

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
STARRED QUESTION NO.*128
FOR ANSWER ON 09/03/2016

**POLICY TO MAKE INDIAN STEEL INDUSTRIES GLOBALLY
COMPETENT**

*128. SHRI PARIMAL NATHWANI:

Will the Minister of STEEL be pleased to state:

- (a) the rank of India in steel production globally and the current and estimated crude steel production capacity of India in the next three years;
- (b) whether new capacities/plants of Minimum Efficient Scale (MES) size are coming up in the country after 2014-15;
- (c) whether Government has formulated any policy to make Indian steel industries globally competent;
- (d) if so, the details thereof along with the funds allocated for the purpose; and
- (e) whether the State of Jharkhand figures in Government's road map to make the country world's steel hub?

ANSWER

THE MINISTER OF STEEL AND MINES (SHRI NARENDRA SINGH TOMAR)

(a)to(e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (E) OF THE RAJYA SABHA STARRED QUESTION NO. *128 FOR ANSWER ON 09/03/2016 TABLED BY SHRI PARIMAL NATHWANI, MEMBER OF PARLIAMENT REGARDING “POLICY TO MAKE INDIAN STEEL INDUSTRIES GLOBALLY COMPETENT”

(a)&(b): India is the 3rd largest crude steel producer in the world in 2015 as per provisional rankings released by the World Steel Association (WSA). As per data released by JPC, India's crude steel production capacity is 109.85 million tonnes in 2014-15 and at 116.74 million tonnes in April-December, 2015-16 (provisional). There has been a growth of 6.5% of Compound Annual Growth Rate (CAGR) in steel production capacity in the country during from the years 2012-13 to 2014-15 and the trend is likely to be continued during the year 2015-16 and increase thereafter.

(c)&(d): In a liberalised and de-regulated economy, the Government's role is that of a facilitator. As a facilitator, the Government lays down the policy guidelines and establishes institutional mechanism and structure for creating conducive environment for fostering growth in the domestic industry and making it globally competent. The National Steel Policy 2005 lays down broad roadmap for encouraging growth for the Indian steel industry, on both the supply and the demand sides. The long-term goal of the National Steel Policy 2005 is that India should have a modern and efficient steel industry of world standards, catering to diversified steel demand. The focus is, therefore, to achieve global competitiveness. Steel is a de-regulated sector in which investment decision and allocation of funds are made by the investors based on commercial and market considerations and government funds are not allocated for this purpose.

(e) Yes, Sir. Jharkhand is an important steel producing state and will continue to show strong growth in this sector in the future. SAIL has a proposal of investing more than Rs.19,000 crore in Jharkhand on modernization of Bokaro Steel Plant, expansion of Gua and Chiria mines etc. Further, Government of India, NMDC (a Central Public Sector Enterprise under Ministry of Steel) and Government of Jharkhand have also signed an Memorandum of Understanding (MoU) to set up a 3 Million Ton Per Annum (MTPA) green field steel plant through a Special Purpose Vehicle (SPV) in Jharkhand at an estimated cost of Rs 18,000 crore.
