

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:2726  
ANSWERED ON:21.08.2006  
UPGRADATION OF SALEM STEEL PLANT  
Sippiparai Shri A. Ravichandran

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

- (a) whether the Government has any proposal to upgrade Salem Steel Plant to integrated Steel Plant;
- (b) if so, the details thereof; and
- (c) the benefits likely to accrue therefrom?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

(a)to(c): The expansion of Salem Steel Plant has been approved `in principle` by SAIL Board at an estimated cost of Rs.1,553 crore. The expansion plan envisages installation of Steel Melting Shop to produce 180,000 tonnes per annum of stainless steel slabs and enhancing the capacity of the Cold Rolling Mill to produce 1,46,000 tonnes per annum of cold rolled stainless steel from its present capacity of 65,000 tonnes per annum.

After expansion of Salem Steel Plant, the Plant will no longer depend on external sources for procurement of stainless steel slabs. The Plant will produce stainless steel slabs from its own steel melting shop which, in turn, will make it more cost effective.