

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:3856
ANSWERED ON:30.04.2007
SPONGE IRON INDUSTRY
Mahato Shri Narahari

Will the Minister of STEEL be pleased to state:

- (a) whether the Union Government proposes to take steps for the development of the Sponge Iron Industry;
- (b) if so, the details thereof alongwith the methods to improve the quality of such products; and
- (c) the steps taken to explore national and international markets for sponge iron products?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

- (a) The Union Government has no specific proposal for development of sponge iron industry. However, Government has formulated a National Steel Policy under which sponge iron industry finds an important role. National Steel Policy envisages sponge iron production to 30 million tonne per annum by the year 2020 from the current level of about 13 million tonne per annum.
- (b) Sponge iron like steel is completely deregulated industry. Therefore, initiative on quality improvement of the product rests with the entrepreneurs.
- (c) Sponge iron products have a strong national market where these are used in melting furnaces for further value addition. Since the sector is deregulated, the sponge iron producers are free to explore national and international market for their products.