

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.3645
FOR ANSWER ON 24/07/2019

PROBLEMS FACING THE STEEL INDUSTRY IN THE COUNTRY

3645. SHRI MANISH GUPTA:

Will the Minister of STEEL be pleased to state:

- (a) what are the major problems facing the steel industry in the country, the details thereof;
- (b) what is India's position in the world in respect of production of iron and crude steel, the details thereof; and
- (c) whether there is lack of modern technology in most of the country's steel plants, if so, the reasons therefor?

ANSWER

THE MINISTER OF STEEL

(SHRI DHARMENDRA PRADHAN)

(a) The major issues faced by Indian steel industry are inadequate availability of raw material, dependence on imported coking coal, high cost of capital, high logistics cost, high cost of power land acquisition and statutory clearances including Environmental clearance etc.

(b) India is the 2nd largest producer of crude steel in the world as shown in table below:-

| World Crude Steel Production - 2018 | | |
|--|----------------|------------------|
| Rank | Country | Qty. (mt) |
| 1 | China | 928.30 |
| 2 | India | 106.50 |
| 3 | Japan | 104.30 |
| 4 | USA | 86.60 |
| 5 | South Korea | 72.50 |
| 6 | Russia | 71.70 |
| 7 | Germany | 42.40 |
| 8 | Turkey | 37.30 |
| 9 | Brazil | 34.90 |
| 10 | Italy | 24.50 |
| | World | 1808 |
| Source: world steel | | |

(c) Steel is a deregulated sector. Usage of technology and grades of steel are determined on techno-commercial basis and market demand.
