

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO. 157
FOR ANSWER ON 04/12/2023

PERFORMANCE OF RINL

157. SHRI G.V.L. NARASIMHA RAO:

Will the Minister of STEEL be pleased to state:

- (a) the production capacity of RINL and its utilisation over the past five years, year-wise;
- (b) production of RINL since April this year, month-wise;
- (c) reasons for steep fall in production in the current year;
- (d) steps taken by Government or RINL to increase production;
- (e) financial performance of RINL in the past five years, year-wise and so far this year;
- (f) steps taken by Government or RINL to improve financial performance of RINL;
- (g) whether it is a fact that salary payments have been delayed to employees in the last few months; and
- (h) if so, steps taken to ensure timely salary payments?

ANSWER

THE MINISTER OF STATE IN THE (SHRI FAGGAN SINGH KULASTE)
MINISTRY OF STEEL

- (a) Liquid Steel production capacity and utilization of Rashtriya Ispat Nigam Limited (RINL) over past five years, year-wise is as under:

(Unit: Million Tonnes)

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Liquid Steel production capacity	6.3	6.3	6.3	6.3	6.3
Actual production	5.5	5.0	4.5	5.5	4.3
Capacity Utilization (%)	87	79	71	87	68

- (b) Liquid Steel production of RINL since April this year, month-wise is as under:

Month	Actual Liquid Steel Production ('000 tonnes)
April, 2023	415
May, 2023	246
June, 2023	376
July, 2023	404
August, 2023	414
September, 2023	384
October, 2023	368

Contd..

- (c) There is fall in production in the current year due to liquidity constraints.
- (d) To increase production, RINL is sourcing of Iron Ore and Coal from alternate sources other than the regular sources to ensure increased availability of raw material.
- (e) The financial performance of RINL in the past five years, year-wise and so far this year is 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
2023-24 (H1) (April –September, 2023)	11641.32	-2268.67	-2058.02

Restated

(f) To reduce 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 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 indigenous coking coals in the coal blend to reduce costs.

(g)&(h): Salary payments to the employees of RINL for the month are made on 1st day of the following month. In case of September, 2023 and October, 2023, the salary payments were made within the first week of the following month due to liquidity constraints.