

LOK SABHA
UNSTARRED QUESTION NO.562
FOR ANSWER ON 06/02/2017

PRODUCTIVITY OF STEEL INDUSTRY

562. SHRI ARVIND SAWANT:

Will the Minister of STEEL be pleased to state:

- (a) whether several indigenous iron and steel companies are finding it difficult to safeguard their existence in the country;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) whether the annual per capital labour productivity of steel in the country is amongst the lowest in the world;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the corrective measures taken/proposed to be taken by the Government to increase the productivity of steel industry?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a)&(b): Due to adverse global prices and predatory dumping of steel, the iron and steel companies were under financial pressure in 2015-16 as borne out by the financial performance of some major companies as shown under.

	Profit After Taxes in Rs. Crore		
	2013-14	2014-15	2015-16
Bhushan Steel	61.9602	-1253.83	-2839.37
Tata Steel	6412.19	6439.12	4,900.95
SAIL	2616.48	2092.68	-4137.26
JSW	1334.51	2166.48	-3498.28
JSPL	1291.95	-310.68	-1018.88
Total of Above	11717.09	9133.77	-6592.84

The Government is aware of the above and has been taking some steps:

- i) Imposition of Minimum Import Price(MIP), anti dumping and safeguard measures,
- ii) Streamlining of raw material availability and credit flow as well as easing logistic & raw material movement to domestic steel sector.

(c)to(e): 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 only. However, India is amongst the lowest cost producer of steel other than CIS countries.
