

Slow down in steel industry

1598. SHRI R. VAITHILINGAM: Will the Minister of STEEL be pleased to state:

(a) whether domestic steel industry has been going through a tough period due to low demand, falling steel prices and rising prices of iron ore;

(b) whether the growth pace of India's steel demand is likely to slow because of weak auto and manufacturing demand;

(c) whether it is a fact that demand for steel in India is likely to be driven by the Housing for All by 2022 Mission to build 19.5 million homes over the next two years and US \$ 140 billion spending on railways, roads and metros; and

(d) if so, the details thereof?

THE MINISTER OF STEEL (SHRI DHARMENDRA PRADHAN): (a) No, Sir. Increase in consumption of total finished steel in India for the last two years is presented in the following table. However the prices of steel have a downward trend during the current year due to overall trend in the steel market but it has shown an increase from October, 2019. The prices of iron ore depends on market dynamics and it fluctuated from time to time during the year.

Year	Consumption of finished steel	
	000 tonnes	% change
2017-18	90707	7.93
2018-19	98708	8.82
April-Jan., 2019	80816	-
April-Jan., 2020	83896	3.81

Source: JPC

(b) Auto and manufacturing demand is co-related to steel sector. The demand for steel has direct relation to demand in auto sector. Last year the demand of steel for auto sector has decreased due to decrease in demand in automobile sector.

(c) and (d) Yes, Sir. The demand for steel in India will have direct impact with the housing for all and spending on railways, roads.