

GOVERNMENT OF INDIA  
MINISTRY OF STEEL

RAJYA SABHA  
UNSTARRED QUESTION NO.434  
FOR ANSWER ON 06/02/2019

**MODERNISATION AND EXPANSION OF PUBLIC SECTOR STEEL PLANTS**

434. SHRI RAM VICHAR NETAM:

Will the Minister of STEEL be pleased to state:

- (a) whether Government has commenced/proposes to commence Modernisation and Expansion Programme (MEP) of various public sector steel plants including Bhilai Steel Plant in Chhattisgarh;
- (b) if so, details thereof and estimated cost of modernisation and plant-wise allocation made therefor;
- (c) whether Government has directed all public sector steel companies to make provision for energy efficiency and reduction in emission under their MEPs; and
- (d) likely commencement and completion dates for modernisation of each such plant and steps taken/proposed to be taken by Government for modernisation of said plants as per international standards and for implementation of National Steel Policy, 2017?

**ANSWER**

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a)&(b): Steel being a deregulated sector, the decision to undertake modernisation and expansion projects for public sector steel plants is taken by the individual public sector company based on commercial considerations and market dynamics. Two major public sector steel companies, Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) took up modernisation and expansion of their steel plants recently. This includes steel plants of SAIL at Bhilai (Chhattisgarh), Bokaro (Jharkhand), Rourkela (Odisha), Durgapur (West Bengal), Burnpur (West Bengal), Salem (Tamil Nadu) and of RINL at Visakhapatnam (Andhra Pradesh).

The Modernisation of public sector steel plants is funded by the concerned company from their own resources and/or loans taken from Banks/Financial Institutions.

The indicative investment for modernisation & expansion of SAIL plants is Rs.61,870 crore. Besides this, provision of Rs.10,264 crore has been made towards development and expansion of mines. The total indicative cost of RINL is Rs.16,291 crore. The plant wise details of modernisation & expansion of public sector steel plants are given below:-

Plant	Crude Steel Capacity in MTPA (million ton per annum)		Approved Cost in Rs. Cr. (Net of Cenvat)
	Before Expansion	After Expansion	
<b>SAIL</b>			
Bhilai Steel Plant	3.93	7.0	17,266
Durgapur Steel Plant	1.8	2.2	2,875
Rourkela Steel Plant	1.9	4.2	11,812
Bokaro Steel Plant	4.36	4.61	6,325
IISCO Steel Plant	0.5	2.5	16,408
Salem Steel Pant	-	0.18	1,902
Sustenance Schemes in Various Plants	-	-	5,282

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<b>RINL</b>			
Vizag Steel Plant	3.0 (Liquid steel capacity)	6.3 (Liquid steel capacity)	12,291
Vizag Steel Plant	6.3 (Liquid steel capacity)	7.3 (Liquid steel capacity)	4,000

(c) The modernisation and capacity expansion programmes of steel plants in the country are taken up envisaging adoption of latest technology to make the units energy efficient and environment friendly. For any modernisation and capacity expansion project of steel plant, Environmental Clearance (EC) has to be obtained from the concerned Agencies/Departments of the Government. The energy-efficient and emission reduction provisions are in-built in the EC process.

(d) The Modernisation and Expansion of SAIL steel plant at Salem was completed in Sep.'10, Durgapur in Jun.'15 and Bokaro in Sep.'15. The Modernized & Expanded Rourkela Steel Plant, IISCO Steel Plant and Bhilai steel plant have been dedicated to the Nation on 01.04.2015, 10.05.2015 and 14.06.2018 respectively.

RINL has completed expansion for doubling its liquid steel capacity from 3 MTPA to 6.3 MTPA of Vizag Steel Plant in April, 2015. One more Converter and Caster have been installed, enhancing liquid steel capacity by 01 MTPA. i.e. from 6.3 MTPA to 7.3 MTPA. All the modernized & revamped units and additional Converter and Caster units are in operation.

In order to meet the international standards and to implement the National Steel Policy, 2017, the public sector steel companies regularly undertake capital investments on projects from their own resources from time-to-time based on commercial considerations and market dynamics.

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