

LOK SABHA
UNSTARRED QUESTION NO.1445
FOR ANSWER ON 05/03/2018

STEEL CONSUMPTION

1445. SHRI BHEEMRAO B. PATIL:

Will the Minister of STEEL be pleased to state:

- (a) whether the steel consumption has gone up in the country during the last few years;
- (b) if so, the details thereof indicating the total demand, production, consumption and import of steel along with the percentage of increase registered in this respect during each of the last three years and the current year;
- (c) whether the steel industry, specially small and medium steel plants are suffering due to inadequate supply of iron ore and if so, the details thereof;
- (d) whether the Government proposes to raise the import duty on steel and export duty on iron ore, if so, the details thereof and if not, the reasons therefor; and
- (e) the steps taken by the Government to stop illegal export of iron ore and ensure adequate supply of raw material including iron ore for the domestic steel industry?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a) Yes, Madam.

(b) The details of the total demand, production, consumption and import of steel during each of the last three years and the current year along with the percentage of increase registered in this respect are given below:-

Total Finished Steel						
Year	Production for sale		Consumption		Import	
	Qty (mt)	% change	Qty (mt)	% change	Qty (mt)	% change
2014-15	92.16	5.1	76.99	3.9	9.32	71.03
2015-16	90.98	-1.3	81.52	5.9	11.71	25.6
2016-17	101.81	11.9	84.04	3.1	7.23	-38.3
April-Jan., 2017-18*	88.37	5.1	72.52	5.4	6.45	5.7

Source: JPC; *provisional

(c) Production of iron ore in the country is more than the requirement of domestic Steel Industry.

(d) With a view to provide level playing field to domestic steel industry from the surge in cheap imports, Government, inter-alia, imposed various trade remedial measures such as Anti-Dumping Duty and Safeguard Duty which have led to a considerable reduction in imports and improvement in price realization.

(e) In order to prevent illegal export of iron-ore, Hon'ble Supreme Court in 2011 and 2012 banned iron ore mining in Karnataka and Goa. Subsequently a production cap was put on iron ore mining in Karnataka and Goa.

To ensure that adequate Iron ore is available in India for value addition in downstream industries, Government has levied an ad-valorem Export duty of 30% on iron ore of grades more than 58% Fe. In order to ensure sufficient supply of raw materials including iron ore and coal to domestic steelmakers, the government has enacted MMDR Amendment Act, 2015 and Coal Mines (Special Provisions) Act, 2015. Government has also notified National Mineral Exploration Policy to facilitate comprehensive exploration and increased the emphasis on beneficiation and agglomeration of iron ore.
