

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO.2798
FOR ANSWER ON 03/08/2022

POTENTIAL UTILISATION OF IRON AND STEEL

2798. SHRI CHANDRA SEKHAR SAHU:
SHRI GIRISH BHALCHANDRA BAPAT:
SHRI RAHUL RAMESH SHEWALE:
DR. PRITAM GOPINATHRAO MUNDE:

Will the Minister of STEEL be pleased to state:

- (a) whether the potential utilisation of iron and steel is very low in the country;
- (b) if so, the facts and the reasons therefor;
- (c) whether the per capita labour productivity in India is at 90-100 tonnes which is one of the lowest in the world;
- (d) if so, the facts and the response of the Government in this regard;
- (e) whether there is an urgent need to increase the production to save precious foreign exchange; and
- (f) if so, the steps taken by the Government to improve the situation along with the result achieved so far in this regard?

ANSWER

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

(a)& (b): Details of overall capacity, production and capacity utilization of crude steel in India during the last five years is given below:-

Year	Crude Steel (in million ton)		
	Capacity	Production	Capacity Utilization (%)
2017-18	137.97	103.13	75
2018-19	142.24	110.92	78
2019-20	142.30	109.14	77
2020-21	143.91	103.54	72
2021-22	154.06	120.29	78

Source: Joint Plant Committee

(c)&(d): The labour productivity varies from plant to plant depending upon the technology, level of integration, efficiency, extent of outsourcing etc. and, therefore, inter-plant and inter-country comparisons may not necessarily reflect the efficiency in use of human resources. Labour productivity is an operational and management issue which depends on technology, operational practices, cost of capitals etc. The government has no direct role in raising labour productivity in the steel plants. Being a deregulated sector with 901 players, the per capita labour productivity increases by better practices by the sector.

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(e)&(f): The increase in production of crude steel in the past five years is as given in the table above. Further, India has been a net exporter of steel in recent years as there has been increase in exports and decrease in imports of steel. The details of import and export of finished steel during last three years are given below:-

Year	Crude Steel (mt)	Finished Steel (mt)	
	Production	Import	Export
2019-20	109.14	6.77	8.36
2020-21	103.54	4.75	10.78
2021-22	120.29	4.67	13.49

Source: Joint Plant Committee, mt= million ton

Government has taken the following steps to protect and promote the domestic steel industry, which include:-

- i. Notification of National Steel Policy 2017 which envisages, inter-alia, domestically meeting the entire demand of steel and high-grade automotive steel, electrical steel, special steel and alloys for strategic applications
- ii. Notification of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting procurement of Made in India steel.
- iii. Notification of Steel Import Monitoring System (SIMS) for advanced registration of steel imports.
- iv. Issuance of Steel Quality Control Order to stop manufacturing and import of non-standardized steel.
