

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2658
ANSWERED ON:21.08.2006
EXPANSION OF VISAKHAPATNAM STEEL PLANT
Sugavanam Shri E.G.

Will the Minister of STEEL be pleased to state:

- (a) the actual production, sales and profits of Visakhapatnam Steel Plant (VSP) during the last three years and the current year;
- (b) whether any proposal for expansion of VSP is under consideration of the Government;
- (c) if so, the details thereof and the amount of investment for the same; and
- (d) the time by which the expansion programme is likely to be completed?

Answer

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

(a) The actual production, sales and profits of Visakhapatnam Steel Plant (VSP) during the last three years and the current year are indicated below:

Year	Production of Saleable Steel (million tonnes)	Sales (Rs. in crores)	Net Profit (Rs. in crores)
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2003-04	3.169	6169.08	1547.19
2004-05	3.173	8181.34	2008.09
2005-06	3.237	8482.44	1252.37
2006-07(1 st Quarter)	0.791	1774.22	284.06

(b)to(d): The Government in October 2005 had approved the expansion plan of Rashtriya Ispat Nigam Ltd. (RINL), Visakhapatnam Steel Plant (VSP) at an estimated cost of Rs.8692 crores for increasing its liquid steel capacity from 3 million tonnes to 6.3 million tonnes per annum. The entire capital cost of the expansion plan is proposed to be met from its internal resources and partly by borrowing from financial institutions / banks. The expansion plan is under implementation and is likely to be completed by October, 2009.