

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:3689
ANSWERED ON:30.07.2009
WORKS CARRIED OUT BY HSCL
Pandey Shri Ravindra Kumar

Will the Minister of STEEL be pleased to state:

- (a) the details of the work carried out by Hindustan Steelworks Construction Ltd. (HSCL) in each field during each of the last three years and the current year;
- (b) whether the total turnover and operating profit of HSCL have increased during the said period;
- (c) if so, the details thereof;
- (d) whether the contracts awarded to HSCL by various companies during the said period were sublet by it to other contractors;
- (e) if so, the details thereof and the reasons therefor;
- (f) whether a consultant has been appointed for revival-cum-reorganisation of the said company in view of the improvement in the recent performance of HSCL and increased construction related activities in the steel sector; and
- (g) If so, the details thereof?

Answer

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

(a)to(c): HSCL carries out its business operations in steel as well as in Infrastructure sector. There is a gradual improvement in turnover and operational profits of the company. The break up of turnover/value of work executed and operational profits in last three years and the current year is as under:

(Rs. In crore)

Sectors 2006-07 2007-08 2008-09# 2009-10 (upto 30.6.09)#

Turnover Steel 114 150 230 48

Infrastructure 319 376 465 124

Total 433 526 695 172

Operational 30.17 40.21 51.32 10.19

Profit

#Provisional

(d)&(e): HSCL executes its orders with departmental resources as well as through sub-agencies with departmental inputs. Most of the workers of the company are posted at three steel plants Bokaro, Bhilai and Vizag. These workers are engaged in execution of repair, maintenance and operational jobs of the respective steel plants. Besides this, the departmental construction equipment of the company are also operated and maintained by the departmental workers. The workers posted for steel plant jobs are not possible to be shifted in large numbers for execution of short duration projects in infrastructure sector for socio economic reasons and mismatch of skill set. Medium and high value project jobs in steel as well as in Infrastructure sector are executed through sub agencies with departmental inputs like deployment of construction equipment, providing quality control facility, infrastructure for survey, technical supervision and project monitoring. Small value jobs in steel plants are mainly executed through engaging Piece Rated Workers

(PRWs) with full departmental inputs.

(f)&(g): The work of Viability Study for restructuring of the company was assigned to M/s Ferguson & Co. The Consultant has since submitted their final report indicating inter alia cash/non cash support for financial & organizational restructuring of the company.