

GOVERNMENT OF INDIA  
MINISTRY OF STEEL

**RAJYA SABHA**  
**UNSTARRED QUESTION NO.454**  
FOR ANSWER ON 27/04/2016

**PACKAGE FOR THE STEEL SECTOR**

454. SHRI A. W. RABI BERNARD:

Will the Minister of STEEL be pleased to state:

- (a) whether it is a fact that Indian Steel makers have been struggling in the face of rising imports of cheap steel and slowing global demand, if so, the details thereof;
- (b) whether nine out of top indebted steel firms have defaulted on one or more of their debt instruments and the total debt of these firms is ` 1.54 trillion or 41 per cent of the total debt;
- (c) if so, the details thereof; and
- (d) whether the Ministries of Steel and Finance are working on a package for the steel sector, if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF  
STEEL AND MINES

(SHRI VISHNU DEO SAI)

(a) Yes, Sir. The global steel industry is going through a severe downturn. Demand slow down and global over capacity have resulted in very low international steel prices. Major steel producing countries are adopting a predatory pricing strategy and exporting at prices, apparently lower than its cost of production, in a bid to capture markets like India. This has resulted in declining profitability of Indian steel companies.

(b)&(c): Steel being a deregulated sector, no such information is maintained in the Ministry.

(d) Some domestic steel manufacturers associations and other stake holders have represented for working out a suitable comprehensive package to support steel sector. The representations have been forwarded to Department of Financial Services for consideration.

\*\*\*\*\*