

**LOK SABHA**  
**UNSTARRED QUESTION NO.4284**  
FOR ANSWER ON 12/12/2016

**PERFORMANCE OF SAIL**

4284. SHRI YOGI ADITYA NATH:  
DR. BHARATIBEN D. SHYAL:  
DR. RAVINDRA KUMAR RAY:  
SHRI SHER SINGH GHUBAYA:  
PROF. CHINTAMANI MALVIYA:

Will the Minister of STEEL be pleased to state:

- (a) whether a number of units of Steel Authority of India Limited (SAIL) are running into losses;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has formulated/proposes to formulate any plan to revive the loss making units of SAIL;
- (d) whether SAIL has been facing any problem relating to availability of raw material, if so, the details thereof; and
- (e) the corrective steps being taken by the Government in this regard?

**ANSWER**

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a) Financial Performance of SAIL Plants including Chandrapur Ferro Alloy Plant, Salem Steel Plant and Visveswaraya Iron & Steel Plant for the last 5 years is as given under:

(Rs. in crore)

<b>Plant /Unit</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
Bhilai Steel Plant	2715	2048	2085	2232	405
Durgapur Steel Plant	503	553	416	506	-527
Rourkela Steel Plant	646	363	212	232	-2524
Bokaro Steel Plant	703	308	202	451	-2203
IISCO Steel Plant	-411	-159	-653	-1072	-1939
Alloy Steel Plant	-53	-120	-93	-134	-83
Salem Steel Plant	-155	-420	-376	-355	-466
Visveswaraya Iron & Steel Plant	-131	-117	-123	-97	-116
SAIL Refractory Unit	11	10	3	7	21
Chandrapur Ferro Alloy Plant	10	-39	-78	-45	-78
Raw Material Division/Central Units	1313	813	1628	634	310
SAIL Profit (+)/Loss (-) Before Tax	5151	3241	3225	2359	-7198
Tax	1608	1070	608	266	3061
SAIL Profit (+)/Loss (-) After Tax	3543	2170	2616	2093	-4137

Contd.....2/-

(b) The major reasons for the losses being faced by SAIL units are global overcapacity and demand slowdown, which has placed price pressure on domestic producers.

(c) The steps taken by the Government for revival of loss making units of SAIL are as under:

- (i) Government has notified Mines And Minerals (Development And Regulation) Amendment Act, 2015 to streamline grant of Mining Leases in order to maintain sufficient availability of raw materials for various sectors including steel sector.
- (ii) Increased peak rate of Custom Duty on steel to 15%. Effective rate of import duty was increased in phases to 10% on Long products and 12.5% on Flat products from pre-revised level of 5% and 7.5% respectively.
- (iii) Against a petition by the domestic steel producers, Safeguard duty on HR Coils of 20% notified in September, 2015 provisionally and final notification issued for the same in March, 2016 extending 20% Safeguard duty up to September, 2016. Thereafter, phased reduction to 18% (till March, 2017), 15% (till September, 2017) and 10% by March, 2018.
- (iv) The Government of India notified Minimum Import Price (MIP) on select steel products (05.02.2016) and further extended it on certain steel products for two months with effect from 05.08.2016 and again for two months with effect from 05.10.2016.
- (v) Provisional Anti-dumping duty notified on import of flat products (Hot Rolled & Cold Rolled) and on Wire Rods from China, Japan, Korea, Russia, Brazil, Indonesia & Ukraine vide notifications dated 08.08.2016, 17.08.2016 and 02.11.2016.

(d)&(e): Presently the whole requirement of iron ore for SAIL Steel Plants is met by its captive iron ore mines. To meet the expanded requirement of iron ore of about 39 million tonnes per annum for ongoing modernization and expansion plan at SAIL Steel Plants, the capacity of existing iron ore mines are being expanded. The expansion of the mines will take place after obtaining statutory clearances.

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