

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO.106
FOR ANSWER ON 02/02/2022

PRICES OF STEEL

106. SHRI BHARTRUHARI MAHTAB:

Will the Minister of STEEL be pleased to state:

- (a) the details of the steps taken by the Government to bring down the prices of steel to ensure that cost of the essential commodity comes down;
- (b) the details of the steps taken by the Government to bring down the prices of raw materials like iron ore, scrap steel, steel pellets and discourage the export of such items so as to make these easily available for use in steel plants;
- (c) whether the Government proposes to reduce tariffs on steel imports in case the price rise continues and if so, the details thereof; and
- (d) whether there is any proposal by the Government to grant fiscal and other relief to those domestic manufacturers of Thermo Mechanically Treated (TMT) bars, particularly used in the construction sector, towards controlling its recent huge upswing in prices and if so, the details thereof?

ANSWER

THE MINISTER OF STEEL

(SHRI RAM CHANDRA PRASAD SINGH)

(a)to(c): Steel is a de-regulated sector where prices are a function of demand and supply, global market conditions, trends in price of raw materials, logistics cost, power and fuel cost etc. Decisions on prices are taken by the steel companies on the basis of above. Government has taken various steps towards factors impacting prices, these include: (i) steps to increase availability of iron and steel, which, inter-alia, includes Mining and Mineral Policy reforms to enhance production/availability of iron ore, (ii) early operationalization of forfeited working mines, (iii) steps towards accelerating production and capacity utilization by steel producers, (iv) In Union Budget 2021-22, Customs Duty has been reduced uniformly to 7.5% on Semis, Flat and Long products of non-alloy, alloy and stainless steels, (v) Basic Customs Duty (BCD) on steel scrap has been exempted for a period up to 31st March, 2022, (vi) Anti-Dumping Duty (ADD) and Countervailing Duty (CVD) on certain steel products have also been revoked/temporarily revoked.

(d) To give relief to secondary and MSME sector steel industry engaged in Housing/construction sector, TMT bars below 8 mm have been exempted from the purview of the Quality Control Order, as these are primarily used for noncritical applications.
