

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.312
FOR ANSWER ON 12/12/2018

REVIVAL OF RINL

312. SHRI PARIMAL NATHWANI:

Will the Minister of STEEL be pleased to state:

- (a) whether Government has constituted a committee for the revival of Rashtriya Ispat Nigam Limited (RINL);
- (b) if so, the details thereof along with its composition and the objectives thereof and status of the implementation of revival plan;
- (c) whether the plant is suffering from loss or has been earning profit and if so, the details thereof; and
- (d) the steps taken by Government to increase operational efficiency and profitability of the plant?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a)&(b): A committee comprising of members from Ministry of Steel, PSUs and technical experts has been set up for revival of Rashtriya Ispat Nigam Limited (RINL) and Steel Authority of India Limited (SAIL). The Terms of Reference of the Committee include chalking out a plan with focus on increasing production, sales and improving financial health of RINL. Subsequent to various deliberations held by the Committee, RINL entered into a Memorandum of Understanding (MoU) in July, 2017. The MoU inter-alia contains detailed roadmap on action plan and targets concerning various projects/operations/costs including targets on production, marketing performance, etc. as per the timelines stipulated under the MoU.

(c) In 2017-18, the company achieved a Sales Turnover of Rs.16,618 Cr. with a growth of 31% over previous financial year. The company incurred net loss of Rs.1369 crore in 2017-18. With the improvement in market conditions, the company has been able to register positive Gross Margin of Rs.346 Cr. in 2017-18. The company has posted Profit After Tax of Rs. 89.39 Crs. (Provisional) in the first half of 2018-19 (April-September, 2018).

(d) Steel is a deregulated sector and Government's role is that of a facilitator for the Steel Sector. Efforts made by RINL to increase operational efficiency and profitability of the plant inter-alia include optimization of coal blends and increase vendor base of coking coal, maximization of captive power generation, production of high end value added steels for higher margins, improvement in techno-economic parameters such as Blast Furnace productivity, Pulverized Coal Injection as a partial replacement for costlier Coke, lower coke rate, increased labour productivity, etc.
