

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:4695
ANSWERED ON:22.12.2014
KUMARBAGH STEEL PLANT
Jaiswal Dr. Sanjay

Will the Minister of STEEL be pleased to state:

- (a) the total expenditure incurred in setting up of the Kumarbagh Unit of the Steel Authority of India Limited (SAIL) in Champaran, Bihar along with the profit earned during each of the last three years and the current year;
- (b) whether there has been no production since many years in the said unit and if so, the reasons therefor;
- (c) whether any irregularities have been committed in the recruitment of employees in the said unit;
- (d) if so, whether the Government has investigated into the said irregularities; and
- (e) if so, the details thereof along with the action taken against those found guilty in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF (SHRI VISHNU DEO SAI) STEEL AND MINES

(a)&(b): Steel Authority of India Limited (SAIL) has installed a Steel Processing Unit (SPU) at Kumarbagh (Bettiah) in West Champaran District of Bihar for production of 50,000 Tonne Per Annum (TPA) of Galvanized Corrugated Sheets (GC). The approved cost of the project is Rs. 125 Crores out of which an expenditure of Rs. 118.39 Crores has been incurred on the project till November, 2014. Trial production has commenced and 690 tonnes of Black pipes and 18 tonnes of GC Sheet have been produced so far. The average sales realization of pipes ex Bettiah is not commensurate with the variable cost of production. Hence, the material produced so far by the unit is being mainly utilized internally by SAIL plants.

(c)to(e): Recruitment made for SPU Bettiah in 2008 is being examined by SAIL.