

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.138
FOR ANSWER ON 16/11/2016

INEFFICIENCY IN PSUs IN STEEL INDUSTRY

138. SHRI B.K. HARIPRASAD:

Will the Minister of STEEL be pleased to state:

- (a) whether it is a fact that in the steel industry most of the Public Sector Units (PSUs) are plagued by inefficiency caused by heavy investment on social overheads, poor labour relations, inefficient management, under-utilization of capacity, etc. which hinders proper functioning of the steel plants and results in heavy losses; and
- (b) if so, the details thereof and the steps taken thereon?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a)&(b): Two Public Sector Steel manufacturing companies in India namely Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) along with other steel sector companies are facing global demand slowdown. The global overcapacity and demand slowdown has inter alia placed price pressure on domestic producers.

To alleviate the problems faced by the Steel industry, Government of India has taken several measures which inter alia include imposition of Minimum Import Price (MIP), imposition of safeguard duty, amendment of Steel and Steel Products (Quality Control Order, 2012) etc.
