

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.3020
FOR ANSWER ON 21/03/2018

REVIVAL PLAN FOR ALLOY STEEL PLANT

3020. SHRI AHAMED HASSAN:

Will the Minister of STEEL be pleased to state:

- (a) whether Government has assessed alternative plans to revive the Alloy Steel Plant in Durgapur before planning its strategic disinvestment;
- (b) if so, the details of such alternative plans and the reasons for their falling short of the requirements; and
- (c) if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a)to(c): The Steel Authority of India Limited (SAIL) has taken several significant steps to make Alloy Steel Plant (ASP) competitive and improve the financial performance including capital investment to improve the facilities; production optimization and product-mix improvement; growth in techno-economic parameters; and reduction in logistic cost for transportation of Raw Materials and Finished Steel.

However, despite several steps taken by SAIL, ASP has been consistently making losses during last five years due to high cost of production arising out of ageing equipment, lower productivity, high manpower cost, increased competition, lower demand, etc.
