

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:647

ANSWERED ON:09.12.2013

EXPANSION OF STEEL PLANTS

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Will the Minister of STEEL be pleased to state:

(a) the details of the modernisation and expansion plans being undertaken by the public sector steel plants, plant-wise including the Salem Steel Plant;

(b) whether there has been delay in the execution of these expansion plans and if so, the reasons therefor along with the present status of the execution of the work and the time likely to be taken for their completion, plant-wise;

(c) the details of the total expenditure incurred/likely to be incurred on this expansion exercise, plant-wise along with the total steel produced during each of the last three years and the likely increase in the total production capacity after the completion of said exercise, plant-wise;

(d) whether the said expansion plan is likely to result in generation of employment opportunities and if so, the details thereof along with the details of the present total manpower strength in the various plants of the Steel Authority of India Limited, plant-wise;

(e) whether the legal heirs of the families whose land had been acquired for setting up the public sector steel plants particularly Salem Steel Plant have been adequately compensated and provided with employment; and

(f) if so, the details thereof and if not, the reasons therefor along with the policy being followed by the Government in this regard?

Answer

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

(a) Steel Authority of India Limited (SAIL) has undertaken modernization and expansion plan at its five integrated steel plants at Bhilai, Bokaro, Rourkela, Durgapur & Burnpur and special steel plant at Salem to enhance its crude steel production capacity from 12.8 Mtpa to 21.4 Mtpa in the current phase. The indicative investment for current Phase of modernization 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) & development of Rowghat Mine.

(b) The implementation of modernization and expansion plan has been affected mainly due to unforeseen soil conditions encountered, underestimation of quantities by the consultant, logistic problems due to brownfield nature of job, inadequate mobilization of resources by the contracting agencies etc. Present status at various plants is given as under:-

At Rourkela Steel Plant, the India's largest Blast Furnace i.e, high volume 4060 cum has been blown-in. In addition, Ore Bedding & Blending Plant, COB-6 complex including Coal Handling Plant, Coke Dry Cooling Plant & Coal Chemicals Deptt, Sinter Plant-3 and Continuous Caster have also been completed. Power & Blowing station is also completed.

At IISCO Steel Plant, Coke Oven Battery, Sinter plant & Wire Rod Mill have been completed. Power & Blowing station is also completed. Coke and sinter is being despatched to sister plants. Facilities like Blast Furnace & Oxygen Plant are ready for commissioning.

At Bokaro Steel Plant, Acid Regeneration Plant, Coil Packaging Lines, Skin Pass Mill, Compressed Air station & Power supply facilities required for new CRM have been completed. For Pickling Line and Cold Tandem Mill, integrated trial run was done in July, 2013.

At Bhilai Steel Plant some of the facilities like Ore Handling Plant (Part-A), Up-gradation of Plate Mill and New Compressed Air Station have been completed.

At Durgapur Steel Plant, Rebuilding of Coke Oven Battery-2 is in advanced stage of completion.

Expansion of Salem Steel Plant has been completed in September, 2010 and is under regular operation.

The current phase of modernization and expansion plan is likely to be completed by 2014.

(c) Plant-wise details of capacity expansion, cost & expenditure are given below:-

Plant	Existing Crude Steel Capacity (Mtpa)	Expanded Crude Steel Capacity (Mtpa)	Cost (Rs. Cr) Net of Cenvat cost	Gross till Oct'13 cost	Expenditure Incurred, (Rs. Cr)
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BSP	3.93	7.0	17,266	18,847	11,102
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RSP	1.90	4.2	11,812	12,922	10,157
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DSP	1.80	2.2	2,875	3,164	1,867
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BSL	4.36	4.61	6,325	6,951	3,840
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ISP	0.50	2.5	16,408	17,960	15,250
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SSP	-	0.18	1,902	2,138	2,273
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(d) In order to ensure availability of skilled manpower for operation of these upcoming facilities, besides redeployment from existing manpower, recruitment of skilled manpower is also being done/ planned, thereby creating more employment opportunities.

The details of employment opportunities generated through recruitment in SAIL during last three years is as under:-

Year	Employment opportunities generated (Recruitment)
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2010-11	1575
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2011-12	2173
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2012-13	3601
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As on 1/11/2013 the manpower strength of SAIL is 98383 nos. Plant-wise breakup is as under:-

Plant/Unit	Total
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BSP	27626
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DSP 11919

RSP 17835

BSL 18183

ISP 8125

ASP 1319

SSP 1316

VISL 818

SRU 1338

CFP 562

Other Units 9342

SAIL 98383

(e)&(f) SAIL Steel Plants were established long back and requisite amount of compensation on account of land acquisition was deposited with the respective State Governments. Rehabilitation of displaced persons is responsibility of the State Government.

Land for Salem Steel Plant was acquired by Government of Tamil Nadu against which the requisite compensation was deposited with Government of Tamil Nadu for disbursement to persons from whom land was acquired in terms of the provisions of The Land Acquisition Act 1894.

SAIL has provided employment to more than 27000 persons, which includes 214 at Salem Steel Plant, against the approximately 19000 families identified to have been displaced on account of land acquisition for setting up Steel Plants of SAIL.

At present, employment to displaced persons in SAIL is being regulated in terms of the relevant guidelines issue by Department of Public Enterprises (DPE) from time to time and Supreme Court Judgments in this regard.