

(b) and (c) Leading domestic steel producers, both in public and private sector, have announced plans to expand their existing capacities through both Greenfield and Brownfield ventures. As per the latest estimates based on these capacity additions, the crude steel production capacity is likely to reach around 124 million tonnes by 2012.

In order to promote the domestic steel industry and to meet the projected demand, the Government has constituted an Inter-Ministerial Group (IMG), under the Chairmanship of Secretary(Steel), to monitor and coordinate the issues concerning major steel investments in the country related to infrastructure, raw material supply, environmental clearance and other resource constraints.

Expansion of Bokaro and Vizag steel plants

926. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of STEEL be pleased to state:

(a) whether demand of steel is likely to be met by expansion of Bokaro and Vizag Steel Plants in the public sector;

(b) whether Government is planning to expand other public sector steel plants also; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI JITIN PRASADA): (a) Yes, Sir. The expansion of Bokaro and Vizag Steel Plants is expected to contribute significantly to meeting the national demand of steel.

(b) and (c) Both the Steel Authority of India Limited (SAIL) and the Rashtriya Ispat Nigam Limited (RINL) have undertaken modernization and expansion in their steel plants to increase their production of hot metal and liquid steel. The modernization and expansion plan of SAIL at all of its five integrated steel plants, including Bokaro Steel Plant envisages an increase in the production from the current level of around 15 million tonnes of hot metal per annum to 26.2 million tonnes per annum. Similarly the expansion of RINL envisages an increase in production of liquid steel from the current level of 3.0 million tonnes per annum to 6.3 million tonnes per annum.

Growing demand of steel

927. SHRI JAI PRAKASH NARAYAN SINGH: 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 imports of steel over the last three years;

(c) whether it is also a fact that as per the growth in demand for steel, India is likely to import 50 MT of steel in the next few years; and

(d) if so, the steps taken by Government to meet the growing demand and to meet the objectives set in New Steel Policy?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI JITIN PRASADA): (a) Yes, Sir. India has become a net importer of steel in 2007-08 and this trend continues in 2008-09.

(b) The table below shows import of total finished steel in the country during the last three years.

Year	Import of Total Finished Steel (mt)
2005-06	4.31
2006-07	4.93
2007-08*	6.92

Source: JPC; *=provisional

(c) As per the Report of the Working Group on Steel Industry for the Eleventh Five Year Plan (2007-2012) prepared in December 2006, the demand of steel in the country is estimated to reach 70.34 million tonnes and the supply of steel in the country is estimated to reach 80.23 million tonnes by 2012. However, as per the latest estimates, the domestic production of steel is likely to reach a level of 124.06 million tonnes by 2011-12.

(d) In order to promote the domestic steel industry and to meet the projected demand, the Government has constituted an Inter-Ministerial Group (IMG), under the Chairmanship of Secretary(Steel), to monitor and coordinate the issues concerning major steel investments in the country related to infrastructure, raw material supply, environmental clearance and other resource constraints.

Measures to control the price of steel

†928.SHRI BALAVANT ALIAS BAL APTE: Will the Minister of STEEL be pleased to state:

- whether Government is taking any measures to control the price of steel;
- if so, the measures taken during the years 2007-08 and 2008-09;
- the number of times the prices of steel have been raised from 1st April, 2008 till date; and
- whether Government is considering to formulate any permanent policy in this regard alongwith the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI JITIN PRASADA): (a) and (b) Government has taken various administrative as well as fiscal measures to stabilize price and supply of steel in the domestic market. The notable measures taken in this regard as follows:

2007-08

- Customs Duty on alloy steel reduced from 7.5% to 5% in the general budget 2007-08.
- Customs Duty on seconds and defective category of steel items reduced from 20% to 10% in the general budget 2007-08.
- Export Cess of Rs 300/tonne imposed on export of iron ore in general budget 2007-08 which was later revised and reduced to Rs 50/tonne on Iron Ore Fines with Fe content of 62% and less.

†Original notice of the question was received in Hindi.