

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

STARRED QUESTION NO:85

ANSWERED ON:04.03.2013

STEEL PRODUCTION CAPACITY

Angadi Shri Suresh Chanabasappa;Singh Shri Sushil Kumar

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

- (a) the trend of production of crude steel in the country during the last three years;
- (b) whether the production capacity of the existing steel plants in the country is lower than other developed/developing countries;
- (c) if so, the details thereof and the reasons therefor; and
- (d) the steps taken/being taken by the Government for the growth of steel industry?

**Answer**

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a)to(d): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF THE LOK SABHA STARRED QUESTION NO.#85 FOR ANSWER ON 04/03/2013 Tabled by SHRI SURESH ANGADI AND SHRI SUSHIL KUMAR SINGH, MEMBER OF PARLIAMENTS REGARDING "STEEL PRODUCTION CAPACITY"

(a) Data on crude steel production in the country during the last three years and current year (April – December, 2012-13) is shown below, and the growth rates do not show any decline in the volume of crude steel produced in the country:

Crude Steel Production in India

Year Qty. (MT) %age change over the last year.

2009 - 10 65.84 12.7

2010 - 11 70.67 7.3

2011 - 12# 73.79 4.4

April-January, 65.06 5.6  
2012-13#

Source: Joint Plant Committee (JPC); #Provisional

(b)&(c): India is presently the 4th largest producer of steel in the world behind China, Japan and U.S.A. Hence the production capacity of the steel plants in India can in no way be said to be lower than developed/developing countries.

(d) The Government has taken the following steps to support the competitive production and capacity growth of the steel industry:

(i) The Public Sector Undertakings (PSUs) namely Steel Authority of India Ltd. (SAIL), Rashtriya Ispat Nigam Ltd. (RINL) and NMDC Ltd., are in the process of implementing significant expansion in the crude / finished steel capacities in their respective brownfield / Greenfield locations.

(ii) An Inter Ministerial Group (IMG) has been set up by the Government for effective coordination and to expedite implementation of various investment projects in the steel sector.

(iii) Import of critical raw materials for steel industry such as coking coal, non- coking coal and scrap are subject to zero or very low levels of customs duty.

(iv) To encourage domestic value addition and improve domestic iron ore availability, duty on export of iron ore has been increased to 30 per cent.

(v) The Ministry of Steel routinely consults the industry to be apprised of the constraints to growth and recommends necessary corrective measures as and when necessary to other concerned ministries.