

**LOK SABHA**  
**UNSTARRED QUESTION NO.1290**  
FOR ANSWER ON 11/02/2019

**DECLINE IN STEEL PRODUCTION**

1290. SHRI RAMDAS C. TADAS:  
SHRI CHANDRA PRAKASH JOSHI:  
SHRI RAVNEET SINGH:

Will the Minister of STEEL be pleased to state:

- (a) whether there has been decline in steel production during each of the last four years and the current year, if so, the details thereof and the reasons therefor;
- (b) whether the steel imports have reduced in the country, if so, the details thereof including the quantum of steel imported during the said period;
- (c) whether the Government has adhered to the National Steel Policy for increasing the domestic steel production capability, if so, the details thereof; and
- (d) whether the steel plants of Steel Authority of India Limited have been incurring losses during the said period and if so, the details thereof and the reasons therefor?

**ANSWER**

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

- (a) No, Madam. Data on production of crude steel and total finished steel (non-alloy + alloy/stainless) during last four years and current year i.e. April-December, 2018 is given below:-

Year	Production (in mt)	
	Crude Steel	Total Finished Steel (non-alloy+ alloy/stainless)
2014-15	88.98	104.58
2015-16	89.79	106.60
2016-17	97.94	120.14
2017-18	103.13	126.85
April-December, 2018*	79.059	97.598
Source: Joint Plant Committee(JPC); * Provisional		

- (b) Data on overall import of total finished steel (non-alloy+ alloy/stainless) in last four years and current year i.e. April-December, 2018 is given below:-

Total Finished Steel (alloy + non-alloy) Import	
Year	Qty. (mt)
2014-15	9.32
2015-16	11.71
2016-17	7.23
2017-18	7.48
April-December 2018*	5.91
Source: JPC;*provisional;	

(c) Yes, Madam. The National Steel Policy 2017 is a road map for the steel industry given a pre-defined economic growth path. Any change in the domestic capability of the steel industry depends on the investment being made by the steel companies of India (including the public sector) based on sound commercial needs and practices. The government is not involved in the changes to domestic capacity as steel as a deregulated industry.

(d) The year-wise Profit Before Tax (PBT) and Profit After Tax of SAIL for last four years is given as under:

Rs. Crore		
Year	Profit (+) / Loss (-) before Tax (PBT)	Profit (+) / Loss (-) after Tax (PAT)
2014-15	2359	2093
2015-16	- 7008	- 4021
2016-17	- 4851	- 2833
2017-18	- 759	- 482

SAIL had losses from the FYs 2015-16 till 2017-18 due to the following reasons:-

- Lower Net Sales Realisation of steel products.
- Increase in the imported coal prices, particularly 2016-17 onwards.
- Adverse impact of levy of contribution to District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET).
- Higher usage of imported coal in the blend due to lower availability of indigenous coal.
- Increase in salary & wages.
- Higher interest charges and reduction in interest earning on term deposits.
- Higher depreciation due to capitalisation of new facilities.

Losses of SAIL have however been reducing over the last 3 years.

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