

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO. 2226
TO BE ANSWERED ON 09/08/2024

STEPS TO INCREASE PRODUCTION AND PER CAPITA CONSUMPTION OF STEEL

2226. Shri Parimal Nathwani:

Will the Minister of Steel be pleased to state:

- (a) the position of India at global level in terms of crude steel production;
- (b) India's estimated per capita steel consumption vis-à-vis developed countries in the world; and
- (c) the steps that have been taken/being taken by Government to increase production and per capita consumption of steel?

ANSWER

THE MINISTER OF STATE IN THE (SHRI BHUPATHIRAJU SRINIVASA VARMA)
MINISTRY OF STEEL

- (a) India became the world's second-largest steel producer in 2018 surpassing Japan and has remained so since then.
- (b) Data on per capita consumption of finished steel in the world (global average) and India for the calendar year 2023 is given below:-

Per capita consumption of Finished Steel (kg)	
World	India
219	95.2
Source: World Steel Association	Source: Joint Plant Committee

(c) Steel is a deregulated sector and the decisions related to the steel produced are taken by the individual steel producers based on market demand and other commercial considerations. Therefore, the future rate of growth of demand of steel will depend on market demand and other commercial consideration. Government as a facilitator has taken the following measures to create a conducive policy environment for improving production and consumption of steel in the country:-

- i. Implementation of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting 'Made in India' steel for Government procurement.

- ii. Government has launched Production Linked Incentive (PLI) Scheme for Specialty Steel to promote the manufacturing of 'Specialty Steel' within the country and reduce imports by attracting capital investments. The anticipated additional investment under PLI Scheme for Specialty Steel is Rs. 29,500 crores and an additional capacity creation of around 25 million tonnes (MT) for specialty steel.
- iii. For Indian Steel to become globally competitive, the Basic Customs Duty on Ferro Nickel, a raw material, has been reduced from 2.5 percent to zero, making it duty free, while duty exemption on ferrous scrap has been extended upto 31st March 2026, in the Budget 2024.
- iv. Ministry of Steel has published additional 16 safety guidelines for the Iron and Steel Sector on 25.07.2024. These cover both process and work place based safety. These are expected to minimize accidents and improve productivity by work place safety.
- v. Steel Import Monitoring System (SIMS) has been revamped and SIMS 2.0 was launched on 25.07.2024 for more effective monitoring of imports to address the concerns of domestic steel industry.
- vi. Coordination with Ministries and States, besides other countries for facilitating the availability of raw material for steel making on more favourable terms.
- vii. Notification of Steel Scrap Recycling Policy to enhance the availability of domestically generated scrap.
- viii. Notified a Quality Control Order for 145 steel products under Indian Standards to ensure availability of quality steel products for the public at large.
- ix. 'Make in India' initiative and PM Gati-shakti National Master Plan are helping enhance steel usage through further engagement with potential users, including from Railways, Defence, Petroleum and Natural Gas, Housing, Civil Aviation, Road Transport and Highways, Agriculture and Rural Development sectors.
- x. Ministry of Steel has undertaken a project for development of Type Designs of Aanganwaadis and houses using Structural Steel as part of the Pradhan Mantri Aawas Yojana towards enhancing use of Steel.
- xi. Steel CPSEs, viz Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL), have appointed rural dealers and also engage in various promotional activities specifically aimed at educating rural India on the advantages of using steel.
