



ARUNA SUNDARARAJAN

MIP to Provide Level Playing Field for Steel Producers

Aruna Sundararajan is a senior IAS officer of 1982 batch, Kerala Cadre with more than 32 years of experience in the Central and State Governments. Presently she is Secretary in the Ministry of Steel, Government of India and is involved in policy making at the highest level. Ministry of Steel is responsible for co-ordinating and facilitating the growth of Indian Steel Industry. The ministry is also the administrative Ministry for Public Sector Companies like Steel Authority of India Limited (SAIL), Rashtriya Ispat Nigam Limited (RINL), Manganese Ore (India) Limited (MOIL), NMDC Limited and a few other Companies.

She has wide sectoral experience spanning Economic and Development Administration, Investment Promotion and IT/Telecom Domains in the Central & State Governments. Among the key positions she held were Additional Secretary, Telecom & Administrator, Universal Service Obligation Fund, Government of India and CMD, BBNL (Bharat Broadband Network Limited).

She was a Principal Secretary of IT, Kerala and Deputy Secretary, Ministry of Defence, Government of India. She has been honoured as one of the top women achievers by India Today in 2009, and has been featured by Forbes Magazine in August 2012 in the list of eminent Indians who have spearheaded change.

"Though Indian steel industry is going through a severe downturn, in view of recent actions taken to support the Indian steel industry, along with the projected growth of demand, Steel PSUs are expected to continue with their expansion plans in line with the 'Make in India' campaign of the Government" says, **Aruna Sundararajan, Secretary in the Ministry of Steel, Government of India** in conversation with **Steelworld**. Excerpts

Government has already notified Minimum Import Price for steel products. What impact do you see on the Indian Steel Industry?

- The prime objective of imposing MIP is to provide a level playing field to domestic producers. Currently, imports from countries such as China, Japan, Korea and CIS countries are coming at alarmingly low prices and have distorted the steel prices in the domestic market. We expect the MIP to provide much needed breathing space to the domestic steel players in terms of stabilizing steel prices at adequate level.

The Government is putting a lot of emphasis on 'Make in India' campaign. Do you anticipate more domestic

capacity addition and further investment by steel PSUs in the country?

- Though Indian steel industry is going through a severe downturn, in view of recent actions taken to support the Indian steel industry, along with the projected growth of demand, Steel PSUs are expected to continue with their expansion plans in line with the 'Make in India' campaign of the Government.

RINL has already completed its 6.3 MT expansion plan from a level of 3 MT.

SAIL is also continuing with its expansion plan from 13 MT to 21 MT and has already dedicated Rourkela & IISCO Steel Plant to the Nation after their first phase of expansion in 2015.

The steel ministry is putting a lot of efforts in the R&D sector. How are these benefits passed on to the steel industry?

- Government has been supplementing R&D efforts of the industry through financial assistance from Steel Development Fund and Plan Fund. R&D programmes of national importance for sustainability and long term growth and development of the Indian Steel Industry will be facilitated through the new industry led initiative, viz. Steel Research & Technology Mission of India (SRTMI).

Apart from this, the government has setup an Expert Committee for suggesting a road map for up-gradation of Biju Patnaik National Steel institute (BPNSI) to a research and educational institute of national importance. We expect such steps to aid the domestic steel industry to improve its overall competitiveness.

World Steel Association has projected Indian Steel Demand to grow by 7.3% in 2016 as compared to global steel use growth of 1.4%. What is your view on this projection?

India is the only steel market of significant size where demand is expected to grow, with Infrastructure demand likely to pick up in the coming months. If this happens, then WSA projections may prove to be true.

Rapid rise in the production has resulted in India becoming the third largest producer of crude steel in 2015. What will be the scenario in 2017?

- India, with 89.6 MT of crude steel production in 2015 has emerged as the third largest steel producer in the world after China & Japan. With estimated demand growth and continued capacity expansion by private and public sector steel companies, India could probably overtake Japan by then.

An Inter-Ministerial Group is functioning in the Ministry of Steel, under the chairmanship of Secretary to monitor and co-ordinate major steel investments in the country. How has been the progress so far?

- The IMG has been reviewing and co-ordinating measures, relating to inter-ministerial issues as also those relating to concerned state governments, for facilitating early completion of major steel projects in the country.