

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:2039  
ANSWERED ON:13.03.2008  
PRODUCTION OF STEEL  
Khair Shri Chandrakant Bhaurao

**Will the Minister of STEEL be pleased to state:**

- (a) whether the National Steel Policy envisages indigenous steel production of 110 MT per annum by 2019-20;
- (b) if so, the details thereof and the shares of public and private sector units therein; and
- (c) the details of the new steel production units and expansion programme of the existing units during the next five years?

**Answer**

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

(a) Yes, sir.

(b) The long-term goal of the National Steel Policy (NSP) is that India should have a modern and efficient steel industry of world standards, catering to diversified steel demand. In order to achieve the long term goal alongwith global competitiveness in terms of cost, quality and product-mix and global benchmarks of efficiency and productivity it is envisaged in the NSP that a indigenous production of over 100 million tonnes of steel per annum will be required by 2019-20 from the 2004-05 level of 38 million tonnes, implying a compounded annual growth of 7.3 percent per annum. The NSP does not determine the share of public sector and the private sector in the estimated total indigenous production of steel of over 100 million tonnes by 2019-20.

(c) The growth in the steel sector is driven by the growth in the Indian economy. The Indian economy has been growing at a sustained rate of 8%-9% per annum and resulted in much higher demand for steel and consequent expansion plans in the steel sector. As per the latest estimates the steel production capacity in the country will be 124.06 million tonnes by 2011-12. The break-up of this estimated capacity in respect of major steel producers is given below:-

(In million tonnes as on 01.04.2007 )

Investor	Existing Capacity (Most Likely)	Expansion Plan	Total Capacity 2011-12
	Brownfield	Greenfield	
Steel Authority of India Ltd. (SAIL)	12.84	12.00	- 24.84
Rashtriya Ispat Nigam Ltd. (RINL)	2.90	3.90	- 6.80
Tata Steel	5.00	5.00	3.00 13.00
Essar Steel Holdings Ltd.	4.60	3.90	6.00 14.50
JSW Steel Ltd.	4.10	6.90	- 11.00
Jindal Power & Steel Ltd.	1.20	4.80	4.45 10.45
Ispat Industries Ltd.	3.00	2.00	- 5.00
Other & Secondary Steel	23.20	2.00	13.27 38.47
Total	56.84	40.50	26.72 124.06