

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:155
ANSWERED ON:02.07.2009
PROMOTION OF STEEL INDUSTRY
Majhi Shri Pradeep Kumar

Will the Minister of STEEL be pleased to state:

- (a) whether the Government has prepared any agenda for the promotion of steel industry in the country;
- (b) if so, the details in this regard;
- (c) whether the Government proposes to make joint ventures with various other companies for the promotion/development of ferro alloy plants in the country; and
- (d) if so, the details thereof?

Answer

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

(a)&(b): Government has already prepared the National Steel Policy, 2005 which enumerates the broad policy parameters for ensuring an all around growth of steel industry in the country. National Steel Policy 2005 has projected India's steel production capacity at 110 million tones by 2019-20. However, based on the investment scenario in the steel sector, it has been further assessed that the steel production capacity in the country is likely to be 124.06 million tones by the year 2011-12.

With view to facilitate speedy implementation of major steel investments in the country, an Inter Ministerial Group (IMG) has been constituted to monitor and coordinate issues concerning major steel investments in the country. The IMG consists of representatives from Ministry of Steel, Ministry of Railways, Department of Industrial Policy and Promotion, Ministry of Mines, Ministry of Environment and forest, Ministry of Road Transport and Highways, Ministry of Shipping and the concerned State Governments. The broad terms of reference of the IMG are to review and coordinate measures for growth of steel capacity in the country and address various problems concerning infrastructure, availability of raw materials, environmental and forest clearance and availability of other resources such as land water.

(c)&(d): As per the extant policy, steel is a deregulated sector and government does not participate directly in setting up steel units. However, Manganese Ore India Limited (MOIL) has formed a joint venture company viz., SAIL-MOIL Ferro Alloys Pvt. Ltd., at village Nandini, Bhilai (Chhattisgarh) with Steel Authority of India Limited (SAIL). MOIL has also signed a joint venture agreement with Rashtriya Ispat Nigam Ltd., (RINL) for setting up a Ferro Alloy Plant at Bobli, (Andhra Pradesh).