and 2003-04 are given in Annexure I.
- (b) The cost of production and its components is classified information and its disclosure is not in the commercial interest of the organisations concerned.
- (c) Plant-wise details of energy consumption, productivity, coke rate during the said period are given in Annexure II.
- (d) Variation in ash percent by 1% generally changes the coke rate by 2%. However, coke rate is also influenced by several other factors like technological level of blast furnaces, quality of iron ore, percent of sinter in burden, consistent operations etc. Therefore, it is difficult to attribute only ash percentage to coke rate in each plant.
- (e) As per information available from World Steel Dynamics, the production, consumption etc. in U.K. USA, Germany, Russia, Japan and China are as below:

Production and Consumption (in million tonnes)

Country 2002 2003

	Production (crude Steel)	Consumption (Finished Steel)	Production (crude Steel)	Consumption (Finished Steel)
UK	11.7	12.8	13.3	12.9
USA	91.6	103	90.4	100.5
Germany	45	34.3	44.8	33.7
Russia	59.8	23.3	62.7	23.9
Japan	107.7	71.7	110.5	73.8
China	187.2	185.6	220.1	232.4

(f) Government has taken various steps to improve the steel production in the country which inter-alia include:-

- i) De-licensing of the steel industry and its removal from the list of industries reserved for the public sector.
- ii) Development of new raw material blocks/ mines, increased production from existing mines.
- iii) Improving the quality of iron ore by suitable beneficiation.
- iv) Achieving operating efficiencies by economies of scale of operations and improving skill levels of manpower.
- v) Modernisation and adoption of latest technology.
- vi) Improving levels of automation

ANNEXURE -I

Plant 2002-2003 2003-2004

Manpower Produ- Profit (+) Manpower Production Profit
(as on ction(000`t) Loss(-) (as on (000`t) (+)Loss (-)
31.3.2003) (Rs. in crore) 31.3.2003) (Rs. in cr.

Bhilai Steel Plant (BSP) 39070 3616 735 37585 4091 1932
Durgapur Steel Plant (DSP) 17928 1585 (-)247 16857 1612 81
Rourkela Steel Plant (RSP) 24674 1527 (-)593 23849 1575 (-)109
Bokaro Steel Plant (BSL) 37678 3358 311 36098 3450 1120
Alloy Steel Plant (ASP) 2855 99 (-)180 2773 113 (-)172
Salem Steel Plant (SSP) 1357 83 (-)119 1351 85 2
Visvesvaraya Iron & Steel Plant (VISP) 3020 84 (-)136 2854 100 (-)82

Indian Iron & Steel Co. Ltd. 19471 288 (-)182 16990 257 27
Visakhapatnam Steel Plant (VSP) 16894 3056 521 16755 3169 1547

ANNEXURE -II

Blast Furnace (BF) productivity (t/Cum/Day)

Plant 2002-2003 2003-2004

Bhilai Steel Plant (BSP) 1.72 1.74

Durgapur Steel Plant (DSP)	1.36	1.45
Rourkela Steel Plant (RSP)	1.11	1.09
Bokaro Steel Plant (BSL)	1.60	1.60
Indian Iron & Steel Co. Ltd.	0.75	0.74
Visakhapatnam Steel Plant (VSP)	1.72	1.76

Energy Consumption (Gcal/tcs)

Plant	2002-2003	2003-2004
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Bhilai Steel Plant (BSP)	6.84	6.86
Durgapur Steel Plant (DSP)	7.36	7.36
Rourkela Steel Plant (RSP)	8.88	8.72
Bokaro Steel Plant (BSL)	7.77	7.75
Indian Iron & Steel Co. Ltd.	9.23	9.56
Visakhapatnam Steel Plant (VSP)	6.13	6.07

Coke Rate (Kg./thm)

Plant	2002-2003	2003-2004
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Bhilai Steel Plant (BSP)	498	503
Durgapur Steel Plant (DSP)	573	560
Rourkela Steel Plant (RSP)	611	633
Bokaro Steel Plant (BSL)	536	541
Indian Iron & Steel Co. Ltd.	797	816
Visakhapatnam Steel Plant (VSP)	517	522