

| 1 | 2     | 3           | 4       | 5      |
|---|-------|-------------|---------|--------|
|   |       | Maharashtra | Private | 89     |
|   |       |             | Public  | 532    |
|   |       | Orissa      | Private | 156    |
|   |       | Rajasthan   | Private | 4,225  |
|   | TOTAL |             |         | 58,504 |

(SOURCE: Indian Bureau of Mines (IBM), Ministry of Mines, Government of India)

(c) and (d) No such representation regarding problems being faced by the small and medium iron ore manufacturers in view of futures trade in steel has been received in Ministry of Steel.

#### **Demand crisis of steel due to economic recession**

102. SHRI RAMDAS AGARWAL :

SHRI OM PRAKASH MATHUR :

Will the Minister of STEEL be pleased to state :

(a) whether public and private sectors in steel are facing demand crisis due to economic recession in world;

(b) if so, the gap between demand and supply of steel during the years 2006-07, 2007-08 and 2008-09;

(c) the target set by Government for production of steel during the Eleventh Five Year Plan;

(d) whether Government intends to augment the production capacity of existing steel plants as well as propose to set up new plants in the country particularly in Orissa;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI JITIN PRASADA): (a) Overall steel consumption in the country has recorded a decline since October 2008 of the current financial year, due to adverse effect of global economic crisis in the domestic steel market.

(b) The gap between demand (consumption) and supply (production for sale) of finished steel in the country during the years 2006-07, 2007-08 and April-December 2008-09 is given in the table below:-

| Year                 | Total Finished Steel (unit: million tonnes) |                         |       |
|----------------------|---|-------------------------|-------|
|                      | Production for sale<br>(Supply)             | Consumption<br>(Demand) | Gap   |
| 2006-07              | 52.53                                       | 46.78                   | 5.75  |
| 2007-08              | 56.07                                       | 52.12                   | 3.95  |
| April-Dec. 2008-09 * | 42.08                                       | 37.84                   | 14.24 |

SOURCE: Joint Plant Committee, \* = provisional

The gap between supply and consumption is bridged by way of export and import of steel, depending upon net demand and surplus/deficit in domestic availability.

(c) As per the Eleventh Five Year Plan (2007-2012) document, the estimated production of crude steel in the country is likely to be around 80 million tonnes by the end of Plan period i.e. by 2011-12.

(d) to (f) Indian steel sector is de-regulated and Government is not directly involved in production of steel. However, Government is acting as a facilitator through its various policy initiatives towards growth and sustainability of steel sector in the country. The public sector steel units namely Steel Authority of India Limited (SAIL), Rashtriya Ispat Nigam Limited (RINL) and National Mineral Development Corporation Limited (NMDC) have undertaken capacity expansion, modernization and Greenfield projects. SAIL has undertaken capacity expansion and modernization of its plants to augment its crude steel production capacity to nearly 25 million tonnes. Similarly, RINL is also expanding its capacity to 6.3 million tonnes. NMDC Limited is setting up a 3.0 million tonnes capacity Integrated Steel Plant in Chhattisgarh.

In Orissa, SAIL has undertaken modernization and expansion of its Rourkela Steel Plant to increase hot metal production capacity from 2.12 million tonnes to 4.5 million tonnes.

#### **New pay scales for workers in refectories**

†103. SHRI SHREEGOPAL VYAS:

SHRI BALAVANT ALIAS BALAPTE:

Will the Minister of STEEL be pleased to state:

(a) whether workers in refectories factories under the Steel Ministry are being given new pay scales;

(b) if so, since when; and

(c) if not, the conditions on fulfillment of which the same will be given?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI JITIN PRASADA): (a) to (c) It has been decided that the employees of Bharat Refractories Limited (BRL) would be absorbed in Steel Authority of India Limited (SAIL) on equivalent scales of pay after the company's ongoing merger process with SAIL is completed.

#### **Import of steel**

104. SHRI KAMAL AKHTAR: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that India has become a net importer of steel over the last few years;

(b) the figures of import of steel during the last three years;

(c) the impact of domestic steel prices on the consumers in view of the economic recession globally; and

(d) by when the price fluctuations would be stabilized?

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†Original notice of the question was received in Hindi.