

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:219
ANSWERED ON:04.08.2003
IMPROVEMENT IN QUALITY OF STEEL
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Will the Minister of STEEL be pleased to state:

- (a) whether India is exporting iron ore in big way and importing steel made of Indian iron ore:
- (b) if so, the reasons therefore:
- (c) the details of quantity of iron ores exported and steel imported during the last three years:
- (d) whether Indian steel plants are not capable of processing and producing matching quality of imported steel; and
- (e) if so, the steps being taken to improve the quality of steel produced by the Indian Steel Plants to that of international standard?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)&(b): India has large reserves of iron ore, and some Indian companies export iron ore, based on commercial considerations. Government does not monitor the source of iron ore used for making steel imported by India.

(c) The details of iron ore exported and steel imported during the last three years is given below:

(Quantity in Million Tonnes)

Item	2000-2001	2001-02	2002-03
Export of iron ore#	37.49	41.64	48.02
Import of Steel@	1.417	1.271	1.555

(Source: #MMTC, @JPC)

- (d) Some imported grades of steel are not produced by Indian steel plants.
- (e) Government has taken several steps, to enable steel industry to produce steel of international quality. Some of them are:
 - (i) Removal of iron and steel industry from the list of industries reserved for the public sector and exempting it from the provisions of compulsory licensing under the Industries (Development & Regulation) Act, 1951.
 - (ii) Deregulation of prices and distribution of Iron & Steel.
 - (iii) Inclusion of Iron & Steel Industry in the list of high priority industries for automatic approval for foreign equity investment up to 100%.
 - (iv) The Global Environment Facility (GEF) project has been undertaken with UNDP's aid with a view to improve the efficiency of operation of secondary sector particularly re-rolling sector and help it to become technically advanced.
 - (v) Several modernisation, up-gradation and renovation programmes have been taken up for the steel industry in addition to the extensive in-house restructuring works undertaken by steel plants like SAIL, VSP and TISCO.

(vi) Access to best quality of raw material/inputs from anywhere in the world/access to world-class technology and capital goods.

(vii) Facilitating setting up new steel plants based on the latest state of art technologies.