

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1969
ANSWERED ON:05.08.2010
INCREASE IN PRODUCTION OF STEEL
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Will the Minister of STEEL be pleased to state:

- (a) whether there is a constant increase in the production of steel in the country;
- (b) if so, whether employment is also increasing at the same ratio with the increase in production in Steel Authority of India Ltd. and other Public Sector Undertakings of the country;
- (c) the comparative details of production in various steel plants vis a vis direct employment;
- (d) whether any proposal is under consideration of the Government to increase employment in steel plants; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF STEEL(SHRI A. SAI PRATHAP)

(a) There has been a significant increase in production of steel during the last few years. The data on production of crude steel in the country during the last five years are as under:

Year Crude steel production (in million tonnes)

Quantity Growth rate over last year (%)

2005-06	46.46	6.96
2006-07	50.81	9.38
2007-08	53.86	5.98
2008-09	58.44	8.50
2009-10#	64.88	11.02

Source: Joint Plant Committee (JPC); # =Provisional

(b) There is no correlation of increase in employment with the increase in production capacity. It is not necessary that the employment should increase at the same ratio with the increase in production due to technological developments, automation, process improvement & best practices and the need to progressively reduce manpower per million tonne of steel production which made it possible to achieve higher production targets with less manpower.

(c) The plant-wise details of crude steel production and manpower in respect of both the existing public sector steel producers are as under:

Steel Authority of India Ltd. (SAIL)

Plant Production for 2009-10 Manpower as
(Unit: ' 000T) on 1.4.2010

Bhilai Steel Plant	5109	32563
Durgapur Steel Plant	1966	13581
Rourkela Steel Plant	2128	19455
Bokaro Steel Plant	3596	24165
IISCO Steel Plant	400	11608
Alloy Steels Plant	205	1769
Visveswaraya Iron and Steel Plant	103	1649

Source: SAIL

Rashtriya Ispat Nigam Ltd. (RINL)

Year Production Manpower as on
(in million 31st March
tonnes)

2007-2008 3.322 16,416

2008-2009 3.145 17,225

2009-2010 3.399 17,830

Source: RINL

(d)&(e): In today's de-regulated, open market economy, the role of Government is that of a facilitator and in that capacity, it promotes/encourages growth of steel industry through suitable policy measures. Both the existing public sector Steel companies namely SAIL and RINL are in the process of expanding their crude steel capacities thereby creating employment opportunities for unemployed youths.

SAIL envisages increasing its crude steel production from existing 12.84 million tonnes to 21.40 million tonnes per annum in Phase-I to be completed by 2012-13 at an approximate estimated cost of Rs. 70,000 crore including cost of mine development.

RINL is expanding its existing capacity of 2.9 million tonnes of crude steel production to 6.3 million tonnes per annum to be completed by December, 2011 at an estimated cost of Rs. 12,228 crore.

Another public sector company, namely NMDC Ltd., is to set up a 3 million tonnes per annum integrated steel plant at Nagarnar, Chhattisgarh at an estimated investment of Rs. 15,525 crore. The Plant is likely to be commissioned in 2014 and generate additional employment opportunities.