

Govt flags rlys steel import plans, says 'make in India'

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New Delhi: The steel ministry has red-flagged Indian Railways' plan to import rails, arguing that domestic manufacturers should be given preference and the state-run transporter should work out a long-term strategy for local production, which is the government's thrust under PM Narendra Modi's 'Make in India' scheme.

This is the second time in two years that the railways' import plans are facing scrutiny after the Modi administration put in place a public procurement policy that gives preference to domestically-produced goods. After placing an order to import an estimated five lakh tonnes for the current financial year, the railways has sought an exemption from the government order for a four lakh tonne order to meet its re-



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quirement for next year. Against its requirement of 14 lakh tonnes for the current financial year, the railways has estimated that it will need 17 lakh tonnes next year.

State-run SAIL has a capacity to produce 12 lakh tonnes while JSPL can manufacture another 6 lakh tonnes of rails, prompting fresh resistance from the steel ministry, sources told **TOI**. The ministry has now sought details from railways with sources indicating that the transporter needs to dis-

close its long-term strategy for expansion of tracks and renewal of existing ones so that adequate capacity is created in the country. "Every country that has done this kind of work has relied on local manufacturers. If needed, SAIL can work with railways and plan its capacity augmentation, including a possible joint venture with railways," said a source.

On its part, the railways believes that there is a shortage of manufacturing capacity and supply needs to be augmented via imports.

SAIL is already augmenting its capacity to produce 20 lakh tonnes of rails and invested in a new facility in Bhilai. In a bid to improve its safety record, the railways is replacing tracks, apart from lining up a mega expansion plan to boost its share in freight traffic and is also building two freight corridors.