

GOVERNMENT OF INDIA  
MINISTRY OF STEEL

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3286**  
FOR ANSWER ON 09.08.2023

**LOSSES OF STEEL PLANTS**

3286. SHRI ASHOK MAHADEORAO NETE:

Will the Minister of STEEL be pleased to state:

- (a) whether major steel plants run by the Government have suffered losses during the last three years and if so, the details thereof;
- (b) the details of steps taken for the revival of the Government run steel plants apart from disinvestment; and
- (c) the details of the new revenue model launched by the Government during the last three years to ensure the revival of these plants?

**ANSWER**

THE MINISTER OF STATE IN THE  
MINISTRY OF STEEL

(SHRI FAGGAN SINGH KULASTE)

(a) Yes, Sir. Rashtriya Ispat Nigam Ltd. (RINL) which operates Visakhapatnam Steel Plant suffered losses in two of the last three years viz. in the year 2020-21 and 2022-23. The details are as under:-

Rs. in Cr

<b>Particulars</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23 (*)</b>
Revenue from Operations	18,080.88	28,359.35	22,809.40
Profit Before Tax (PBT)	(-)1035.96	941.58	(-)3,236.46
Profit After Tax (PAT)	(-)789.10	913.19	(-)2,858.74
(*) Provisional			

(b)&(c): To reduce the cost of raw-material of RINL, Ministry of Steel has taken up with Ministry of Coal for supply of domestic coking coal and thermal coal to RINL. Ministry of Steel has also requested State Government of Odisha for allocation of Iron Ore block through reservation route. In addition, RINL has taken following initiatives from time to time to arrest losses:-

- To bring down fixed costs, various Models are being tried to ensure availability of Raw Material / Working Capital for increase in production levels.
- Optimization of product mix in line with market requirement to achieve higher realization and increase in production and sales of value added steel.
- Maximization of indigenous coking coals in the coal blend to reduce costs.

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