

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

STARRED QUESTION NO:81  
ANSWERED ON:14.07.2014  
PERFORMANCE OF STEEL COMPANIES  
Singh Shri Ravneet

**Will the Minister of STEEL be pleased to state:**

- (a) the average installed capacity and capacity utilisation of steel industry under the public and private sector;
- (b) whether the public sector steel companies are facing stiff competition from the global steel companies in terms of induction of technology, efficiency and price etc. and if so, the details thereof;
- (c) the steps taken/proposed to be taken by the Government to enhance the operational efficiency of Public Sector steel companies so as to enable them to face the global challenges; and
- (d) whether the financial performance of the public sector steel companies has improved during each of the last three years and the current year; if so, the details thereof along with the details of the profit earned and loss incurred by Public Sector steel companies during the said period?

**Answer**

THE MINISTER OF STEEL, MINES AND LABOUR AND EMPLOYMENT (SHRI NARENDRA SINGH TOMAR)

(a)to(d): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF THE LOK SABHA STARRED QUESTION NO.81 FOR ANSWER ON 14/07/2014 TABLED BY SHRI RAVNEET SINGH, MEMBER OF PARLIAMENT REGARDING PERFORMANCE OF STEEL COMPANIES.

(a) Provisional data on capacity, production and capacity utilization of crude steel in the public and private sectors during 2013-14 is shown below:

India: Crude Steel in 2013-14  
(in million tonnes)

Sectors	Capacity	Production	Capacity Utilization (%)
Public	15.93	16.78	105
Private	83.64	64.76	77
Total	99.57	81.54	82

Source: JPC, provisional data

(b) Steel is a globally competitive business which is currently undergoing a downturn and Indian companies including Public Sector Undertakings have to face competition in the market place.

(c) The Public Sector Companies are performing reasonably well as can be seen from the capacity utilisation. Moreover, Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) are undergoing a comprehensive modernization and expansion programme to increase capacities and improve their efficiency further.

(d) No, Madam. Data on net profit of public sector domestic steel companies, i.e., SAIL and RINL, in the last three years is given below. Data for the current year (April-June 2014-15) is not yet available.

Net Profit (Rs. crore)

	2011-12	2012-13	2013-14
SAIL	3542.7	2170.3	2616.0
RINL	751.0	353.0	366.0

Source: company balance sheets