

(b) No, Sir.

(c) The main problems being faced in execution of the work of gauge conversion of Lumding-Silchar include adverse law and order conditions in North Cachar hills, dearth of resourceful contractors willing to work in the region, short working season, bad conditions of roads etc. The needs of the people are being-served by the existing metre gauge services.

(d) Steps have been taken for deployment of dedicated security forces at work sites through proper liaisoning with State Government. The matter has also been taken up for improvement of conditions of road in the area.

Measure to scale down export of raw material for steel

3186. SHRI PYARIMOHAN MOHAPATRA: Will the Minister of STEEL be pleased to state:

(a) the capacity for production of steel proposed by various investors in steel, capacity created during the last three years and the capacity likely to come up in the next five years;

(b) considering the substantial capacity addition, has the Ministry proposed for stopping export of iron ore, manganese etc. or scaling down such exports; and

(c) if so, the progress of such efforts and if not, the reasons for not protecting the Indian Steel Industry from a future shortage of raw materials?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP): (a) Proposed steel capacity addition by major steel producers in the country is given in the Statement (See below). Crude steel capacity in the country for the last 3 years period from 2006-07 to 2008-09 is tabulated below:—

(Crude Steel Capacity in million tonnes)

Year	Total capacity as on 31st March	Capacity addition
2006-07	56.84	5.67
2007-08	59.84	3.00
2008-09*	65.36	5.52

Source JPC, * = Provisional.

Based on the steel investment scenario in the country, it has been estimated that, India's steel production is likely to be 124 million tonnes by the year 2011-12.

(b) and (c) Ministry of Steel is in favour of providing domestic value addition of iron ore as an important criteria for consideration of allocation of iron ore mines. Government has approved National Mineral Policy, 2008, which *inter-alia* provides for preference to value adders in the allocation of captive mines of iron ore. Further, the Group of Ministers had decided that conservation of iron ore resources of the country is of paramount importance, however, the same may not be achieved by banning or capping the export of iron ore but by taking recourse

to appropriate fiscal measures. Accordingly, export duty at different rates was imposed on iron ore from time to time. At present, the rates of duty on iron ore export is following:—

- | | | |
|------|---|------------------------|
| (i) | Iron ore fines (all sorts) | — NIL |
| (ii) | Iron ore other than fines (including lumps and pellets) | — 5% <i>ad-valorem</i> |

Statement

Proposed steel capacity addition in the country for the last three years

(Crude steel capacity in million tonnes)

Investor	Existing capacity	Brownfield expansion 2011-12	Greenfield 2011-12	Total capacity likely by 2011-12	Total capacity proposed by 2019-20
SAIL	12.84	12.00	—	24.84	60.00
RINL	2.90	3.40	—	6.30	10.00
TATA Steel	6.80	3.20	3.00	13.00	33.50
Essar Steel	4.60	3.90	6.00	14.50	20.50
JSW Steel	6.90	4.10	—	11.00	31.00
JSPL	2.40	4.80	3.25	10.45	26.50
Ispat Industries	3.00	2.0	—	5.00	17.00
POSCO India Ltd.	—	—	—	—	12.00
Arcelor Mittal India Ltd.	—	—	—	—	24.00
NMDC	—	—	—	—	3.00
Bhushan Power and Steel	1.20	—	2.80	4.00	7.00
Bhushan Steel Ltd.	0.80	—	5.20	6.00	9.00
Other + Secondary Steel	23.00	—	5.97	28.97	42.43
TOTAL:	64.44	33.40	26.22	124.06	295.93

Tackling of economic recession by PSUs

3187. SHRI JESUDASU SEELAM:

DR. T. SUBBARAMI REDDY:

Will the Minister of STEEL be pleased to state:

(a) whether Government is keen to bolster wherewithal of its smaller behemoths to withstand ongoing economic downturn and the Ministry is banking on its bigger units to shoulder the responsibility;