

---

## India steel production needs to be doubled - Steel minister

*Friday, 06 Nov, 2009*

Mr Prathap Annayagari union minister of state for Steel at a seminar on steel organised by the Confederation of Indian Industry in Delhi said that as the Indian economy is looking up, the country's steel industry is also moving northwards.

He said that “During the last five years, the growth in the demand for steel has averaged to around 10%. The surge in this demand would continue for the next decade or two. To meet this growing demand, the steel sector has to double its production in the next five years, and around 200 million tonnes by 2020.”

The minister said that “India's current per capita consumption of steel is 47 kg against the world average of 190 kg. However, this shortfall could be improved upon if our forward linkages of steel were aimed at tapping the rural demand.”

The ministry of steel has signed over 220 MoUs for bringing additional capacity of 276 million tonnes. Though most of these are Brownfield there are some Greenfield projects also on the anvil. There are various problems like land acquisition, availability of water and other raw material, besides forest and environmental clearance, and some of these issues have been mentioned in the New Mineral Policy.

Mr Annayagari also touched upon the fact that out of India's total steel production of 55 million tonnes, about two thirds over 36 million tonnes of crude steel is produced by secondary producers and standalone processors who are unorganized.

For more news visit at [www.steelguru.com](http://www.steelguru.com)