

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.1740
FOR ANSWER ON 30/11/2016

SCRAPPING OF PROJECTS FOR EXPANSION OF STEEL PLANTS

1740. SHRI PARIMAL NATHWANI:

Will the Minister of STEEL be pleased to state:

- (a) whether many projects for expansion of existing steel plants and new steel plants have been scrapped or postponed infinitely by many companies due to various reasons and if so, the details thereof;
- (b) whether this has led to poor supply of domestic steel and increase in prices of steel;
- (c) if so, whether Government has identified such critical factors; and
- (d) if so, the details thereof and the corrective steps being taken by Government in this regard?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a)&(b): Steel is a deregulated sector and investment decisions to expand the existing steel plants or to set up new steel plants are taken by the individual companies / investors based on commercial considerations, market dynamics and techno-economic viability of projects. Although, the steel industry is facing a challenging time, domestic crude steel production has maintained a reasonable growth of 8.2% during April-October 2016 over the same period in the previous year. The details of crude steel production and the percentage growth in the last three financial years along with the current year are given below:-

Year	Crude Steel Production ('000t)	Percentage Growth (%)
2013-14	81,693	4.3
2014-15	88,980	8.9
2015-16	89,776	0.9
April-Oct.2016	56,252	-
Source: JPC		

(c)&(d): Do not arise.
