

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO. 1590
FOR ANSWER ON 12.12.2025

SALEM STEEL PLANT

1590. SHRI S.R. SIVALINGAM:

Will the Minister of STEEL be pleased to state:

(a) whether Government is aware that Salem Steel Plant (a unit of Steel Authority of India Limited) has recently installed hot-rolling capacity of approximately 364,000 tonnes per annum and cold-rolling capacity of about 7,000 tonnes per annum and that its crude steel capacity utilisation stood at only 54 per cent in 2018; and

(b) if so, the details of measures being considered by Government to raise capacity utilisation, modernise equipment and reduce production cost at Salem Steel Plant?

ANSWER

THE MINISTER OF STATE IN THE (SHRI BHUPATHIRAJU SRINIVASA VARMA)
MINISTRY OF STEEL

(a)&(b): Salem Steel Plant (a unit of Steel Authority of India Limited) has an installed capacity of 1.8 lac tonnes of Crude Steel, whereas Hot Rolling Mill capacity is 3.64 lac tonnes per annum and Cold Rolling Mill capacity is 3.40 lac tonnes per annum. While the Crude Steel capacity utilization during Financial Year 2017-18 was 54%, the Crude Steel capacity utilization during Financial Year 2024-25 has increased to 81%.

Several measures have been undertaken at the Salem Steel Plant, to enhance capacity utilization and reduce production costs, which include optimising arc furnace operations, improving furnace availability, optimizing production processes for improving raw material consumption, and securing power at more economical rates.
