

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:535  
ANSWERED ON:11.11.2010  
GROWTH OF STEEL INDUSTRY  
Dubey Shri Nishikant

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

- (a) whether the growth in the steel sector is sufficient to meet the current requirement of steel in the country and its export;
- (b) if not, the financial requirement of this sector for achieving the target; and
- (c) the steps being taken by the Government to enhance the steel production indigenously?

**Answer**

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

(a) The domestic production and import of steel fulfil the current requirement of steel in the country. The consumption of steel is characterized by the use of finished steel and not by crude steel. The data on production, import, export and consumption of finished steel for the year 2009-10 and April-September, 2010 is given below:-

Year Finished Steel (in million tonnes)

Production Import Export Consumption

2009-10 59.69 7.29 3.24 56.48

April- 30.41 4.49 1.47 29.81  
September 2010

Source: Joint Plant Committee (JPC); provisional

(b) Steel is a de-regulated sector and the entrepreneurs are free to decide on the capacity expansion and value addition in their steel projects, based upon their commercial judgement. Some of the steel public sector undertakings under the Ministry of Steel have planned to invest towards expansion of their steel producing capacities. The estimated values of investments are Rs. 70,000 crores by Steel Authority of India Limited (SAIL) and Rs.12,228 crores by Rashtriya Ispat Nigam Limited (RINL). NMDC Ltd. has also planned an investment of Rs. 15,525 crores towards setting up an integrated steel plant.

(c) Since Steel is a deregulated sector, the Government acts as a facilitator for expansion of steel capacity. SAIL is planning for expansion of its capacity from 12.84 million tonnes to 21.4 million tonnes of crude steel. Similarly, RINL is carrying out expansion of its capacity from current 2.9 million tonnes to 6.3 million tonnes of crude steel. Capacity expansion plans in private sector are also going along.