

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2223

ANSWERED ON:08.08.2005

PROFIT LOSS OF STEEL PSU

Chavan Shri Harischandra Deoram;Kharventhan Shri Salarapatty Kuppusamy;Mahajan Shri Y.G.

Will the Minister of STEEL be pleased to state:

- (a) the amount of profit/loss made by the public sector steel companies in the country during the last three years and the current year;
- (b) whether any proposal is under consideration of the Government to merge the Vizag Steel Plant with SAIL;
- (c) if so, the details thereof; and
- (d) the steps taken by the Government to make the steel companies in the country profitable?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) Profit/ loss position of public sector steel companies in the country during the last three years and the current year is given as under:

(Rs. in crores)

Plant	2002-03	2003-04	2004-05	2005-06
	(1st quarter)			

Steel Authority of India Ltd. (SAIL)	(-)304	2512	6817	1124
Indian Iron & Steel Company Ltd. (IISCO)	(-)182	27.09	46.59	2.64
Visakhapatnam Steel Plant (VSP)	521	1547	2006	321 (prov.)

(b) There is no formal proposal at present for merger of Vizag Steel Plant (VSP) with SAIL.

(c) Does not arise in view of (b) above.

(d) In a deregulated and liberalized environment, the Government primarily plays the role of a facilitator and provides an enabling environment through policy initiatives to foster growth of the steel industry. The Government has taken several steps to increase the production of steel such as modernization and expansion of public sector steel plants and adoption of various policy measures to encourage creation of additional steel production capacity in the private sector.