

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:1842

ANSWERED ON:11.12.2008

MERGER OF STEEL COMPANIES

Kharventhan Shri Salarapatty Kuppusamy;Vallabbhaneni Shri Balashowry

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

- (a) the details of steel majors merged during the last three years and the current year;
- (b) whether the Government proposes to merge the steel companies to become more efficient and to compete with the world over companies;
- (c) if so, the details thereof; and
- (d) the time by which the units are likely to be merged and its impact on the workforce employed in those units ?

**Answer**

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

(a)to(d): Details of the Indian public steel sector majors merged during the last three years and the current year are as follows:

- (i) Indian Iron & Steel Company Limited (IISCO) was merged with Steel Authority of India Ltd. (SAIL) with effect from 01.04.2005.
- (ii) Kudremukh Iron and Steel Company Ltd.(KISCO) was merged with Kudremukh Iron Ore Company Limited (KIOCL) with effect from 01.04.2007.

The process of merger of the following steel majors are in progress:-

- (i) Bharat Refractories Limited (BRL) with SAIL; the merger is expected to be completed by the end of the financial year 2008-09.
- (ii) Sponge Iron India Limited (SIL) with NMDC Ltd; the merger is expected to be completed by the end of the financial year 2008-09.
- (iii) In principle approval has been accorded for the merger of Maharashtra Elektros melt Limited (MEL) a subsidiary of SAIL, with SAIL and further steps are in progress.
- (iv) A proposal for merger of Nilanchal Ispat Nigam Ltd. (NINL) with a larger Steel Public Sector Undertaking is under consideration.

These mergers are expected to bring in better synergies resulting in faster growth and enhanced global competition. The workforce of the separate companies would be absorbed by the merged entities.