

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.1571
FOR ANSWER ON 11/03/2015

CAPACITY ADDITION BY INDIAN STEEL MAJORS

1571. SHRI PYARIMOHAN MOHAPATRA:

Will the Minister of STEEL be pleased to state:

- (a) the quantum of capacity addition done by the Indian steel majors in the last three years and expansion plans for the next three years;
- (b) whether such expansion plans are possible for implementation with the limited reserves of minerals needed; and
- (c) whether Government would review FDI in steel sector in view of adequate availability of steel in the country and in view of FDI companies like POSCO demanding allocation of mines for their requirement?

ANSWER

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

- (a) The quantum of capacity addition done by the steel producers during the last three years and expansion plans for the next three years as per the projections made by the Report of the Working Group on Steel for the 12th Five Year Plan are given in **Annexure A**.
- (b) Indian reserves of iron ore, a prime mineral input for steel making, are considered adequate for the Indian steel industry. The Indian iron ore resource position as on 1.4. 2010 is shown below:

Mineral	Resource (million tonnes)
Iron Ore: Haematite	17,882
Iron Ore: Magnetite	10,644
Iron Ore: Total	28,526
Source: Indian Bureau of Mines, Nagpur	

- (c) Steel is a deregulated sector. Investments and production in the Steel projects are, therefore, results of conscious decisions of the concerned investors based on commercial prudence and market dynamics. Government plays the role of a facilitator and coordinator between steel investors and the Central/State governments.

Annexure-A

Crude Steel Capacity (Million Tonnes)			
Company/Segment	2011-12	2012-13	2013-14
SAIL	13.02	13.02	13.02
RINL	2.91	2.91	2.91
Tata Steel	6.80	9.60	9.60
Essar Steel	8.54	8.54	8.54
JSW Steel	14.60	14.60	14.60
JSPL	2.40	2.40	2.40
Mini & Other Producers	42.60	45.96	49.95
Total Capacity	90.87	97.03	101.02

Source: Joint Plant Committee

Expansion Plans for the next three years (Million Tonnes)			
Producer/Company	2014-15	2015-16	2016-17
SAIL (All plants)	20.75	20.75	20.75
RINL/Vizag Steel Plant (Andhra Pradesh)	7.00	7.00	7.00
Tata Steel-Jharkhand (Jamshedpur)	10.00	10.00	10.00
JSW Steel- Karnataka (Vijaynagar)	14.30	17.60	18.40
Essar Steel, Gujarat (Hazira)	9.00	10.00	10.00
JSPL-Chhattisgarh (Raigarh)	4.00	4.00	4.00
NMDC, Chhattisgarh (Nagarnar)	2.00	3.00	3.00
Tata Steel-Odisha (Kalinga Nagar)	3.10	5.50	6.00
Jindal Stainless, Odisha	0.80	0.80	0.80
JSPL-Odisha (Angul)	2.00	3.00	4.00
JSPL-Jharkhand (Patratu)	2.00	3.00	3.50
Bhushan Steel Limited, Odisha	5.20	5.20	5.20
Electro Steel Castings, West Bengal	2.20	2.20	2.20
Visa Steel, Odisha (Kalinga Nagar)	1.50	1.50	1.50
Others (multi-location)	40.00	42.00	44.00
Total	123.85	135.55	140.35

Source: Joint Plant Committee
