

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:6232

ANSWERED ON:06.05.2013

PERFORMANCE OF SAIL

Natarajan Shri P.R.

Will the Minister of STEEL be pleased to state:

- (a) whether the Government has finalised a long term strategic plan for the Steel Authority of India Limited (SAIL) to achieve the production targets fixed by the Government;
- (b) if so, the details thereof;
- (c) whether the SAIL is having sufficient funds to achieve these targets;
- (d) if so, the details thereof including the total funds utilised and their achievements so far in this regard; and
- (e) if not, the manner in which the funds are likely to be mobilised for the expansion plan for the SAIL and other public sector steel plants?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI BENI PRASAD VERMA)

(a)&(b) Yes, Madam. The Steel Authority of India Limited (SAIL) has undertaken modernisation and expansion plan at its five integrated steel plants Bhilai Steel Plant (BSP) at Bhilai, Bokaro Steel Plant (BSL) at Bokaro, Rourkela Steel Plant (RSP) at Rourkela, Durgapur Steel Plant (DSP) at Durgapur and IISCO Steel Plant (ISP) at Burnpur and Special Steel Plant (SSP) at Salem to enhance its crude steel production capacity from 12.8 Million Tonne Per Annum (MTPA) to 21.4 MTPA in the current phase.

(c)to(e) The indicative investment for current Phase of Modernisation and Expansion is Rs.61,870 crore. Besides, a provision of Rs. 10,264 crore has been made towards investment in existing mines under Raw Materials Division (RMD) and development of Rowghat Mine. Against this, an expenditure of Rs. 44,112 crore has been incurred till March' 2013. The funding for modernisation and expansion plan of SAIL is being done through a combination of debt and equity (including internal resources) while maintaining debt-equity ratio of 1:1. The investment of Rs. 12,291 crore for modernisation and expansion plan of Rashtriya Ispat Nigam Limited (RINL), other public sector steel plant under Ministry of Steel, is being funded mainly through internal accruals. RINL has incurred an expenditure of Rs. 10,236 crore till March, 2013.