

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.478
FOR ANSWER ON 16/09/2020

CHALLENGES FACED BY STEEL INDUSTRY

478. SHRI RIPUN BORA:

Will the Minister of STEEL be pleased to state:

- (a) whether the steel industry in the country is grappling with certain challenges to become a USD 5 trillion economy in five years as per the last National Steel Policy;
- (b) whether fiscal slowdown of the country has showed negative steel consumption thereof;
- (c) whether the mining leases of some 38 working iron ore mines is going to lapse soon and SAIL has been awarded 25 per cent of commercial mining which may boost the steel scenario of the country thereof; and
- (d) the policy of Government to disinvest steel sector in India and the modernization and expansion of SAIL subsidiaries thereto?

ANSWER

THE MINISTER OF STEEL

(SHRI DHARMENDRA PRADHAN)

- (a) The National Steel Policy envisages achievement of 300 MTPA crude steel capacity by 2030-31. Towards achievement of this goal Ministry of Steel has taken several initiatives namely:-
 - (i) Domestically Manufactured Iron & Steel Products Policy for promoting procurement of Made in India steel by Government agencies.
 - (ii) Steel Scrap Policy for enhancing availability of domestically generated scrap.
 - (iii) Issuance of Steel Quality Control Orders for stopping non-standardized steel import and manufacturing. 113 SQCOs have so far been issued.
 - (iv) Steel Import Monitoring System (SIMS) for advanced registration of steel imports.
 - (v) Draft Framework Policy to promote setting up of steel clusters having manufacturing units for value added steel, ancillaries, capital goods etc.
 - (vi) To ensure availability of raw material to the steel sector, Ministry of Steel has worked closely with Ministry of Mines and Ministry of Coal for auction and restart of expiring iron ore mines, extension of mining leases with Steel CPSEs, setting up of coking coal washeries by CIL/BCCL, auction/allotment of coking coal mines and diversification of coking coal imports etc.

Contd.....2/-

(b) Finished steel consumption for the period from April-July 2020 in comparison to the corresponding period last year is as following:-

Month	Total Finished Steel (non-alloy + alloy/stainless) consumption in thousand tons	
	Year 2019	Year 2020
April	7333	1092
May	8850	4720
June	8589	6234
July	8573	7405

(c) 6 iron ore mining leases are due to expire in 2021. Ministry of Mines vide its order dated 16.09.2019 has permitted Steel Authority of India Limited (SAIL) to sell fresh iron ore fines to the extent of 25% of last year's production for a period of 2 years, as well as 70 MT dump iron ore fines, from its captive mines.

(d) There is no specific policy of government to dis-invest steel sector in India. The Government is following a policy of disinvestment through minority stake sale and Strategic disinvestment. SAIL currently has no plan for modernization and expansion of its subsidiaries.
