

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.1277
FOR ANSWER ON 21/09/2020

DEMAND AND PRODUCTION OF STEEL INDUSTRY

1277. SHRI MAHESH PODDAR:

Will the Minister of STEEL be pleased to state:

- (a) the levels of demand and production in the Iron and Steel industry of the country for April-August, 2020;
- (b) the levels of demand, production and export of steel industry undertakings for April-August, 2020;
- (c) the measures being taken by Government to promote domestically manufactured iron and steel products to the consumers at international price for export; and
- (d) what steps Government is taking to replace imports with domestic steel?

ANSWER

THE MINISTER OF STEEL

(SHRI DHARMENDRA PRADHAN)

(a) The details of production and demand/consumption of total finished steel (alloy and non-alloy) in the country for the period from April–August, 2020 (provisional) are as following:-

Item	Total Finished Steel (alloy and non-alloy) (mt)*
Production	29.05
Consumption	26.41

Source: Joint Plant Committee; mt=million tonnes; *provisional

(b) The details of demand/domestic sale, production and export of steel by the two Public Sector Steel Undertakings i.e. Steel Authority of India Ltd. (SAIL) and Rashtriya Ispat Nigam Ltd. (RINL) for April- August, 2020 are as following:

Name of Steel PSU	Production (mt)	Domestic Sales (mt)	Export (mt)
SAIL	4.835	4.26	1.044
RINL	1.153	0.862	0.542

Source: SAIL and RINL, mt=million tonnes

(c) As steel is a deregulated sector, steel prices are market driven. However, Government has taken several measures to promote the domestically manufactured iron and steel products both within the country and for export viz.:-

Contd.....2/-

- (i) Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for procurement of domestically manufactured iron & steel products by Ministries/Departments of Central Government and all agencies/entities under their administrative control and to projects funded by these agencies.
 - (ii) Export promotion schemes like Merchandise Exports from India Scheme (MEIS), Market Access Initiative, Export Promotion Council, Advance Authorization, Export Promotion of Capital Goods (EPCG) etc.
 - (iii) Maintaining very low import duty on critical inputs like coking coal, iron ore, steel scrap, nickel etc.
 - (iv) Promoting multi model logistics and enhancing use of inland waterways and coastal shipping to reduce logistics cost.
 - (v) Allocation of captive iron ore mines and focus on steel clusters to help steel sector become more competitive for enhanced exports.
- (d) To facilitate the reduction of imports, Government has taken following steps:-
- (i) Steel Import Monitoring System (SIMS) for advance registration of steel imports. The objective is to help the Government and industry to identify the exact steel grades being imported into the country in order to plan domestic manufacturing, besides advance information about any surge in imports.
 - (ii) Issuance of Steel Quality Control Orders (SQCO) to stop non-standardised steel import and manufacturing and to ensure availability of quality Steel in the country.
 - (iii) Draft Framework Policy to promote setting up of steel clusters with focus on manufacturing units for value added steel, ancillaries, capital goods etc.
