

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:3994
ANSWERED ON:16.12.2002
STEEL AUTHORITY OF INDIA LIMITED
PUTTASWAMY GOWDA

Will the Minister of STEEL be pleased to state:

- (a) whether the performance of the Steel Authority of India Limited (SAIL) during the last two years have been encouraging;
- (b) if so, the details thereof;
- (c) whether in view of the encouraging performance by the SAIL, the Central Government propose to plan expansion and development of other Steel Plants in the country;
- (d) if so, the details thereof, State-wise; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)&(b): SAIL incurred losses of Rs.729 crores and Rs.1707 crores during the years 2000-01 and 2001-02 respectively mainly due to general slowdown in the economy, fall in international prices, oversupply situation in the domestic market etc. However, there has been an improvement in its financial performance in the first half of the current year during which SAIL cut down its loss to Rs.467 crores after tax as against Rs. 704 crores during the corresponding period of the last year. An increase of 12% in NSR, a volume growth of 8% in mild steel production and sales, lower capital related charges primarily contributed to improved results. Apart from this, the Company has been maintaining its thrust on cost control drive and rationalisation of manpower through introduction of Voluntary Retirement Scheme to further improve its profitability.

(c)&(d): Though Government has no such proposal, National Mineral Development Corporation (NMDC), a Public Sector Undertaking under Ministry of Steel, is setting up a commercial pig iron plant with a capacity of 300,000 tonnes per annum at Nagamar, District Bastar, Chhatisgarh.

(e) Does not arise.