

GOVERNMENT OF INDIA  
MINISTRY OF STEEL

**RAJYA SABHA**  
**UNSTARRED QUESTION NO.1989**  
FOR ANSWER ON 13/05/2015

**PRODUCTION, CONSUMPTION AND EXPORTS OF STEEL**

1989. SHRI VIJAY JAWAHARLAL DARDA:

Will the Minister of STEEL be pleased to state:

- (a) whether Government is aware that consumption of steel will grow in the coming years in the country as well as abroad;
- (b) what strategy has been put in place to increase the production of steel in the country in commensurate with the increasing demands;
- (c) what is export position of steel as of now and how much export is likely to increase in the coming years; and
- (d) what is international competitive scenario in the field of exports of steel and India's position in this regard?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF  
STEEL AND MINES

(SHRI VISHNU DEO SAI)

- (a) Yes, Sir.
- (b) Steel is a deregulated industry and investment decisions are taken by the industry based on commercial and financial considerations. The Government, however, plays the role of a facilitator to promote investments in the steel sector. In order to increase production of steel in the country commensurate with the increasing demands, following steps have been taken:-
  - (i) The strategy is to facilitate creation of additional capacities, removal of procedural and policy bottlenecks in the availability of inputs and to facilitate higher investments in Research & Development.
  - (ii) With the enactment of the Coal Mines (Special Provisions) Act 2015, the process of auctioning of coal blocks has been started, which will improve the availability of coal to the steel sector. Similarly, the Mines & Mineral (Development) Amendment Act, 2015 also provides for the auction of iron ore mines to the end users for improved availability of iron ore to the steel sector.
  - (iii) To ensure easy availability of critical raw materials to steel sector at reasonable cost, the Government has kept the customs duty on import of these materials at low level. Simultaneously, the export duty on iron ore has been maintained at 30% for grades of iron ore above 58% Fe content so that indigenously available iron ore is used for value addition within the country.

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(c) Export position of total finished steel by India during last five years is given below:-

<b>Year</b>	<b>Qty (million tonnes)</b>
2010-11	3.64
2011-12	4.59
2012-13	5.37
2013-14	5.98
2014-15*	5.50
Source: JPC, *provisional	

The likelihood of increase in exports of steel depends on the conditions in the international market, availability of domestic capacity for export and on the cost competitiveness of the steel producers in the export market.

(d) As per the latest report published by World Steel Dynamics, India is ranked among the lowest cost steel producing countries in the world.

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