

GOVERNMENT OF INDIA  
MINISTRY OF STEEL

RAJYA SABHA  
UNSTARRED QUESTION NO. 1758  
FOR ANSWER ON 18/12/2023

**LOSSES INCURRED BY GOVERNMENT-OPERATED STEEL PLANTS**

1758. SMT. MAUSAM NOOR:

Will the Minister of Steel be pleased to state:

- (a) whether Government-operated major steel plants incurred losses in the last five years;
- (b) if so, the details thereof;
- (c) measures that have been undertaken to rejuvenate Government-operated steel plants;
- (d) the details of the new revenue model implemented by Government over the last five years to facilitate the revival of these plants; and
- (e) whether Government has explored or considered alternative financing models or incentives to attract private investments into these steel plants?

**ANSWER**

THE MINISTER OF STATE IN THE  
MINISTRY OF STEEL

(SHRI FAGGAN SINGH KULASTE)

(a)to(e): Ministry of Steel has steel manufacturing Public Steel Undertakings namely Steel Authority of India Ltd (SAIL), Rashtriya Ispat Nigam Ltd (RINL) and NMDC Steel Ltd. (NSL). SAIL did not incur any financial losses in the last 5 years. NSL has started commercial operation only on 31.08.2023 on its commissioning. Details regarding RINL are as under: -

The financial performance of RINL in the last 5 years are as under: -

(Rs. In Crs.)

Year	Revenue from Operations	Profit Before Tax (PBT)	Profit After Tax (PAT)
2018-19	20492.00	-306.90	96.70
2019-20	15920.50	-4287.50	-3910.20
2020-21	18080.90	-1259.02#	-1012.16#
2021-22	28359.40	941.60	913.20
2022-23	22809.40	-3236.46	-2858.74

#Restated

To reduce cost of raw-material and increase production, Ministry of Steel has taken up with Ministry of Coal for supply of domestic coking coal and thermal coal to RINL. Further, State Government of Odisha has been requested for allocation of Iron Ore block through reservation route. To increase production, RINL is sourcing of Iron Ore and Coal from alternate sources to ensure increased availability of raw material. In addition, RINL has taken following initiatives from time to time to improve financial performance:-

- The operational costs are being reduced and cost rationalization and revenue maximization are being achieved by 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 use of indigenous coking coal in the coal blend to reduce costs.