

- (b) if so, when and how many times these prices were hiked and upto what extent; and  
(c) the reasons for each hike in prices?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP): (a) to (c)  
The prices of steel in the country vary widely between the various products, categories and the retail market price thereof announced by the individual producers. Moreover, price of steel depends upon the cost of input materials, demand-supply situation in the market and movement of steel price in the international market. The table below shows the monthly indicative retail market price in Delhi Market in respect of certain major steel categories:—

*Retail Steel Price Movement in Delhi Market during  
September 2009 to April, 2010*

(Rs./Tonne)

| Month           | HR Coil<br>(2.0 mm) | CR Coil<br>(0.63mm) | TMT bars<br>(10mm) | Wire Rod<br>(8mm) | Pig Iron |
|-----------------|---------------------|---------------------|--------------------|-------------------|----------|
| September, 2009 | 35633               | 39774               | 32818              | 32404             | 24200    |
| October, 2009   | 35503               | 39614               | 32328              | 32124             | 24500    |
| November, 2009  | 35290               | 38690               | 31940              | 31230             | 23500    |
| December, 2009  | 35260               | 38690               | 32220              | 31610             | 22500    |
| January, 2010   | 35590               | 39530               | 33970              | 33500             | 23900    |
| February, 2010  | 35540               | 40090               | 33310              | 32800             | 26200    |
| March, 2010     | 36240               | 41210               | 35100              | 34200             | 24800    |
| April, 2010     | 45670               | 48780               | 41130              | 41940             | 27800    |

Note—Monthly prices as on 15th of the corresponding month.

**Increase in production through modernisation programme**

3216. SHRI MANOHAR JOSHI: Will the Minister of STEEL be pleased to state:

(a) whether Government has made any efforts to increase the production of pig iron, sponge iron and steel through modernisation programme;

(b) if so, the details of the production of each of these items during the last three years;

(c) the details of the modernisation programme undertaken plant-wise and the investment made during the last three years; and

(d) the quantum of increase in production and value thereof of pig iron, sponge iron and steel as a result of such modernisation scheme?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP): (a) Steel is a de-regulated sector. In a de-regulated, liberalized economy, decisions related to production are taken essentially by the individual steel producing units. The Government in such a market

economy has the role of a facilitator only — it provides the overall policy environment to promote growth of industry. In order to promote the domestic steel industry, the Government has framed the National Steel Policy, 2005 and constituted an Inter-Ministerial Group (IMG), under the chairmanship of Secretary (Steel) in 2007, 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.

(b) Data on production of pig iron, sponge iron and finished steel in the country during the last three years are as under:—

| Year     | Production (in million tonnes) |             |                |
|----------|--------------------------------|-------------|----------------|
|          | Pig iron                       | Sponge iron | Finished Steel |
| 2007-08  | 5.28                           | 20.38       | 56.08          |
| 2008-09  | 6.21                           | 21.09       | 57.16          |
| 2009-10* | 5.68                           | 20.62       | 59.58          |

Source: Joint Plant Committee; \* = provisional

(c) and (d) Public sector companies - *i.e.* Steel Authority of India Ltd. (SAIL) and Rashtriya Ispat Nigam Ltd. (RINL) are undertaking modernization programmes through brown-field expansions. SAIL envisages increasing hot metal production capacity from 13.82 million tonne per annum to 23.46 million tonne per annum in the current phase as per plant-wise details given below:—

| Project              | Present Installed Capacity (in million tonnes) | Capacity after Modernization (in million tonnes) |
|----------------------|--|--|
| Bhilai Steel Plant   | 4.08   | 7.5  |
| Rourkela Steel Plant | 2.0  | 4.5  |
| Bokaro Steel Plant   | 4.59   | 5.77   |
| IISCO Steel Plant    | 0.85   | 2.91   |
| Durgapur Steel Plant | 2.09   | 2.45   |
| Salem Steel Plant    | 0.18 (Saleable steel)                          | 0.34 (Saleable steel)                            |

Note — Pig iron is not a main product of SAIL'S integrated steel plants.

The actual capital expenditure incurred by SAIL during last three years is as follows:—

| Year            | Expenditure      |
|-----------------|------------------|
| 2007-08         | Rs. 2181 crores  |
| 2008-09         | Rs. 5233 crores  |
| 2009-10 (Prov.) | Rs. 10606 crores |

RINL is implementing expansion plan to raise its capacity from 3.0 million tonne to 6.3 million tonne per annum of liquid steel at an estimated cost of Rs. 14,489 crores. The details of expenditure in the last 3 years are as under:—

| Year            | Expenditure     |
|-----------------|-----------------|
| 2007-08         | Rs. 1131 crores |
| 2008-09         | Rs. 2641 crores |
| 2009-10 (Prov.) | Rs. 1840 crores |

Another public sector company *i.e.* NMDC Ltd. is in the process of setting up a 3 million tonne per annum integrated steel plant at Nagarnar, Chhattisgarh with an estimated investment of Rs. 15,525 crores which is likely to be commissioned in the year 2014.

#### **Non-availability of wagons**

3217. SHRI MANOHAR JOSHI: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the PSUs under his Ministry are facing the problem of non-availability of wagons for inward as well as outward movement of goods and raw materials;

(b) if so, whether the problem has been brought to the notice of Railway Ministry;

(c) if so, the details thereof; and

(d) the reaction of Railway Ministry thereto?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP): (a) Yes, Sir. Some of the Public Sector Undertakings (PSUs) under the Ministry of Steel have experienced difficulties in getting wagons for supply of their raw materials. NMDC Ltd., a PSU under the Ministry of Steel, is facing the problem of non availability of rakes (wagons) for outward movement of iron ore from its mines in the States of Chhattisgarh and Karnataka.

KIOCL Ltd., another PSU under the Ministry of Steel, is also not getting the wagons as per its requirement for movement of Iron Ore Fines from Donimalai Iron Ore Mines and Bailadila Kirandul Mines of NMDC in the States of Karnataka and Chhattisgarh respectively.

(b) to (d) Yes, Sir. The problem has been brought to the notice of Ministry of Railways. There is a Joint Consultative Mechanism Committee comprising representatives from the Ministry of Railways, the Ministry of Steel and all PSUs under the Ministry of Steel which holds meetings periodically to sort out the problems related to supply of rakes/wagons. NMDC and KIOCL have also been in touch with the Railways on regular basis, to tide over the difficulties. As a result of these efforts, some improvements have been reported in the supply of rakes in Bailadila sector in the State of Chhattisgarh and in Donimalai Sector in Karnataka. However to take care of the requirements, particularly in respect of KIOCL, further increase in the supply of rakes is necessary and the Railways are reported to be making efforts in this direction.