

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

STARRED QUESTION NO:245  
ANSWERED ON:15.12.1999  
CAPTIVE POWER PLANT SAIL  
SUNIL KHAN

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

- (a) whether it has been decided to sell the Captive Power Plant of Durgapur, Bhilai and Rourkela to Enron/Private party;
- (b) if so, the facts thereof;
- (c) the selling price as against the installation charges of these plants; and
- (d) the likely impact on the cost or production?

**Answer**

MINISTER OF STATE FOR STEEL (SHRI DILIP RAY)

(a) to (d) A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF THE LOK SABHA STARRED QUESTION NO. 245 TO BE ANSWERED ON 15th DECEMBER, 1999 TABLED BY SHRI SUNIL KHAN REGARDING CAPTIVE POWER PLANT.

(a) & (b) Steel Authority of India Limited (SAIL) has initiated the process to divest the following facilities to a Joint Venture Company with a strategic alliance partner(s) :

- (i) Power Plant-II of Rourkela Steel Plant alongwith Central Power Training Institute.
- (ii) Power Plant-II of Durgapur Steel Plant.
- (iii) Power Plant-I and Power Plant-II of Bokaro Steel Plant.
- (iv) Supervisory Load Control Centre of SAIL at Calcutta.

(c)&(d): The cost of installation of Captive Power Plants at Bokaro, Durgapur and Rourkela is as follows :-

Description	Rourkela	Durgapur	Bokaro	Total
Plant	PP-II	PP-II	PP-I	PP-II

Capacity (MW)	120	120	122	180
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Date of Installation of 1st unit	12/04/87	17/02/87	17/04/72	July, 1988
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Cost of Installation (Rs crores)	199.66	124.14	325.76	649.56
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Transfer price of the assets will be determined at the time of finalization of the bids and will be higher than the installation cost. The Joint Venture Company is geared to debt equity ratio of 2 : 1 in which SAIL will hold 51% of the equity. The successful bidder will have to bring in 49% of the equity and the debt. There will be no adverse impact on the cost of production.