

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:4522
ANSWERED ON:22.04.2010
CONSUMPTION OF STEEL
Reddy Shri Anantha Venkatarami

Will the Minister of STEEL be pleased to state:

- (a) the per capita consumption of steel per annum in the country as compared to the global average;
- (b) whether the per capita consumption of steel is low in the country;
- (c) if so, the details thereof along with the reasons therefor; and
- (d) the steps taken/proposed to be taken by the Government to boost the production of steel in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP)

- (a) As per the data released by the World Steel Association for the year 2008, the per capita consumption of finished steel in India is 45 Kg while the global average is 190 Kg.
- (b) The per capita steel consumption in India is lower compared to global average. However, it has recorded an average growth of 7.9% during the period 2005-06 to 2009-10.
- (c) Steel consumption depends on various factors such as the Gross Domestic Product (GDP), the Gross Domestic Capital Formation, industrial production, level of urbanization and the overall structure of the economy in terms of shares of industry, agriculture and services sectors, to name a few among the major ones.
- (d) In a deregulated sector, the Government acts as a facilitator in boosting the steel industry and creating a level playing field. The various extant policy measures application to steel sector are-
 - (i) Import duty on all steel products is 5%.
 - (ii) There is no export duty on export of steel products.
 - (iii) Duty Entitlement Pass Book (DEPB) is applicable on steel sector.
 - (iv) Central Excise Duty on steel item is 10%.
 - (v) There is an export duty of 10% on export of iron ore lump and 5% on export of iron ore fines.