

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:97
ANSWERED ON:24.07.2006
COST OF STEEL PRODUCTION
Ahir Shri Hansraj Gangaram

Will the Minister of STEEL be pleased to state:

- (a) whether in comparison to other countries of the world the cost of steel production in India is high;
- (b) if so, the reasons therefor;
- (c) whether the high cost of production of steel has affected the export of steel from India;
- (d) if so, whether any research work has been undertaken for reducing the cost of production of steel in India; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

- (a)&(b): The cost of production is commercial information for the steel companies and data for the same is not maintained by the Ministry.
- (c) The level of exports of steel is governed by market forces and are guided by the commercial judgement of individual companies/exporters. However, over the years the level of steel exports from India have increased demonstrating the competitiveness and acceptability of Indian steel in global market.
- (d)&(e): Domestic steel companies are continuously engaged in research & development (R&D) activities for improving their performance parameters including reduction in cost of production. The Government has also been supporting R&D.