

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:26
ANSWERED ON:26.02.2007
PRODUCTION OF STEEL
Rao Shri Kavuru Samba Siva

Will the Minister of STEEL be pleased to state:

- (a) the production of different qualities of steel by different public sector units and profits earned during each of the last three years;
- (b) whether the Government proposes to invest additional funds and invite private sector to set up additional steel producing units to meet expansion targets of the steel industry; and
- (c) if so, the details thereof ?

Answer

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

(a) There are two steel producing Public Sector Enterprises under the Ministry of Steel - Steel Authority of India Ltd. (SAIL) and Rashtriya Ispat Nigam Ltd. (RINL). SAIL produces alloy steel in its steel plants located at Durgapur (Alloy Steel Plant) and Bhadravati (Visweswarayya Iron and Steel Plant), and stainless steel at Salem Steel Plant in addition to mild steel which is produced in all its integrated steel plants. RINL produces finished steel and the production details of these two companies for the last three years are given below:

I. Steel Authority of India Ltd (SAIL)

Unit : Million tonnes

Production of different qualities of Steel 2003-04 2004-05 2005-06

Mild Steel	11.011	10.984	11.751
Alloy Steel	0.207	0.228	0.252
Stainless Steel	0.065	0.105	0.048
Total saleable Steel	11.283	11.317	12.051
Net Profit(Rs. in crores)	2512	6817	4013

II. Rashtriya Ispat Nigam Ltd. (RINL)

Unit : Million tonnes

Production of different qualities of Steel 2003-04 2004-05 2005-06

Saleable Steel	3.169	3.173	3.237
Net profit (Rs. in crores)	1547	2008	1252

(b)&(c): With the liberalization of the economy in 1991, the steel sector was also opened up for private investment. The private sector is free to set up steel plants based on their requirements. As per the present estimates, Steel Authority of India Ltd. is investing Rs. 40,000 crores for its expansion/modernization programmes and Rashtriya Ispat Nigam Ltd., another Public Sector Enterprises is investing Rs.8692 crores on its expansion programme.