

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:533  
ANSWERED ON:11.11.2010  
PRODUCTION OF STEEL  
Lal Shri Kirodi

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

- (a) whether India is lagging behind in the production of steel in comparison to other countries;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government intends to make India the second largest producer of steel in the world by the year 2015-16;
- (d) if so, the details thereof; and
- (e) the efforts being made by the Government to increase the share of Government sector in domestic steel industry?

**Answer**

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

(a)&(b): As per provisional data released by World Steel Association (WSA) given below, India was the fourth largest producer of crude steel during January–September, 2010:-

Crude steel production: January – September

Country    Production (in million tonnes)

China    474.0

Japan    81.9

USA    60.9

India    50.1

Source: World Steel Association and Joint Plant Committee; = Provisional

(c)&(d): As per the latest estimates, the crude steel capacity in the country is likely to reach 120 million tonnes by 2012 from 72.9 million tonnes in the 2009-10. However, a relative position in the world scenario would depend upon the prevailing conditions in other steel producing and consuming countries, which is not possible to forecast.

(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 public sector steel companies namely Steel Authority of India Ltd. (SAIL) and Rashtriya Ispat Nigam Ltd. (RINL) are in the process of expanding their crude steel capacities.

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.