

**LOK SABHA**  
**UNSTARRED QUESTION NO.2171**  
FOR ANSWER ON 24/12/2018

**VISVESVARAYA IRON AND STEEL PLANT**

2171. SHRI B.Y. RAGHAVENDRA:

Will the Minister of STEEL be pleased to state:

- (a) whether there is any proposal pending before the Ministry for disinvestment of Visvesvaraya Iron and Steel Plant, Bhadravathi and if so, the details and the status thereof;
- (b) whether the Ministry is aware of the fact that the capacity and infrastructure of the plant is underutilized and if so, the details thereof along with the steps taken to fully utilize the capacity and infrastructure of the plant; and
- (c) the corrective measures taken/proposed to be taken by the Government to improve the performance of the plant and the investment proposed for this purpose?

**ANSWER**

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a) Yes, Madam. Cabinet Committee on Economic Affairs has accorded 'in-principle' approval on 27.10.2016 for strategic disinvestment of Visvesvaraya Iron and Steel Plant. Preliminary Information Memorandum of Visvesvaraya Iron and Steel Plant is in finalisation stage.

(b)&(c): Yes, Madam. Detail are given in **Annexure-I**.

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## Annexure-I

### ANNEXURE-I AS REFERRED TO REPLY TO PARTS (B) & (C) OF LOK SABHA UNSTARRED QUESTION NO. 2171 FOR ANSWER ON 24-12-2018

#### VISVESVARAYA IRON AND STEEL PLANT PRODUCTION PERFORMANCE

(in Metric tonnes)

Products	Installed Capacity	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18*	H1 FY 2018-19*
Hot Metal	2,16,000	67,603	60,760	53,115	-	-
<b>Capacity Utilization</b>		<b>31%</b>	<b>28%</b>	<b>25%</b>	<b>0%</b>	<b>0%</b>
Liquid Steel	1,26,000	47,278	43,563	40,679	-	-
<b>Capacity Utilization</b>		<b>38%</b>	<b>35%</b>	<b>32%</b>	<b>0%</b>	<b>0%</b>
Crude Steel	1,18,000	45,386	41,951	39,326	-	-
<b>Capacity Utilization</b>		<b>38%</b>	<b>36%</b>	<b>33%</b>	<b>0%</b>	<b>0%</b>
Saleable Steel	98,280	35,184	35,528	26,327	16,514	4,310
<b>Capacity Utilization</b>		<b>36%</b>	<b>36%</b>	<b>27%</b>	<b>17%</b>	<b>8.77%</b>

\* Blast furnace and steel making facilities are not working due to lack of sufficient orders and availability of input material like coke & iron ore at competitive rates.

SAIL has been continuously working on improving the performance of VISP by taking the following measures:

- i. Reduction in cost of procurement of various input raw material switching over to global tender.
- ii. Reducing cost of power through power trading and power wheeling.
- iii. Reduction in cost of fuel switching over to alternate fuel i.e. Coal Bed Methane (CBM) gas.
- iv. Diversification of product mix.
- v. Development of new products for defence.
- vi. Aggressive marketing including long term tie up.

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