

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO. 1427
TO BE ANSWERED ON 02/08/2024

STRATEGY AND TARGET TO MEET GROWING STEEL DEMAND

1427. Dr. Ashok Kumar Mittal:

Will the Minister of Steel be pleased to state:

- (a) projections for the country's steel demand growth over the next few years, supported by specific growth rates;
- (b) Government's strategy and targets for meeting the country's projected steel demand growth of 10 per cent annually over the next few years along with specific policy interventions and investment plans; and
- (c) Government's initiatives and collaborations in the global market to develop the country's steel industry, the details thereof?

ANSWER

MINISTER OF STEEL

(SHRI H.D.KUMARASWAMY)

(a)to(c): Steel is a deregulated sector and the decisions related to the kind of steel produced are taken by the individual steel producers based on market demand and other commercial considerations. Therefore the future rate of growth of demand of steel will depend on market demand and other commercial consideration. Data on the demand of total finished steel in India during the last five financial years is given below and indicates a Compound Annual Growth Rate (CAGR) of 6.51% during this 5-year period :-

Year	Total Finished Steel Demand (mt)	CAGR
2018-19	101.29	-
2019-20	102.62	1.31
2020-21	96.20	-6.26
2021-22	113.60	18.09
2022-23	123.20	8.45
2023-24	138.83	12.69
Source: Joint Plant Committee; mt=million tonnes		Avg. CAGR: 6.51%

To create a conducive policy environment for the development of the steel sector and to promote 'Make in India', the Government has taken the following initiatives:

- i. Implementation of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting Made in India steel for Government procurement.

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- ii. The Government has launched the Production Linked Incentive (PLI) Scheme for specialty steel to promote the manufacturing of 'Specialty Steel' within the country and reduce import by attracting capital investments. The anticipated additional investment under PLI Scheme for specialty steel is Rs. 29,500 crores and an additional capacity creation of around 25 million tonnes (MT) for specialty steel.
- iii. Ministry of Steel has launched 16 process based safety guidelines on 25.07.2024, which in result help the steel industry to improve the productivity by standardising the safe practice in operations.
- iv. Steel Import Monitoring System (SIMS) has been revamped and SIMS 2.0 was launched on 25.07.2024 for more effective monitoring of imports and to address the related concerns of domestic steel industry.
- v. Make in India initiative and the PM Gati-shakti National Master Plan with further engagement with potential users, including from Railways, Defence, Petroleum and Natural Gas, Housing, Civil Aviation, Road Transport and Highways, Agriculture and Rural Development sectors to enhance the steel usage, overall demand for steel and investment in the steel sector in the country.
- vi. Coordination with Ministries and States, besides other countries for facilitating the availability of raw material for steel making on more favourable terms, which is a continuous and ongoing process.
- vii. Notification of Steel Scrap Recycling Policy to enhance the availability of domestically generated scrap.
- viii. Notification of 145 numbers Steel Quality Control Orders to prevent manufacturing and import of non-standardized steel and to make available quality steel products to the public at large.
