

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2693
ANSWERED ON:23.07.2009
PRIVATE SECTOR STEEL COMPANIES
Sidhu Shri Navjot Singh

Will the Minister of STEEL be pleased to state:

- (a) whether Steel Authority of India Ltd. (SAIL) and other public sector steel plants are facing stiff competition with the private sector steel companies and global steel companies;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government to enable the public sector steel companies to face the competition?

Answer

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

(a)to(c): Yes, Sir. The steel sector is deregulated in the country and the public sector steel plants, including the Steel Authority of India Limited (SAIL) and the Rashtriya Ispat Nigam Limited (RINL), are facing competition from both private sector steel companies and global steel companies. In order to face this competition, both SAIL and RINL have undertaken ambitious expansion and modernization programmes. SAIL's programme is underway for enhancing its annual hot metal production capacity from the present level of around 14 million tonnes per annum (MTPA) to 26.2 million tonnes per annum (MTPA), of which 23.46 million tonnes per annum is to be attained in the first phase. Similarly RINL's ongoing programme seeks to enhance its annual liquid steel production capacity from the present level of 3.0 million tonnes per annum (MTPA) to 6.3 million tonnes per annum (MTPA). Besides capacity enhancement, the growth plans of SAIL and RINL will enhance efficiency by elimination of technological obsolescence, enrich product mix and improve techno-economic parameters like energy efficiency and pollution control.