

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:854

ANSWERED ON:09.07.2009

EXPANSION OF SAIL AND RINL

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Will the Minister of STEEL be pleased to state:

- (a) whether the Government proposes to continue the expansion programme of Steel Authority of India Ltd. (SAIL) and Rashtriya Ispat Nigam Ltd.(RINL);
- (b) if so, the details thereof alongwith the expenditure incurred thereon during the last three years company-wise;
- (c) whether the demand of steel is likely to be met by the expansion of Rourkela Steel Plant and other steel plants:
- (d) if so, the details thereof;
- (e) whether the Government has fixed any strategic priority for the newly set up overseas coal ventures; and
- (f) if so, the details thereof?

Answer

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

(a)&(b): Yes, Sir. Both the Steel Authority of India Limited (SAIL) and the Rashtriya Ispat Nigam Limited (RINL) are in the process of implementing their expansion programmes. The production of hot metal in SAIL is proposed to be increased from the present level of 14.4 million tonnes per annum to 23.46 million tonnes per annum and the production of liquid steel in RINL is proposed to be increased from the present level of 3.0 million tonnes per annum to 6.3 million tonnes per annum. The cumulative expenditure incurred by SAIL and RINL during the last three years (2006-07 to 2008-09) are Rs.3799 crores and Rs. 4041 crores respectively.

(c)&(d): As part of the overall expansion of SAIL, the hot metal production of Rourkela Steel Plant (RSP) will increase from a level of 2.12 million tonnes per annum (MTPA) to 4.5 million tonnes per annum (MTPA).

(e)&(f): A joint venture company viz. International Coal Ventures Private Limited (ICVL) has been set up with Steel Authority of India Limited (SAIL), Coal India Limited (CIL), Rashtriya Ispat Nigam Limited (RINL), National Mineral Development Corporation (NMDC) and National Thermal Power Corporation (NTPC) as the promoters for the purpose of securing metallurgical and thermal coal assets in the overseas territories with the following objectives:

- (i) To ensure supply of imported metallurgical coal, of at least 10% of the 2019-20 requirements of steel Public Sector Undertakings (PSUs).
- (ii) To be an owner of about 500 million tonnes of metallurgical coal reserves by 2019-20; and
- (iii) To meet the requirements and to serve the organizational aspirations of other participating companies like CIL, NTPC and NMDC by providing a facility for enhancing and leveraging their domain knowledge and human capital for international mining business development and also for procuring high quality thermal coal for companies like NTPC.

For achieving long term security in supply of metallurgical and thermal coal, ICVL has identified Australia, New Zealand, Mozambique, Indonesia, USA and Canada as countries for possible sourcing of raw material.