

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1275

ANSWERED ON:01.12.2014

MODERNISATION OF STEEL PLANTS

Mahto Dr. Banshilal;Rao Shri Rayapati Sambasiva;Venkatesh Babu Shri T.G.

Will the Minister of STEEL be pleased to state:

- (a) whether the Government proposes to expand and modernise all the public sector steel plants in the country;
- (b) if so, the details thereof along with the funds allocated and spent for the purpose during each of the last three years and the current year, plant-wise; and
- (c) the steps taken by the Government to expedite expansion and modernisation of the said plants?

Answer

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

(a)&(b): Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) have undertaken Modernisation and Expansion (at Bhilai, Bokaro, Durgapur, Rourkela, ISP, Burnpur and Special Steel Plant at Salem of SAIL and Vizag Steel Plant of RINL) to enhance its crude steel production capacity in the current phase from 12.84 Million Tonne Per Annum (MTPA) to 21.40 MTPA and from 3.0 MTPA to 6.3 MTPA respectively. The indicative investment of SAIL for the current phase is Rs. 61,870 crore. Besides, a provision of Rs. 10,264 crore has been made towards investment in existing mines under Raw Material Division (RMD) & development of Rowghat mine.

RINL has undertaken modernization of the major process units like Blast Furnaces, Steel Melt Shop Converters and Sinter Plant at an estimated cost of about Rs. 2410 crore, to meet the latest environmental norms, to adopt the latest technology, to conserve energy, to increase the production and productivity and at the same time to upkeep the health of major equipment, which are in operation for more than two decades.

The funds allocated and spent by SAIL and RINL in the last three years and current year for the purpose is as under:-

	Rs. Crore							
Steel Plant	2011-12	2012-13	2013-14	2014-15 (Apr-Oct`14)				
	Alloca- tion	Utili- sation	Alloc- ation	Utili- sation	Alloc- ation	Utili- sation	RE	Utilisation
Bhilai	3335	2864	3700	3546	4460	4002	2017	1043
Durgapur	547	533	805	771	675	631	414	235
Rourkela	3270	2845	3050	2204	2048	1862	1600	710
Bokaro	1220	913	1400	907	1020	1149	534	282
ISP	2140	2487	1700	1396	1432	1310	1180	702
Others	366	418	75	169	125	203	22	12
Total	10878	10060	10730	8993	9760	9157	5767	2984
RINL	1965	1896.47	1260	1287.43	1500	1512.15	1535	746.50

(c) Various steps like review & updation of Project Manuals, enhancing delegation of powers at various levels for faster decision making, implementation of Integrated Project Management System, strengthening of project management organization by recruiting/ redeploying fresh/experienced project managers, constitution of Board Sub Committee (BSC) to monitor the implementation of Expansion Plans have been taken. Other measures undertaken include extensive use of video conferencing for review meetings, discussions & sharing of problems of various plants during head of Projects meetings, establishing project control rooms at plants, assistance to contractors in the form of supply of steel, pipes and other SAIL products, provision of space for fabrication yard inside/ outside the plant to facilitate the contractor in fabricating structures and reducing transportation delays etc. Progress of modernisation and expansion of plants are regularly reviewed at the level of Minister and Secretary in the Ministry.