

# STEEL AUTHORITY OF INDIA LIMITED



## The Precursor:

SAIL traces its origin to the formative years of an emerging nation – India. After independence the builders of modern India worked with a vision – to lay the infrastructure for rapid industrialization of the country. The steel sector was to propel the economic growth. Hindustan Steel Private Limited was set up on January 19, 1954. The president of India held the shares of the company on behalf of the people of India.

## Expanding Horizon (1959 - 1973) :

Hindustan Steel (HSL) was initially designed to manage only one plant that was coming up at Rourkela. For Bhilai Steel Plant and Durgapur Steel Plant, the preliminary work was done by the Iron and Steel Ministry. From April 1957, the supervision and control of these two steel plants were also transferred to Hindustan Steel. The registered office was originally in New Delhi. It moved to Calcutta in July 1956 and ultimately to Ranchi in December 1959. A new steel company, Bokaro Steel Limited, was incorporated in January 1964 to construct and operate the steel plant at Bokaro. The 1 MT phases of Bhilai and Rourkela Steel Plants were completed by the end of December 1961. The 1 WIT phase of Durgapur Steel Plant was completed in January 1962 after commissioning of the Wheel and Axle plant. The crude steel



production of HSL went up from 158 MT(1959-60)to 1.6 MT. The second phase of Bhilai Steel Plant was completed in September 1967 after commissioning of the Wire Rod Mill. The last unit of the 1.8 MT phase of Rourkela-the Tandem Mill-was commissioned in February 1968 and the 1.6 MT stage of Durgapur Steel Plant was completed in August 1969 after commissioning of the Furnace in SMS. Thus, with the completion of the 2.5 MT stage of Bhilai, 1.8 MT at Rourkela and 1.6 MT at Durgapur, the total crude steel production capacity of HSL was raised to 3.7 MT in 1968- 1969 and subsequently to 4 MT in 1972 – 73.

### **Holding Company :**

The Ministry of Steel and Mines drafted a policy statement to evolve a new model for managing industry. The policy statement was presented to the Parliament on 2<sup>nd</sup> December, 1972. On this basis the concept of creating a holding Company to manage inputs and outputs under one umbrella was mooted. This led to the formation of Steel Authority of India Ltd. The company, incorporated on 24<sup>th</sup> January, 1973 with an authorized Capital of Rs. 2000 corers, was made responsible for managing five integrated Steel Plants at Bhilai, Bokaro, Durgapur , Rourkela and Burnpur, the Alloy Steel Plant and the Salem Steel Plant. In 1979 SAIL was restructured as an operating Company.

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