

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:502
ANSWERED ON:11.11.2010
EXPANSION OF PSUS
Siddeswara Shri Gowdar Mallikarjunappa

Will the Minister of STEEL be pleased to state:

- (a) whether there is any proposal to focus on expansion of Public Sector Undertaking giants in steel sector during the current Five Year Plan;
- (b) if so, the details thereof, State- wise especially for the steel projects of Karnataka in comparison to other States;
- (c) the funds released and spent for the steel projects infrastructure during each of the last three years and the current year especially in Karnataka; and
- (d) the financial condition of each steel project especially in Karnataka?

Answer

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

(a) Yes, Madam. Steel Public Sector Undertakings (PSUs) like Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL), have undertaken Modernisation and Expansion (at Bhilai, Bokaro, Rourkela, Durgapur, ISP, Burnpur and special steel plant at Salem of SAIL and Vizag Steel Plant of RINL at Andhra Pradesh) to enhance its crude steel production capacity from 12.84 million tonnes per annum (MTPA) to 21.40 MTPA and from 2.9 MTPA to 6.3 MTPA respectively.

NMDC Ltd. is also planning to set up a 3 MTPA integrated steel plant at Nagarnar, Chhattisgarh.

(b) The details of the modernization and expansion plan of SAIL in various states are given below:

State	SAIL Plants	Project	Installed	After
		capacity	Modernisation	
		-Hot Metal	& Expansion	MTPA
				MTPA

Chhattisgarh	Bhilai Steel	Expansion	4.08	7.5
	Plant of BSP			

Orissa	Rourkela Steel	Expansion	2.0	4.5
	Plant of RSP			

Jharkhand	Bokaro Steel	Expansion	4.59	5.77
	Plant of BSL			

West Bengal	IISCO Steel	Expansion	0.85	2.91
	Plant of ISP			
	Durgapur Steel	Expansion	2.09	2.45
	Plant of DSP			

Tamil Nadu Salem Steel Expansion 0.18 0.35
 Plant of SSP (Saleable
 Steel)

The details of the existing and proposed steel projects of Steel PSUs in the state of Karnataka are given below:

(i) Visvesvaraya Iron and Steel Plant (VISP), Bhadravati of SAIL has already implemented a 1,25,000 tonne annual capacity Bloom Caster in Steel Melting Shop (SMS) in October, 2009 at an investment of around Rs.77 crore.

(ii) NMDC Ltd. is planning to set up a 5 MTPA capacity integrated steel plant in the district Bellary, Karnataka in two phases.

(iii) KIOCL Ltd. proposes to set up a 1.5 MTPA capacity integrated steel plant in the state of Karnataka on Joint Venture basis.

(c)&(d): The fund spent during the last three years and current year upto October, 2010 on Modernisation and Expansion plan of SAIL and on VISP, Bhadravati, Karnataka is as follows:

(Rs./Crore)

Modernisation and VISP, Bhadravati,
 Expansion plan of Karnataka
 SAIL

2007-08 1060 7.80

2008-09 4195 52.63

2009-10 9495 19.84

2010-11 (upto October, 2010) 5577 6.78

So far, NMDC Ltd. has spent about Rs. 5.2 lakh towards the project of 5 MTPA capacity integrated steel plant in the district Bellary, Karnataka.