

GOVERNMENT OF INDIA  
MINISTRY OF STEEL

**RAJYA SABHA**  
**UNSTARRED QUESTION NO.144**  
FOR ANSWER ON 16/11/2016

**CONTRIBUTION OF STEEL SECTOR TO INDIA'S GDP**

144. PROF. M. V. RAJEEV GOWDA:

Will the Minister of STEEL be pleased to state:

- (a) the contribution of the steel sector to India's overall GDP in 2015-16;
- (b) the total percentage contributed by the steel industry into public sector banks' Non Performing Assets (NPAs);
- (c) whether Government has undertaken measures to help steel companies repay their debts; and
- (d) if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a) Indian Steel Sector's contribution to overall Gross Domestic Product of the country is nearly 2% during 2015-16.

(b) The total exposure of steel industry is about Rs. 3.13 lakh crore out of which Gross Non Performing Assets is about Rs. 1.15 lakh crore. This works out to 36.94% of total loan outstanding as on March, 2016

(c)&(d): At the instance of Government, RBI has also recently reduced the overall policy rates which are expected to get translated into reduction in actual lending rates. The RBI accorded a flexible refinancing repayment option, popularly known as 5:25 scheme for long-term infrastructure projects, including steel where total exposure of the bank is above Rs. 500 crore. RBI has also brought in Strategic Debt Restructuring scheme to help debt ridden companies including steel companies. Further, in June 2016, RBI brought in another scheme called Scheme for Sustainable Structuring of Stressed Assets, also known as S4A scheme, with the same objective. The Government has taken a slew of measures to strengthen the positioning of the steel industry in the domestic market. They include imposition of antidumping and safeguard duties on a range of steel products with the objective of eliminating/reducing low priced unfairly traded steel from countries such as China which negatively impacted profitability of the domestic steel producers and simultaneous loss of market share. The Government has initiated simultaneously wide ranging investment plans in infrastructure which is expected to increase the demand for steel.

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