

GOVERNMENT OF INDIA
MINISTRY OF STEEL
RAJYA SABHA
UNSTARRED QUESTION NO.478
FOR ANSWER ON 05/02/2020

BOOSTING EXPORT COMPETITIVENESS OF STEEL INDUSTRY

478. SHRI MD. NADIMUL HAQUE:

Will the Minister of STEEL be pleased to state:

- (a) whether iron ore prices have increased in the recent past and if so, the impact it has had on the steel industry in the country;
- (b) the details of exports and imports of steel over the last five years; and
- (c) how Government is planning to boost export competitiveness in light of regional countries entering the global steel market?

ANSWER

THE MINISTER OF STEEL

(SHRI DHARMENDRA PRADHAN)

(a) Yes, Sir. The domestic iron ore prices have increased by 15-20% in the recent past. As iron ore is the basic raw material for steel, increase in domestic iron ore price enhances the cost of steel production.

(b) The details of export and import of steel during the last five years and of current year is given below:-

Year	Exports (Quantity in million tonnes)	Imports (Quantity in million tonnes)
2014-15	5.59	9.32
2015-16	4.08	11.71
2016-17	8.24	7.23
2017-18	9.62	7.48
2018-19	6.36	7.84
2019-20(Apr.'19-Dec.'19)(Prov.)	6.52	5.51

(Source: JPC)

(c) Indian Steel Sector is a de-regulated sector. Indian steel companies take their own commercial decisions based on market dynamics, both for domestic as well as overseas trade. However, Government has taken various steps as follows to boost export competitiveness:-

- (i) Export promotion schemes like MEIS, Market Access initiative, Export Promotion Council, Advance Authorization, etc.
- (ii) Maintaining very low import duty on critical inputs like coking coal, iron ore, steel scrap, nickel, etc.
- (iii) Promoting multi model logistics and enhancing use of inland waterways and coastal shipping to reduce logistics cost, which is significant for the steel industry.