

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:3469
ANSWERED ON:10.12.2009
DEMAND OF STEEL
Reddy Shri Anantha Venkatarami

Will the Minister of STEEL be pleased to state:

- (a) whether the demand of steel is likely to outstrip supply with demand from sectors like infrastructure, housing and automobiles in recent months;
- (b) if so, the details thereof; and
- (c) the manner in which the Government proposes to meet the demand of steel?

Answer

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

(a)&(b): Steel demand in the country is being met both through domestic production and imports. Therefore, the availability of steel in the domestic market is able to match the demand which is being met from domestic steel production as well as through imports. The steel consumption in the country is, however, growing at a rate faster than the domestic production. During the April-November period of the current year, as per the provisional figures released by JPC, the domestic production has grown by 3%, whereas steel consumption has shown a growth of 8.1%. Most of the steel consumption growth in India is taking place on account of housing, infrastructure automobile and consumer goods sectors.

(c) However, considering that the steel demand in India is likely to grow in the future, Government is facilitating setting up of new steel production capacities in the country. The public sector units under Ministry of Steel, Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) have already undertaken major capacity expansion plans. SAIL has planned to increase its present capacity from 13.82 million tonnes per annum (mtpa) of crude steel to 23.46 mtpa by the year 2012-13. Similarly, RINL is also undertaking its liquid steel capacity from 3.0 mtpa to 6.3 mtpa by the year 2011-12.