

LOK SABHA
UNSTARRED QUESTION NO.1308
FOR ANSWER ON 25/07/2016

DEMAND AND SUPPLY OF STEEL

1308. SHRI SHIVKUMAR UDASI:
SHRI RAVINDRA KUMAR PANDEY:

Will the Minister of STEEL be pleased to state:

- (a) the details of demand, supply and prices of each type of steel in the country during each of the last three years and the current year;
- (b) whether the domestic industry could not meet the domestic demand resulting in import of steel and if so, the details thereof and the reasons therefor;
- (c) whether some countries including China are dumping their products in India at cheaper rates and adversely impacting the health of domestic producers and if so, the details thereof; and
- (d) the corrective measures taken/proposed to be taken by the Government to protect the domestic steel industry against the cheap steel imports?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

- (a) Details are at **Annexure I & II.**
- (b) During the years 2015-16, against a total production capacity of about 118 MT, India had produced about 91 MT of finished steel with an apparent consumption of about 80 MT. Thus the country is capable of meeting almost the entire domestic steel demand. Only a small quantity of high quality steel, not manufactured domestically needs to be imported. The country has witnessed a total finished steel import of about 9.32 MT during the year 2014-15 whereas the import has gone up to about 11.71 MT during 2015-16.
- (c) Yes, Madam. Some countries including China are dumping their products in India at cheaper rates and adversely impacting the health of domestic producers. The reasons for increase in imports of steel products from China are that there is huge overcapacity in China, due to which they are exporting surplus steel even at below cost of production to growing markets like India.
- (d) In order to provide level playing field to domestic steel sector, Government has taken various measures which are as under:-
 - (i) In February, 2016, Government imposed Minimum Import Price (MIP) on 173 steel products.
 - (ii) In June 2015, an Anti-dumping Duty was levied for five years on imports of certain variety of hot-rolled flat products of stainless steel.
 - (iii) In September, 2015, a provisional safeguard duty of 20% was imposed on certain hot-rolled flat steel products.
 - (iv) Government hiked import duty on various finished and semi-finished steel products.

Annexure-I**Details of Demand (as actual consumption)****Finished Non-Alloy Steel****(in thousand tones)**

Items	2013-14	2014-15	2015-16*	2016-17* Apr.-May
Bars & Rods	29420	31081	32,833	5630
Structurals	6857	7301	7,389	1218
Rly. Materials	870	851	904	118
Non Flat	37147	39233	41,125	6966
Plates	4177	4770	5221	640
H.R.Coils\Skelp	19991	20544	21382	3449
H.R.Sheets	965	1113	1565	267
C.R.Sheets\coils	8526	8295	8267	1275
GP\GC Sheets	5428	5554	5502	1002
Elec. Sheets	462	541	429	72
Tinplate (incl. ww)	462	525	423	88
TMBP	4	1	4	0
Pipes (Large Dia.)	1963	1993	2008	335
Tin free steel	68	87	80	5
Flat	42046	43423	44881	7133
Less : Double Counting	11200	12420	13,303	2205
Total: Non-Alloy	67993	70236	72,703	11894
Total: Alloy	6102	6758	7,745	1217
Total Finished Steel	74095	76994	80,448	13111

Source: JPC,*prov

Details of Supply (as actual production for sale)**(in thousand tones)**

Items	2013-14	2014-15	2015-16*	2016-17* Apr.-May
Bars & Rods	29550	32251	32,999	5837
Structurals	6896	7495	7,508	1285
Rly. Materials	887	835	886	151
Non Flat	37333	40581	41,392	7273
Plates	3896	4700	4324	678
H.R.Coils\Skelp	20806	20205	18594	3519
H.R.Sheets	920	1138	1512	285
C.R.Sheets\coils	7722	7509	6964	1349
GP\GC Sheets	6898	6892	6539	1207
Elec. Sheets	126	140	122.8	21
Tinplate (incl. ww)	344	354	309	54
TMBP	3	0	0	0
Pipes (Large Dia.)	1978	2094	2065	350
Tin free steel	12	0	0	0
Flat	42705	43032	40430	7463
Total: Non-Alloy	80038	83613	81,822	14736
Total: Alloy	7637	8544	8569	1578
Total Finished Steel	87675	92157	90,391	16314

Source: JPC,*prov

Indicative average market prices of leading items of finished steel, 2013-14: Delhi market (Rs./t)												
ITEM	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Pig Iron	30000	30800	30700	30500	30300	33000	33000	32800	32500	32800	32500	33000
Pencil Ingots	34500	31600	32100	31000	30000	31500	32500	32000	31500	32500	35400	34700
Wire Rod 8mm	45940	45940	46110	45590	44890	45410	45410	45170	45170	45520	46110	45940
Rounds 12mm	45330	45680	45860	44980	44630	45330	45330	45440	45440	46210	46560	46560
TMT 10 mm	47010	47360	47540	47080	46380	47430	47430	47960	47960	48310	48660	48310
Plates 10mm	49420	49420	49420	49420	49320	49470	49570	49470	49320	49740	49820	49920
HR Coils 2.00 mm	48770	48770	48710	48770	48670	48900	49120	49020	49020	49170	49290	49320
CR Coils 0.63mm	52980	52780	52580	52780	51900	52500	53180	52580	52700	53780	54180	54980
GP Sheets 0.63mm	54280	54280	53680	53680	53680	54280	55240	55240	54580	55180	55780	58180
Melting Scrap HMS-II	26600	26600	26500	24000	23000	28000	28000	27000	26500	27000	28200	27700
Sponge Iron (Coal)	25800	25800	26000	25000	24000	25800	26000	26000	25500	26200	27000	26300
Indicative average market prices of leading items of finished steel, 2014-15: Delhi market (Rs./t)												
ITEM	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Pig Iron	33000	32500	34000	34000	33500	32100	33750	34000	30833	30000	27833	26167
Pencil Ingots	34700	33800	37000	35000	34500	32000	34300	38475	30500	32000	31000	30000
Wire Rod 8mm	42000	40500	42000	44000	43500	43350	45000	42900	43125	41925	40550	39900
Rounds 12mm	43500	42500	44200	44000	43500	43650	44000	40000	39000	40000	39750	40250
TMT 10 mm	44500	43500	47600	46000	45500	45200	47075	44367	42542	42375	41775	41017
Plates 10mm	46000	45000	44000	43000	42500	42500	44500	42738	41500	40750	39500	38950
HR Coils 2.00 mm	46000	45500	45500	44500	43800	43500	44500	43500	42433	41167	40333	39667
CR Coils 0.63mm	52500	50000	52000	51000	50000	50782	51000	49200	49000	42500	47100	45000
GP Sheets 0.63mm	57500	54550	56000	55500	55500	54550	54275	53000	53167	52925	51350	50275
Melting Scrap HMS-II	27700	27200	28000	27000	27500	25500	25600	26500	23000	25000	24000	21000
Sponge Iron (Coal)	26300	25700	26300	25500	25500	25000	25200	23000	23500	24500	23750	22000
Market (retail) prices of leading items of finished steel, 2015-16: Delhi market (Rs./t)												
ITEM	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Pig Iron	27433	26667	24667	25533	25300	26000	24900	24033	23167	22833	25500	NA
Pencil Ingots	31200	29000	28000	24500	23600	26000	24000	22000	19500	25500	26500	25700
Wire Rod 8mm	40650	39500	38750	36000	36600	37000	35750	32500	29250	30750	34000	34500
Rounds 12mm	40250	37750	38200	36600	34150	37250	35575	31875	30250	29500	33250	35200
TMT 10 mm	42538	40075	40534	38188	36275	38750	35625	33713	30417	33284	36538	35000
Plates 10mm	40100	38267	36375	34850	33550	34725	35000	33000	30750	33100	33300	35000
HR Coils 2.00 mm	39100	40667	37438	36125	34250	34563	35675	34625	32200	33325	34033	34500
CR Coils 0.63mm	44533	44500	42000	40717	39750	40300	40825	37500	36267	35833	38000	38000
GP Sheets 0.63mm	49767	48350	49150	46783	43500	44233	44867	42500	41500	41133	40500	46000
Melting Scrap HMS-II	23000	21450	23100	20550	18000	22500	21100	14250	15300	16000	18350	19000
Sponge Iron (Coal)	23250	22150	22250	18900	17000	19000	17500	16500	16450	15500	16500	16000

Market (retail) prices of leading items of finished steel, 2016-17: Delhi market (Rs./t)

ITEM	Apr.	May	June
Pig Iron	28000	29800	27500
Pencil Ingots	25000	24250	23500
Wire Rod 8mm	35000	34800	33550
Rounds 12mm	33500	32900	33000
TMT 10 mm	36000	35900	34750
Plates 10mm	33000	37800	36000
HR Coils 2.00 mm	34500	38800	37200
CR Coils 0.63mm	37500	39500	39000
GP Sheets 0.63mm	47000	46500	45000
Melting Scrap HMS-II	18300	17500	17000
Sponge Iron (Coal)	16000	14200	13500

Source: JPC