



SAIL set to leverage domestic growth potential, banks on new product mix

SAIL's drive focusing rural market, internal remodelling to add to Company's stronger performance

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Addressing the 45th Annual General Meeting of Steel Authority of India Ltd. (SAIL) held here today, Chairman SAIL, Shri PK Singh was confident of improvement in Company's performance starting this financial year (FY 2017-18) backed by several management initiatives in every area of operations. Shri Singh said that, "Given the current stage of development in Indian economy and the likely growth path for Country's economy in next decade, the steel demand in India will witness significant growth in future. SAIL with newer and better technologies at its disposal aims to leverage potential of growth in steel demand by operating at rated capacities, product differentiation and customer satisfaction." World steel association too, in its short range outlook has a forecast of 6.1% growth in steel consumption for India in 2017. The Company since inception has produced 475 Million Tonnes (MT) of Crude steel and has partnered in all major national projects requiring steel. Shri Singh added that, "the Company achieved 14% higher turnover during FY 2016-17 over previous year owing to increase in both sales volume (which grew by 8%) and Net Sales Realisation (NSR) of Saleable Steel of five Integrated Steel Plants by about 6%. The increase in NSR was partly due to an overall improvement in price levels and partly due to measures in enriching Company's product mix."

Sharing the developments on Company's endeavors towards product value addition, Shri Singh added that, "SAIL has done significant value addition in its product mix, with higher grades of steel like API X-70 from RSP's New Plate Mill for the oil & gas sector, SAIL HT-600 for the automotive sector and high strength LPG steel grade from Bokaro Steel Plant, etc. Continuous product development efforts are being made with intensive R&D efforts especially from the new state of the art mills commissioned under the Modernisation and Expansion Plan. Amongst the Indian steel producers your company continues to be in the forefront in R&D with the highest spending." Going further he added that, "SAIL's state-of-the-art New Universal Rail Mill at its Bhilai Steel Plant (BSP) was inaugurated by Hon'ble Steel Minister earlier this year, where World's longest single piece rail of 130 mtrs length is being produced and supplies of welded 260 mtrs rail panels to Indian Railways is in progress. The already operational new facilities under modernization and expansion were ramped up during the year. New Blast Furnace at Rourkela Steel Plant (RSP) achieved about 100% of its capacity, whereas, other facilities like the New Plate Mill (NPM) also produced near to their rated capacities and it is very near to operating at 100% of its capacity." He also added that the Wire Rod Mill of ISP will be soon producing world class Wire rods in special grades to meet the requirement of the Indian and Global Steel industries. He also sounded assured of the global trends in steel industry, and said that, "World economic recovery is on track and a pickup in Global growth presents a healthy sign for industrial and manufacturing activities across globe. Meanwhile, India is projected to become the world's fifth largest economy in 2017, surpassing UK and France and the world's third largest economy by 2023, surpassing Japan and Germany. India's GDP is projected to rise from USD 2.2 trillion in 2016 to USD 3.6 trillion by 2020. This augurs well for businesses that are focused on domestic growth in the future." He added that such kind of growth will definitely create larger steel demand and boost consumption in country.

Throwing light on Company's new initiatives towards remodelling its operations, Shri Singh mentioned that, "drives including SAIL steel - Gaon ki ore, a campaign designed to boost SAIL steel consumption in rural India, SAIL Uday for improving SAIL's all round performance, SAIL management's large group interactions at every Plant - for improving cross functioning within organization, adopting social media at large to engage a larger audience etc. will all translate into Company's better, sounder and stronger performance. At a time when domestic steel demand is improving on back of government backed policies and developmental goals, SAIL is also expeditiously equipping itself to serve market requirements fully and claim broader market share.

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