

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.3815
FOR ANSWER ON 05/04/2017

IMPROVEMENT IN DEMAND OF STEEL

3815. SHRIMATI VIJILA SATHYANANTH:

Will the Minister of STEEL be pleased to state:

- (a) whether it is a fact that the demand of steel is expected to improve in coming months in view of increased spending on infrastructure and long term Government policies;
- (b) whether it is also a fact that the demand of steel has grown by 3.3 per cent during April to December, 2016;
- (c) whether the demand of steel in the country will grow at the rate of 5.7 per cent in 2017;
- (d) whether Government has provided extensive support to domestic steel industry by various trade remedial measures in recent times; and
- (e) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

- (a) Yes, Sir. Steel is an integral part of infrastructure. In case the spending on infrastructure is increased, the demand of steel will increase correspondingly.
- (b) The consumption of steel in the period of April, 2016 – December, 2016 has gone up by 3.4 % as compared to the same period of last year.

Period	Consumption of Total Finished Steel (non-alloy + alloy/stainless) (mt)
April-Dec.2016-17 *	61.543
April-Dec.2015-16	59.544
% change*	3.4

Source: JPC; * provisional; mt=million tonnes

- (c) World Steel Association has forecasted India's finished steel demand to grow by 5.7% in 2017.

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(d)&(e): Yes, Sir. Government has taken the following remedial measures in recent times to support the domestic steel:-

- i) To provide level playing field to the domestic steel producers, Government has extended Minimum Import Price (MIP) on 19 steel products till 4th February, 2017 vide DGFT Notification No. 31/2015-2020 dated 03.12.2016.
- ii) The Government has launched the 'Make-in-India' initiative to focus on manufacturing and infrastructure, which will help in promoting the demand and consumption of steel in the country.
- iii) Increase the peak rate of Basic Customs Duty on both flat and non flat steel to 15% from 10% in the union Budget 2015-16.
- iv) Increased the import duty on ingots & billets, alloy steel (flat & long), stainless steel(long) and non-alloy long products to 7.5% (from 5%) and non-alloy and other alloy flat products to 10% (from 7.5%). This has been further revised in August, 2015. Currently, import duty on flat steel is applicable at 12.5%, on long steel products at 10% and on semi-finished steel products at 10%.
- v) Levied the Anti-Dumping Duty for five years on imports of certain variety of hot-rolled flat products of stainless steel from China (\$309 per tonne), Korea (\$180per tonne) and Malaysia (\$316 per tonne).
- vi) Imposed the Safeguard Duty of 20% in March, 2016 on hot-rolled flat products of non-alloy steel, in coils of width of 600 mm or more.
