

MINISTRY OF STEEL

DEMAND NO. 92

Ministry of Steel

A. The Budget allocations, net of recoveries and receipts, are given below:

		<i>(In crores of Rupees)</i>											
Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			Budget 2013-2014			
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	9.63	64.41	74.04	46.00	69.29	115.29	26.49	214.48	240.97	46.00	66.87	112.87	
Capital	...	...	...	...	...	...	...	...	...	...	...	...
Total	9.63	64.41	74.04	46.00	69.29	115.29	26.49	214.48	240.97	46.00	66.87	112.87	
1. Secretariat-Economic Services	3451	...	16.90	16.90	...	20.00	20.00	...	20.22	20.22	...	22.02	22.02
Iron and Steel Industries													
2. Promotion of Research & Development in Iron & Steel Sector													
2.01 Scheme for Promotion of Research & Development in Iron & Steel Sector- Ongoing R&D Projects	2852	9.63	...	9.63	44.00	...	44.00	26.49	...	26.49	12.00	...	12.00
2.02 Development of Technology for Cold Rolled Grain Oriented (CRGO) Steel Sheets & Other Value Added Innovative Steel Products (New Component)	2852	...	...	...	...	...	...	...	...	...	32.00	...	32.00
2.03 Development of Innovative Iron / Steel making Process Technology (New Projects under existing Scheme)	2852	...	...	...	...	...	...	...	...	...	2.00	...	2.00
<i>Total- Promotion of Research & Development in Iron & Steel Sector</i>		9.63	...	9.63	44.00	...	44.00	26.49	...	26.49	46.00	...	46.00
3. Scheme for Promotion of beneficiation & agglomeration of low grade iron ore & ore fines	2852	...	...	...	1.00	...	1.00	...	...	...	...	...	...
4. Scheme for improving energy efficiency of secondary steel sector	2852	...	...	...	1.00	...	1.00	...	...	...	...	...	...
5. Subsidies													
5.01 Interest Subsidy to Hindustan Steelworks Constructions Limited for loans raised for implementation of VRS	2852	...	44.11	44.11	...	46.90	46.90	...	44.11	44.11	...	44.11	44.11
5.02 Interest Subsidy to MECON Limited for loans raised from banks for implementation of VRS	2852	...	2.71	2.71	...	1.64	1.64	...	...	...	...	...	...
<i>Total- Subsidies</i>		...	46.82	46.82	...	48.54	48.54	...	44.11	44.11	...	44.11	44.11

(In crores of Rupees)

	Major Head	Actual 2011-2012			Budget 2012-2013			Revised 2012-2013			Budget 2013-2014		
		Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
6. Waiver of Guarantee Fee													
6.01 Hindustan Steelworks Construction Limited	2852	...	6.10	6.10	...	6.10	6.10	...	6.10	6.10	...	6.10	6.10
6.02 MECON Limited	2852	...	0.85	0.85	...	0.50	0.50	...	...	...	...	...	...
6.03 Less Receipts netted	0075	...	-6.95	-6.95	...	-6.60	-6.60	...	-6.10	-6.10	...	-6.10	-6.10
Net		...	...	...	...	...	...	...	...	...	...	...	...
7. Grants to Bisra Stone Lime Company Ltd, a Company under Bird Group of Companies	2852	...	...	...	...	...	...	...	149.45	149.45	...	...	...
8. Other Programmes	2852	...	0.69	0.69	...	0.75	0.75	...	0.70	0.70	...	0.74	0.74
Total-Iron and Steel Industries		9.63	47.51	57.14	46.00	49.29	95.29	26.49	194.26	220.75	46.00	44.85	90.85
9. Investment in Public Enterprises	6852	...	...	...	...	...	...	...	...	...	...	...	...
Grand Total		9.63	64.41	74.04	46.00	69.29	115.29	26.49	214.48	240.97	46.00	66.87	112.87
	Head of Dev	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
B. Investment in Public Enterprises													
9.01 Steel Authority of India Limited	12852	...	11021.00	11021.00	...	14500.00	14500.00	...	12000.00	12000.00	...	13000.00	13000.00
9.02 Rashtriya Ispat Nigam Limited	12852	...	1896.45	1896.45	...	1942.00	1942.00	...	1365.86	1365.86	...	2216.14	2216.14
9.03 Hindustan Steelworks Constructions Limited	12852	...	...	...	...	...	...	...	...	...	...	...	...
9.04 NMDC Limited	12852	...	1533.59	1533.59	...	4655.00	4655.00	...	2814.00	2814.00	...	4084.00	4084.00
9.05 KIOCL Limited	12852	...	51.52	51.52	...	409.00	409.00	...	40.00	40.00	...	95.00	95.00
9.06 Manganese Ore India Limited	12852	...	49.91	49.91	...	208.00	208.00	...	103.74	103.74	...	207.63	207.63
9.07 Bird Group of Companies	12852	...	4.40	4.40	...	...	...	...	...	...	...	...	...
9.08 MECON Limited	12852	...	2.38	2.38	...	5.00	5.00	...	5.00	5.00	...	5.00	5.00
9.09 MSTC Limited	12852	...	4.77	4.77	...	25.00	25.00	...	20.00	20.00	...	65.00	65.00
9.10 Ferro Scrap Nigam Limited	12852	...	10.71	10.71	...	12.00	12.00	...	12.00	12.00	...	12.00	12.00
Total		...	14574.73	14574.73	...	21756.00	21756.00	...	16360.60	16360.60	...	19684.77	19684.77
C. Plan Outlay													
1. Iron and Steel Industries	12852	9.63	14574.73	14584.36	46.00	21756.00	21802.00	26.49	16360.60	16387.09	46.00	19684.77	19730.77

1. **Secretariat:** Provision is for Secretariat expenditure of the Ministry of Steel.

2. **Promotion of Research & Development in Iron & Steel sector:**

2.01. **Scheme for Promotion of Research & Development in Iron & Steel sector - Ongoing R&D Projects:** Provision has been made to promote and accelerate R&D for development of innovative/ path breaking and appropriate technologies for cost effective production of quality steel in an environment friendly manner.

2.02. **Development of Technology for Cold Rolled Grain Oriented (CRGO) Steel Sheets and other value added innovative steel products (New Component):** Provision has been made for a new component of the existing R&D Scheme of Ministry of Steel for development of technology for cold rolled grain oriented (CRGO) steel sheets and other value added innovative steel products.

2.03. **Development of Innovative Iron/Steel making process/technology (New projects under existing scheme):** Provision has been made for a new project under the existing R&D scheme of Ministry of Steel for Development of innovative iron/steel making process/technology.

5. **Subsidies:**

5.01. **Hindustan Steelworks Construction Limited:** For payment of interest on loans raised from banks for implementation of Voluntary Retirement Scheme (VRS).

6. **Waiver of Guarantee Fee:**

6.01. **Hindustan Steelworks Construction Limited:** For waiver of guarantee fee on the guarantee given by Govt. of India for cash credit and bank guarantee and for loans raised from banks for implementation of VRS

8. **Other Programmes:** These include establishment expenses on office of the Development Commissioner for Iron & Steel (DCI&S), Kolkata, an attached office of the Ministry and provision for Awards to Distinguished Metallurgists given annually.

9. **Investment in Public Sector enterprises:** Provides for implementation of various capital schemes by the Public Sector Enterprises under the administrative control of Ministry of Steel. While most of the PSEs meet the capital expenditure on the schemes from their Internal & Extra Budgetary Resources (IEBR), budgetary support by way of equity investment and loans is extended to some of the financially weak enterprises.

9.01. **Steel Authority of India Limited:** It has five major steel plants located at Bokaro, Bhilai, Rourkela, Durgapur and Salem and Alloy Steels Plant at Durgapur. With effect from 16.2.2006, Indian Iron & Steel Company (IISCO), which has an integrated steel plant at Burnpur and was a subsidiary of SAIL, has been merged with SAIL and renamed as IISCO Steel Plant. Bharat Refractories Limited (BRL) has been merged with SAIL and re-named as SAIL Refractories Limited (SRU). The plan outlay of SAIL Plants/Units and its subsidiaries are being met from the IEBR of SAIL. Prominent of these are :-

(i) Outlay of ₹ 5900 crore has been provided for Bhilai Steel Plant: of which ₹ 5300.00 crore is for modernization and expansion of the Plant. Balance outlay is for schemes like installation of 700 TPD Oxygen Plant, HAGC, PVR in Plate Mill, Hot Metal Desulphurisation unit, Slab Caster, RH Degasser, Mining Railway track-Rowghat and other ongoing & new schemes.

(ii) Outlay of ₹900.00 crore has been provided for Durgapur Steel Plant, of which ₹775.00 crore is earmarked for expansion of the Plant. Other schemes covered under the outlay include installation of Bell less top charging system in BF, installation of Steel Processing Units at Kangra, Modification/modernization of Gas cleaning plant of BF-3 and other small schemes.

(iii) An amount of ₹2400.00 crore has been provided for Rourkela Steel Plant including for expansion (₹ 2050.00 crore) besides Rebuilding of COB No.4, Installation of 700 TPD Oxygen Plant, Installation of Coke Oven Gas Holder, Simultaneous blowing of BOF Converters of SMS-II, Jagdishpur Steel Project and other ongoing and new schemes.

(iv) Outlay of ₹1425.00 crore for Bokaro Steel Plant has been provided which includes (₹ 1200.00 crore) for expansion besides Rebuilding of COB No.1 & 2, Installation of TB in Turbo Blower station, Upgradation of BF-2, Steel Processing Unit in Bettiah.

(v) Outlay of ₹ 1800.00 crores for IISCO Steel Plant for Expansion of ISP (₹ 1750.00 crore), Rebuilding of COB No.10 and other ongoing and new schemes.

(vi) Outlay of ₹ 25.00 crore for Alloy Steels Plant.

(vii) Outlay of ₹ 45.00 crore has been allocated for expansion Salem Steel Plant.

(viii) Remaining outlay of ₹505.00 crore has been provided for Visvesvaraya Iron & Steel Ltd. (₹ 20.00 crore), Central Units of SAIL (₹ 350.00 crore), Raw Materials Division (₹ 30 crore), Chandrapur Ferro Alloy Plant (₹ 105 crore) for various ongoing and new schemes/ projects and research work.

9.02. **Rashtriya Ispat Nigam Limited:** This is the first shore-based Integrated Steel Plant set up in India away from major raw material sources with technical and financial co-operation from the erstwhile USSR. Being shore-based, it has the advantage of easier import of input materials and export of finished products. All the units of the Project were commissioned by July, 1992. Outlay of ₹2216.14 crore has been made for expansion of RINLs production capacity, AMR schemes, Coke Oven Battery No. 4 (Phase-I & II), Air Separation Plant, BF-1 category - 1 & 2 repairs, Pulverized Coal Injection, Acquisition of iron Ore Mines & Coking Coal mines, 67.5 MW TG-5 Power Evacuation System etc. Entire outlay will be met from IEBR of the company. RINLs outlay includes the outlays of two subsidiary PSUs viz., OMDC Ltd. and BSLC Ltd., which were constituents of erstwhile of Bird Group of Companies.

9.03. **Hindustan Steelworks Construction Limited:** Incorporated in 1964, this Company has the expertise for undertaking complete construction of modern steel plants as also projects in the infrastructure sector involving high degree of planning, co-ordination and modern sophisticated techniques. No plan outlay has been proposed for HSCL. The restructuring of the PSU is under consideration of the Government.

9.04. **NMDC Limited:** NMDC is the single largest producer of iron ore and diamonds in the country. The company is also entering into the field of producing high value products like Ferric Oxide, Iron Powder etc. Major portion of the plan outlay (total outlay ₹ 4084.00 crore) amounting to ₹ 3000.00 crore is earmarked for 3 million tonne Steel Plant in Chhattisgarh. Balance of plan outlay has been made for schemes/ projects like Bailadila Deposit-11B, Kumarswamy iron Ore Project, Pelletisation Plant at Donimalai and Bachel, AMR/Township and R&D scheme.

9.05. **KIOCL Limited:** KIOCL was set up to manufacture iron ore concentrates for export to Iran. Plan outlay of ₹ 95.00 crore is mainly for AMR schemes, Coke Oven Plant, Development of

permanent railway siding at Mangalore and Constructions of bulk material handling facility. Other schemes included R&D/ feasibility studies etc.

9.06. **MOIL Limited:** MOIL is jointly owned by Government of India and the Governments of Madhya Pradesh and Maharashtra. It is the largest indigenous producer of manganese ore in the country. Outlay of ₹ 207.63 crore has been provided for investment in joint venture for Ferro Manganese/ Silico Manganese Plant with RINL, sinking of vertical shaft at Munsar, Chikla, Balaghat, Ukwa and Gumgaon Mine, AMR schemes, township, R&D/feasibility studies etc. Entire outlay will be met from IEBR of the company.

9.07. **Bird Group of Companies:** Bird Group of Companies, taken over by the Government of India in October, 1980, is mainly engaged in mining activities and activities related to sinking of deep tube wells and mineral exploration.

9.08. **MECON LIMITED:** It is the first consultancy and engineering organisation in the country to be accredited with ISO:9001. Plan outlay of ₹5.00 crore (IEBR) is for expansion, modification & augmentation of office space/guest house at various locations.

9.09. **MSTC LIMITED:** The company, a trading concern of Government of India, undertakes disposal of ferrous scrap and other secondary arisings generated in integrated steel plants, disposal of scrap, surplus stores, etc. from other public sector enterprises and Government Departments.

9.10. **Ferro Scrap Nigam Limited:** FSNL is a 100% subsidiary of MSTC Ltd. The Company undertakes recovery and processing of scrap from steel plants at Durgapur, Rourkela, Burnpur, Bhilai, Bokaro, Visakhapatnam and Dolvi.