

GOVERNMENT OF INDIA  
MINISTRY OF STEEL

**LOK SABHA**  
**UNSTARRED QUESTION NO.3419**  
FOR ANSWER ON 09/08/2021

**REDUCING HIGH INPUT COST IN STEEL**

3419. SHRI FEROZE VARUN GANDHI:

Will the Minister of STEEL be pleased to state:

- (a) the steps being taken by the Government to reduce the high input cost in steel manufacturing with respect to the National Steel Policy along with the steps taken by Government to achieve the target of producing 300 MT of steel;
- (b) the amount spent on import of coking coal, a key raw material in steel manufacturing during the year 2019-2020; and
- (c) total amount spent in manufacturing steel during the year 2019-2020 ?

**ANSWER**

THE MINISTER OF STEEL

(SHRI RAM CHANDRA PRASAD SINGH)

(a) Steel is a de-regulated sector. Commercial decisions such as production, export/import are taken by the steel companies. However, the Government has taken various steps to reduce the input cost in steel manufacturing by increasing the availability of iron ore, which include, inter-alia, Mining and Mineral Policy reforms to ensure enhanced production and availability of iron ore, early operationalization of forfeited working mines of Odisha by the State/Central PSUs. Further, BCD on steel scrap has been exempted for a period up to 31<sup>st</sup> March, 2022. Further, steps taken by the Ministry towards achieving the vision of 300 MT capacity by 2030-31 include the following:-

- (i) Notification of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting procurement of Made in India steel.
- (ii) Notification of Steel Scrap Recycling Policy to enhance the availability of domestically generated scrap.
- (iii) Issuance of Steel Quality Control Orders to stop manufacturing and import of non-standardized steel.
- (iv) Notification of Steel Import Monitoring System (SIMS) for advanced registration of steel imports.
- (v) Notification of Production-Linked Incentive (PLI) Scheme for Specialty Steel with an outlay of ₹6,322 crores.
- (vi) Engagement with various stakeholders including industry associations and leaders of domestic steel industry to address their issues by the concerned Ministries/Departments of the Central Government and State Governments.
- (vii) Engagement with relevant stakeholders including from Railways, Defence, Petroleum and Natural Gas, Housing, Civil Aviation, Road Transport and Highways, Agriculture and Rural Development sectors to enhance the steel usage and overall demand for steel in the country.
- (viii) Establishment of Project Development Cell in the Ministry to attract and facilitate investment in the steel sector.

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(b) The details of total coking coal import during 2019-20 are as follows:-

<b>Year</b>	<b>Quantity (in Million Tonnes)</b>	<b>Value (in ₹ Crores)</b>
2019-20	51.83	61267

Source: Ministry of Coal

(c) The estimated value of finished steel produced during the year 2019-20 is about ₹4.5 lakh crores. [Source: JPC]

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