

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:4264  
ANSWERED ON:19.08.2010  
TECHNOLOGICAL UPGRADATION FOR PRODUCTION OF STEEL  
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**Will the Minister of STEEL be pleased to state:**

- (a) the details of technological upgradation envisaged by the Government during 2008-09 and 2009-10 for the production of high value added steel;
- (b) whether the Government proposes to disinvest any other Public Sector Undertaking (PSU) after its recent disinvestment of shares in National Mineral Development Corporation;
- (c) if so, the details thereof alongwith the reasons therefor; and
- (d) the steps taken by the Government to meet the increasing domestic demand of steel?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP)

(a) Technological upgradation is continuously being encouraged by the Government in the steel sector to improve the performance of steel plants vis-à-vis the production, obsolescence and environment parameters and also to produce value added steel. Some of the facilities envisaged under the ongoing modernisation and expansion plan for production of higher value added products in respect of Steel Authority of India Limited (SAIL), a Public Sector Undertaking under the administrative control of the Ministry of Steel are listed below:

- (i) Universal Rail Mill at Bhilai Steel Plant;
- (ii) Medium Structural Mill at Durgapur Steel Plant;
- (iii) New Plate Mill at Rourkela Steel Plant;
- (iv) New Cold Rolling Mill at Bokaro Steel Plant; and
- (v) Universal Section Mill at IISCO Steel Plant.

Major technological upgradations during 2008-10 in respect of Rashtriya Ispat Nigam Limited (RINL), another Public Sector Undertaking under the Ministry of Steel are given below:

- (i) Combined blowing facilities in all the three existing converters;
- (ii) Modernization and upgradation of Continuous Casting Machine (CCM) -2 in existing Steel Melt Shop;
- (iii) New gas cutting machine in CCMs;
- (iv) Up-gradation of ladle furnace Programmable Logic Controller and Man Machine Interface in existing Steel Melt Shop;
- (v) Conversion of binding machine to automatic strapping machine in Bar Mill of existing plant;
- (vi) New Mechanical & Biological Chemical Treatment Plant ;
- (vii) Up-gradation of Control & Instrumentation in 2 turbo Generators and 2 Boilers in Thermal Power Plant;
- (viii) Upgradation of Control and Instrumentation of 2 Turbo Generators and 4 Boilers;
- (ix) Addition of one Boiler of capacity 330 tonnes per hour;
- (x) Addition of one 67.5 Mega Watts Turbo Generator;
- (xi) Coal Handing facility for Coke Oven Battery-IV;

- (xii) By Product facility for Coke Oven Battery-IV;
- (xiii) Pulverised Coal Dust Injection in Blast Furnace -1 and Blast Furnace -2;
- (xiv) Air Separation Unit 4;
- (xv) Air Separation Unit 5;
- (xvi) Strengthening of 220 Kilo Volts of Andhra Pradesh TRANSCO;
- (xvii) Waste water collection, treatment and reuse to achieve Zero discharge;
- (xviii) Capital Repairs of Blast Furnace-1 including higher levels of automation;
- (xix) Capital Repairs of Blast Furnace-2 including higher levels of automation;
- (xx) Feed Air compressors 5 and 6;
- (xxi) Facilities for Additional Iron Ore Storage;
- (xxii) Revamping of Converters including Dog House;
- (xxiii) Revamping and upgradation of Sinter Machines 1 and 2 and making them energy efficient; and
- (xxiv) Waste Heat Recovery from Sinter Cooler for power generation.

(b)&(c): The Government has approved disinvestment of 10% of the equity holding of Manganese Ore (India) Limited (MOIL) through Initial Public Offer (IPO) with a view to listing its share in the Stock Exchange as per the policy of the Government. The Government has also approved 10% Further Public Offer (FPO) by SAIL and 10% of offer for sale (disinvestment) by the Government of India of its shareholding in SAIL in two discrete tranches to be issued at appropriate times in consideration of Securities and Exchange Board of India (SEBI) guidelines and prevailing market conditions. The fund obtained by disinvestment will help to part finance the modernisation and expansion plan of the SAIL steel plants.

(d) Consumption of steel in the country is met both through domestic production and imports. Keeping in view the increasing demand for steel in the country, the Government is facilitating capacity addition in steel, both in public and private sectors. The public sector steel units are currently undertaking capacity expansion projects. Steel Authority of India Limited has planned and is executing projects to increase in crude steel production capacity from 12.84 million tonnes to 21.40 million tonnes by the year 2012-13. Rashtriya Ispat Nigam Limited is also executing projects to increase its crude steel production capacity from 2.90 million tonnes to 6.30 million tonnes by 2010-11, at Visakhapatnam. NMDC Limited is also executing a new greenfield project at Nagarnar in Chhattisgarh for a capacity of 3.0 million tonnes.

Moreover, in order to maintain availability of steel in the domestic market from import sources, the Government has put all major steel items under 'Open General License' category for imports, with a customs duty rate of 5%.