

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:436  
ANSWERED ON:14.07.2014  
PRICES OF STEEL PRODUCTS  
Chavan Shri Harishchandra Deoram

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

- (a) whether the prices of steel products have gone up during the last few years due to increase in its demand in the country;
- (b) if so, the details thereof during the last three years;
- (c) whether there has been a decline in steel production in the country during the said period;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the steps taken to enhance steel production in the country?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF STEEL, MINES AND LABOUR AND EMPLOYMENT (SHRI VISHNU DEO SAI)

(a)&(b): No, Madam. The retail prices of steel have been moving both up and down during the last three years. The details of indicative retail prices in Delhi market, as on 15th of every month, is placed at Annexure-I. Prices are normally decided by demand-supply matrix and not only by demand. The annual increase in steel consumption during the period 2011-12, 2012-13 and 2013-14 has been growing at 6.9%, 3.5% and 0.6% (Prov.) respectively.

(c)&(d): No, Madam. The steel production in the country has been continuously rising during the last three years. The production of crude steel in the last three years has been as follows :-

Year    Million Ton

2011-12	74.29
2012-13	78.42
2013-14	81.54

(e) The Government has taken various steps from time to time to help the steel industry to enhance production so as to make steel available at affordable prices. Some of these steps are as follows:-

i. An Inter Ministerial Group (IMG) has been set in the Ministry of Steel for effective coordination and expediting implementation of various investment projects in the steel sector.

ii. A Project Monitoring Group (PMG) has been constituted under the Cabinet Secretariat to fast track various clearances / resolution of issues delaying the investments of Rs. 1000 crores or more in the manufacturing / infrastructure sector including the steel sector.

iii. Import of critical raw materials for steel industry such as coking coal, non-coking coal and scrap are subject to zero or very low levels of custom duty.

iv. To increase domestic value addition and improve iron ore availability for domestic steel industry, duty on export of iron ore has been increased to 30%. Recently, the Government has imposed export duty @ 5% ad-valorem on export of iron ore pellets.