

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:100
ANSWERED ON:28.11.2011
NATIONAL STEEL POLICY
Ahir Shri Hansraj Gangaram;Sule Supriya

Will the Minister of STEEL be pleased to state:

- (a) whether there is a huge gap between the demand and supply of steel resulting in greater dependence on import of steel in the country;
- (b) if so, the details thereof;
- (c) whether the Ministry of Steel has requested the Ministry of Finance to increase the export duty on steel on ad valorem basis in order to curb iron ore export;
- (d) if so, the response of the Ministry of Finance in this regard;
- (e) whether the Government proposes to draft a new National Steel Policy to address the issue of future requirements and has constituted sub-committees to look into the challenges being faced by the Steel Sector; and
- (f) if so, the details thereof alongwith the time likely to be taken by the Government to finalise the new policy?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

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

STATEMENT REFERRED TO IN REPLY TO PART (A) TO (F) OF THE LOK SABHA STARRED QUESTION NO.100 TO BE ANSWERED ON 28/11/2011 TABLED BY SHRI HANSRAJ G. AHIR AND SHRIMATI SUPRIYA SULE, MEMBERS OF PARLIAMENT REGARDING NATIONAL STEEL POLICY

(a)&(b): No, Madam. The figures of real consumption, total production for sale, import and export of finished steel during last three years and the current year are given below:-

Year Total Finished Steel (million tonnes)

	Production for sale	Import	Export	Real Consumption
2008-09	57.16	5.84	4.44	52.35
2009-10	60.62	7.38	3.25	59.33
2010-11	66.01	6.80	3.46	65.61
2011-12 April- September	34.86	2.88	2.26	34.03
% change	9.5	(-)35.8	53.3	2.8

Source: Joint Plant Committee (JPC); provisional; over same period of last year

As seen from the Table above, production of finished steel for sale in the country has been consistently higher than the real consumption of steel in the country. However, a small quantity of import as well as export of various products of steel takes place depending upon the specific requirements of the individual companies. The quantity of import has significantly reduced by about 35.8% during April-September 2011 in comparison to the corresponding period of the previous year.

- (c) Ministry of Steel has not made any such request recently to Ministry of Finance for increase in export duty on steel.
- (d) No question arises in view of (c) above.

(e)&(f): Yes, Madam. In view of changed economic environment, both globally as well as domestically, Ministry of Steel has initiated the process of drafting the New National Steel Policy in place of existing National Steel Policy 2005. An Apex Committee, headed by Secretary, Ministry of Steel and consisting of representatives of Planning Commission, Ministries/ Departments of Central Government and concerned State Governments has been constituted for monitoring the process of formulation of the New National Steel Policy. Four Task Forces have been constituted under the Chairmanship of eminent experts to study, analyze, consult and formulate draft policy documents in different aspects of the subject. These task forces are currently in various stages of discussion and consultation with the stakeholders and experts in the industry to identify all the relevant issues and come up with the policy prescriptions. A final view on the New National Steel Policy will be taken on receipt of reports of these Task Forces and after discussions with the various stakeholders in the matter.