

LOK SABHA
UNSTARRED QUESTION NO.1250
FOR ANSWER ON 11/02/2019

STEEL PROJECTS

1250. SHRI KESINENI NANI:

Will the Minister of STEEL be pleased to state:

- (a) the total number of steel plants in the country and the number of steel projects that are still underway in the country;
- (b) whether the current number of steel plants is enough to meet the needs of the country and if so, the details thereof and the major reasons for steel imports;
- (c) whether the Hon'ble Supreme Court's capping on mining/production of Iron in States of Odisha, Goa and Karnataka has led to the fall in production of steel and if so, the details thereof;
- (d) the percentage of total steel consumed and manufactured in the country and the percentage imported from outside; and
- (e) whether there has been increase in imports of steel over last few years and if so, the details thereof along with its impacts on the domestic market and the indigenous steel plants?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a)&(b): Steel is a deregulated sector and the role of Government is limited to that of a facilitator. The decisions regarding setting up of a new steel plant or to start a new project in a steel plant are essentially taken by the respective companies, based on commercial considerations and market dynamics. The two major public sector steel companies in India are Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL). SAIL has steel plants namely Bhilai Steel Plant (Chhattisgarh), Durgapur Steel Plant (West Bengal), Rourkela Steel Plant (Odisha), Bokaro Steel Plant (Jharkhand), IISCO Steel Plant (West Bengal), and three Special Steel Plants namely Alloy Steels Plant (West Bengal), Salem Steel Plant (Tamil Nadu) and Visvesvaraya Iron & Steel Plant (Karnataka) and RINL has a steel plant in Visakhapatnam (Andhra Pradesh).

During April-Dec.'18, gross production of finished steel, domestic consumption and imports of finished steel (Alloy & Non Alloy) are as given in the table below:-

	'000t		
	Gross Production	Import	Consumption
April-Dec'18	97598	5910	71551
April-Dec'17	93177	6096	66301
% Growth	4.7%	-3.1%	7.9%

[Source: Joint Plant Committee (JPC)]

The above data suggests that the present level of steel production is sufficient to meet domestic demand.

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Based on market forces, imports may occur for a variety of reasons, inter-alia, including the non-availability of certain high grades of steel in the country viz. high grade automotive steel, electrical steel, higher grades of API steel, etc.

(c) No, Madam. Gross production of finished steel has shown growth of 4.7% in April-Dec.'18 compared to April-Dec.'17.

(d)

	2017-18	2018-19 (Apr.-Dec.)
Finished Steel Consumption (MT)	90.61	71.55
Finished Steel Production (MT)	104.97	97.60
Finished Steel Import (MT)	7.48	5.91
Finished Steel Import as a % of total consumption	8.3%	8.3%

(Source: JPC)

(e) Finished steel imports in 2017-18 increased by 3.6% YoY. In 2018-19, the imports in the period Apr.-Dec.'18 have declined by ~3.1% compared to same period last year.

	2015-16	2016-17	2017-18	2018-19 (Apr.-Dec.)
Finished Steel Import (MT)	8.72	7.22	7.48	5.91

(Source: JPC)

Steel is a deregulated sector in India, so the Government doesn't intend to interfere with the free and fair trade of the steel products in the country. However, Government of India has taken a number of WTO compliant trade remedial measures to avoid injury to the domestic steel sector from any kind of unfairly traded cheap imports coming into India. Unfairly traded imports in India have decreased owing to these measures taken by the Government.
