

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO.1655
FOR ANSWER ON 08/12/2021

PRICE OF STEEL

1655. DR. T. SUMATHY (a) THAMIZHACHI THANGAPANDIAN:
SHRI D.M. KATHIR ANAND:

Will the Minister of STEEL be pleased to state:

- (a) whether the price of steel has increased about 250% in the last five years which has drastically affected our infrastructure development and if so, the details thereof and the action taken by the Government in this regard;
- (b) whether there is any issue in the supply of iron ore or raw material for steel plants in India and if so, the details thereof and the steps taken by the Government to make steel industry more efficient and be available at cheap rate; and
- (c) the details of effective steps taken by the Government to develop the integrated Steel plant at Salem, Tamil Nadu?

ANSWER

THE MINISTER OF STEEL

(SHRI RAM CHANDRA PRASAD SINGH)

(a) Details of average market price (retail) of key products of iron and steel used in infrastructure sector in last five years (avg. in November month) are as follows:-

JPC AVERAGE MARKET PRICE (RETAIL) (excluding GST) (Rs/t)							
Item	Nov-16	Nov-17	Nov-18	Nov-19	Nov-20	Nov-21	%change (Nov'21 w.r.t Nov'16)
WIRE RODS 8 MM	30808	35379	43903	35324	40909	55388	80
TMT 10 MM	28438	33000	42778	35464	39398	57314	102
PLATES 10 MM	32244	38325	46817	35460	42875	69852	117
G. P. SHEETS 0.63 MM	44027	49454	57596	48360	55771	85237	94
Source : Joint Plant Committee (JPC)							

The details of consumption of finished steel including that in Infrastructure sector in the last five years is given as follows:

(in million tonnes)

Financial Year	FY 17	FY 18	FY 19	FY20	FY 21
Consumption of Finished steel	84.04	90.71	98.71	100.17	94.89

Source: Joint Plant Committee (JPC)

(b) Government has taken various steps to increase availability of iron ore and steel and make them available at reasonable price, which, inter-alia, including Mining and Mineral Policy reforms to enhance production/availability of iron ore, early operationalization of forfeited working mines of Odisha by the Steel and Central PSUs etc., and ramping up production and capacity utilization by steel producers. In Union Budget 2021-22, Customs Duty has been reduced uniformly to 7.5% on Semis, Flat and Long products of non-alloy, alloy and stainless steels. Further, to provide relief to metal re-cyclers, mostly MSMEs, BCD on steel scrap has been exempted for a period up to 31st March, 2022. In addition, ADD and CVD on certain steel products have also been revoked/temporarily revoked.

(c) Steel is a deregulated sector and the role of the Government is that of a facilitator. Decision regarding development of steel plants are taken by individual companies based on techno-commercial consideration.
