

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

STARRED QUESTION NO:240  
ANSWERED ON:05.12.2000  
DEMAND AND SUPPLY OF STEEL  
UMMAREDDY VENKATESWARLU;VILAS BABURAO MUTTEMWAR

**Will the Minister of STEEL be pleased to state:**

- (a) the details of demand and supply of steel during the last three years, year-wise;
- (b) whether there has been shortfall in production of steel during the said period.
- (c) if so, the reason therefor;
- (d) the manner in which the Government propose to meet the demand fully;
- (e) whether the steel industries have represented that the demand of steel is sluggish due to fiscal policies;
- (f) if so, the details in this regard;
- (g) whether any steps are proposed to be taken by the Government to help the steel industry in the matter; and
- (h) if so, the details thereof?

**Answer**

THE MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) to (h): A Statement is laid on the Table of the Lok Sabha .

STATEMENT REFERRED IN REPLY TO PARTS (a) to (h) OF THE LOK SABHA STARRED QUESTION NO.240 TO BE ANSWERED ON 05.12.2000 TABLED BY PROF.UMMAREDDY VENKATESWARLU & SHRI VILAS MUTTEMWAR REGARDING DEMAND AND SUPPLY OF STEEL.

(a) The details of production and domestic demand of finished steel in the country during the last three years are as below:

(In thousand tonnes)

YEAR    1997-98   1998-99   1999-2000

Finished steel

Domestic Demand   22.63   23.54   25.02

Production        23.37   23.82   26.71

(b) No, Sir.

(c) & (d): Does not arise.

(e) & (f): Yes, Sir. The main reasons for slow down in the growth are:

- i) Sluggish demand in the steel consuming sectors
- ii) Overall economic slowdown in the country.
- iii) Dumping of finished steel by CIS and other countries
- iv) Concessional rate of duty on steel import for infrastructure projects.

(g) & (h): Government have taken several steps to help the steel industry in the country. These include:

- A National Campaign for increasing the demand of steel, especially in non-traditional sectors, such as rural and agro based industrial sector has been launched.

- Anti-dumping duty on Hot Rolled coils imported from Ukraine and Russia has been notified.

- Rationalisation of Duty Entitlement Pass Book(DEPB) rates for steel exports have been carried out to boost exports.
- A `Steel Exporters Forum` has been set up to help steel exporters to overcome bottlenecks in exports.