

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:1291

ANSWERED ON:01.12.2014

CRUDE STEEL PRODUCTION

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**Will the Minister of STEEL be pleased to state:**

- (a) the rank of India in steel production globally and the estimated crude steel production capacity of India during the next three years;
- (b) the steps taken by the Government to achieve this capacity;
- (c) whether the Government has formulated any policy to make Indian steel industries globally competent; and
- (d) if so, the details thereof along with the fund allocated for the purpose?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI VISHNU DEO SAI)

(a) As per rankings released by the World Steel Association (WSA), India was the fourth largest producer of crude steel in the world in 2013.

The estimated crude steel production capacity of India during the three years, 2014-15, 2015-16 and 2016-17 as per the Report of the Working Group on Steel for the 12th Five Year Plan is given below.

Year Estimated crude steel production capacity of  
India (million tonnes or mt.)

2014-15	129
2015-16	141
2016-17	149

Source: Joint Plant Committee (JPC)

(b)to(d): Steel is a deregulated sector and therefore investment decisions for creation of new capacity are taken by individual investors based on commercial considerations. The role of the Government is that of a facilitator. However, the Government has taken the following steps to make the steel industry globally competent:-

(i) An Inter Ministerial Group (IMG) has been setup in the Ministry of Steel for effective coordination and expediting implementation of various investment projects in the steel sector.

(ii) A Project Monitoring Group (PMG) has been constituted under the Cabinet Secretariat to fast track various clearances/ resolution of issues delaying the investments of Rs.1000 crores or more in the manufacturing/infrastructure sector including the steel sector.

(iii) To increase domestic value addition and improve iron ore availability for domestic steel industry, duty on export of iron ore has been increased to 30%. Recently, the Government has imposed export duty @ 5% ad-valorem on export of iron ore pellets.

(iv) Rates of custom duty on stainless steel flat products have been enhanced from 5% to 7.5% in the Union Budget for 2014-15.