

LOK SABHA
UNSTARRED QUESTION NO.4201
FOR ANSWER ON 07/01/2019

COST-SHARING BY STEEL COMPANIES

4201. SHRI ABHIJIT MUKHERJEE:

Will the Minister of STEEL be pleased to state:

- (a) the cost-sharing ratio between JP Cements Bokaro and Bhilai units during each of the last five years;
- (b) the profit and loss statement of Bokaro and Bhilai Plants during the said period, year-wise; and
- (c) the cost verses profit sharing basis between SAIL and Private Companies including JSW, JSW Ispat, Jindal Steel Power and Monnet Ispat and Energy?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a) Steel Authority of India Limited (SAIL) is a Share holder in Bhilai Jaypee Cement Limited (BJCL) with 26% stake and has invested Rs. 52.51 Crore in the equity capital of the Company. SAIL was a shareholder in Bokaro Jaypee Cement Limited (Now Dalmia Cement East Limited) up to November, 2014 and was holding 26% equity in the Company. Both SAIL and M/s. Jaiprakash Associates Limited divested their equity holding in the Company to M/s. Dalmia Bharat Cement Limited in November, 2014 and Bokaro Jaypee Cement Limited became a wholly owned subsidiary of M/s. Dalmia Bharat and was named as Dalmia Cement East Limited thereafter.

(b) The year wise actual Profit After Tax (PAT) of Bhilai & Bokaro Jaypee Cement unit for last 5 years is given as under:-

| Year | Bhilai Jaypee Cement Limited (Rs. in crore) (Loss) | Bokaro Jaypee Cement Limited (Rs. in crore) |
|----------------------|---------------------------------------------------------------|----------------------------------------------------|
| 2013-14 | (28.93) | 30.20 |
| 2014-15 | (20.14) | Stake sold out in 2014-15 |
| 2015-16 | (80.59) | |
| 2016-17 | (68.94) | |
| 2017-18 (Un-Audited) | (42.04) | |

(c) All transactions between SAIL and the Private Companies including JSW, JSW Ispat, Jindal Steel Power and Monnet Ispat and Energy are on 'arms length basis'.
