

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:1001  
ANSWERED ON:07.12.2004  
CLOSURE OF UNITS OF PUBLIC SECTOR STEEL PLANTS  
Munshiram Shri ;Oram Shri Jual

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

- (a) whether ancillary units of various public sector steel plants have been closed down during the last three years;
- (b) if so, the details thereof along with reasons therefor, unit-wise;
- (c) the action plan prepared by SAIL for the revival and rehabilitation of such units;
- (d) whether the Government is contemplating to close down or privatise the steel units in the country as reported in Rashtriya Sahara dated Sep. 6, 2004; and
- (e) if so, the details and reasons therefor?

**Answer**

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

- (a) to (c) Government of India had approved in June, 2002 the rehabilitation proposal for revival of Indian Iron & Steel Co. (IISCO), a subsidiary of Steel Authority of India Ltd.(SAIL). Based on the Government's approval, IISCO/SAIL had prepared a scheme for rehabilitation of IISCO, which was submitted to the Industrial Development Bank of India (IDBI), the Operating Agency, who in turn had submitted the scheme to the Board for Industrial and Financial Reconstruction (BIFR). BIFR has sanctioned the rehabilitation scheme on 20.11.03. The rehabilitation package that is approved by the Government envisaged inter alia, closure of Kulti Works, a unit of IISCO. Accordingly, the operations of Kulti Works of IISCO have been closed w.e.f. 01.04.2003.
- (d) No, Sir.
- (e) Does not arise.