

GOVERNMENT OF INDIA
MINISTRY OF STEEL
RAJYA SABHA
UNSTARRED QUESTION NO. 2075
FOR ANSWER ON 07/08/2023

RAW MATERIALS FOR STEEL PRODUCTION

2075. SHRI SUSHIL KUMAR GUPTA:

Will the Minister of STEEL be pleased to state:

- (a) whether Government has taken any new measures to ensure availability of raw materials like Iron ore, Coking Coal and non-coking Coal, Natural gas etc., at competitive rates to encourage steel production in the country;
- (b) if so, the details in this regard particularly in line with New Steel Policy, 2017; and
- (c) the measures being taken to reduce dependence on imported raw material for steel production?

ANSWER

THE MINISTER OF STATE IN THE
MINISTRY OF STEEL

(SHRI FAGGAN SINGH KULASTE)

(a)to(c): There is sufficient reserve of iron ore and non-coking coal in the country to meet the current demand/consumption by domestic steel industry. However, the coking coal is imported as the supply of high-quality coal/ coking coal (low-ash coal) in the country is limited as compared to the demand which is primarily used by Integrated Steel Producers. The prices of raw material used in steel making are market driven.

The Government has taken various steps to increase supply of minerals which include, inter-alia, Mining and Mineral Policy reforms to ensure enhanced production, early auction & operationalization of mines with expired leases, ease of doing business, seamless transfer of all valid rights & approvals, incentivizing for starting of mining operation & dispatch, transferring of mining leases, allowing captive mines to sell up to 50% of the minerals produced, enhancing the exploration activities etc.

Ministry of Coal has launched Mission Coking Coal in FY22 to meet the domestic coking coal demand projected in National steel policy 2017. To reduce import of Coking Coal, the blending of coking coal by steel sector will be increased from 10-12% at present to 30-35%. The transformative measures taken by Ministry of Coal under 'AatmaNirbhar Bharat' initiative of Hon'ble Prime Minister, domestic raw Coking Coal production is likely to reach 140 MT by 2030, yielding after washing about 48 MT of usable Coking Coal.

Further, Government has prepared a road map to reduce the import dependency on hydrocarbons including LNG by adopting a five-pronged strategy which includes increasing domestic production, adopting biofuels & renewables, enhancing energy efficiency, improvement in refinery processes and demand substitution.
