

# Indian Steel Industry Looks Up

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In spite of sharp slowdown of the global steel industry in 2008, which saw a decline of 1.84 percent in world crude production from 1351.3 Mt in 2007 to 1326.5 Mt in 2008, India's production of crude steel went up by 3.95 percent from 53.1 Mt in 2007 to 55.2 Mt in 2008. While the apparent steel use in the global steel industry dropped by 1.37 percent from 1214.8 Mt in 2007 to 1198.1 Mt in 2008, India's apparent steel use rose by 6.26 percent from 49.5 Mt to 52.6 Mt in the above comparative periods.

Between the financial years 2007-08 and 2008-09, India's crude steel production rose by 1.24 percent, the country's production for sale of finished steel went up by 0.4 percent but the consumption of finished steel, after adjusting for variation in stock and double counting, declined marginally by 1.19 percent which was due to a major downturn in the second half of 2008-09.

This performance may be regarded as satisfactory, considering the fact that the country's Index of Industrial Production (IIP) and the manufacturing sector posted very low growths of 2.4 percent and 2.3 percent in 2008-09 as compared to 8.51 percent and 9.0 percent respectively in 2007-08.

As per World Steel Association (WSA), in 2008 India was the 5<sup>th</sup> highest producer of crude steel in the world and was one of the three major steel production countries to record positive growth in crude steel production along with China and South Korea.



## Performance of the Indian Steel Industry in 2008-09

### (I) Production of Crude Steel

PRODUCTION OF CRUDE STEEL BY INDIA IN 2007-08 AND 2008-09 ARE SHOWN BELOW :				
Product	Producers	Production ('000T)		% Variance
		2008-09	2007-08	
Crude Steel	ISPS	22,020	22,104	(-) 0.38
	Secondary Prod.	32,500	31,753	2.35
	<b>TOTAL</b>	<b>54,520</b>	<b>53,857</b>	<b>1.24</b>

Date Source : JPC  
N.B. ISPS are SAIL, Tata Steel and RINL's Vizag Steel Plant

### (II) Production of Iron and Steel

The Joint Plant Committee (JPC) is presently monitoring 'Production for Sale' which is arrived at by deducting Inter Plant Transfers (IPT) and producers' own consumption from Gross Production.

'Production for Sale' of iron and steel materials in India during 2008-09 vis-à-vis 2007-08 are presented in Table-1.

TABLE - 1 : PRODUCTION FOR SALE OF IRON & STEEL IN INDIA DURING 2008-09 AND 2007-08 ('000 T)			
Category	Production for Sale		% Variance
	2008-09	2007-08	
A. Pig Iron	5,285	5,284	0.02
B. Sponge Iron (DRI)	20,800	20,376	2.08
C. Semis	21,023	20,036	4.93
D. Finished Steel			
Long Products	27,008	26,317	2.63
Flat Products	26,512	26,991	(-) 1.73
<b>Total Finished Steel</b>	<b>53,520</b>	<b>53,308</b>	<b>0.40</b>

Date Source : JPC.  
N.B. 2008-09 figures are provisional

The production for sale of long products in 2008-09 has increased by 2.63 percent while the same for flat products has declined in 2008-09 by 1.73 percent in 2008-09 over the previous year. The negative growth of production for sale of flat products may be attributed to the very low growth of manufacturing sector during 2008-09. Between 1.04.2008 and 31.03.2009, the stocks of flat products with the producers went up by 150,000 tons.

### (III) Imports of Finished Steel

Imports of finished steel by India during 2008-09 and 2007-08 are furnished in Table-2.

TABLE - 2 : IMPORTS OF FINISHED STEEL BY INDIA DURING 2008-09 AND 2007-08 ('000 T)			
Category	Imports of Finished Steel		% Variance
	2008-09	2007-08	
Long Products	512	532	(-) 3.76
Flat Products	4,637	6,049	(-) 23.34
<b>Total Finished Steel</b>	<b>5,149</b>	<b>6,581</b>	<b>(-) 21.76</b>

Date Source : JPC. 2008-09 figures are provisional

Imports of finished steel by India has dropped by a hefty 21.76 percent in 2008-09 over the previous year. The vast decline of imports of finished steel in 2008-09 was due to a sharp decline in domestic demand as a result of a very sharp industrial slow down especially after October, 2008.

### (IV) Exports of Finished Steel

Exports of finished steel by India during 2008-09 and 2007-08 are shown in Table-3.

TABLE - 3 : EXPORTS OF FINISHED STEEL BY INDIA DURING 2008-09 AND 2007-08 ('000 T)			
Category	Exports of Finished Steel		% Variance
	2008-09	2007-08	
Long Products	234	286	(-) 18.18
Flat Products	3,248	4,341	(-) 25.18
<b>Total Finished Steel</b>	<b>3,482</b>	<b>4,627</b>	<b>(-) 24.75</b>

Date Source : JPC. 2008-09 figures are provisional

Total exports of finished steel by India during 2008-09 has recorded a massive decline of 24.75 percent over the previous year due to the global meltdown of steel industry which started in October, 2008. The global demand of steel products came down sharply and steel prices dropped by 30 percent on an average after October, 2008.

The drop of exports of flat products during 2008-09 was astronomically high at 25.18 percent.

### (V) Apparent consumption of Finished Steel

Apparent Consumption of finished steel by India during 2008-09 and 2007-08 are furnished in Table-4.

TABLE - 4 : APPARENT CONSUMPTION OF FINISHED STEEL BY INDIA DURING 2008-09 AND 2007-08 ('000 T)			
Category	Apparent Consumption		% Variance
	2008-09	2007-08	
Long Products	27,082	26,454	2.37
Flat Products	27,751	28,720	(-) 3.37
Less Double Counting	6,000	5,754	4.28
<b>Total Finished Steel</b>	<b>48,833</b>	<b>49,420</b>	<b>(-) 1.29</b>

Date Source : JPC. 2008-09 figures are provisional

Apparent consumption of long products has increased by 2.37 percent in 2008-09 over the previous year due to the thrust given by the government on the development of infrastructure in the country and offers of stimulus package to partly offset the recessionary trend in the industry after October, 2008.

The decline of 3.37 percent in the apparent consumption of flat products in 2008-09 was due to a very low growth of 2.3 percent of the manufacturing sector as compared to 9.0 percent in the preceding year.

**Performance of Indian Steel Industry during H1 of 2009-10:**

India's industrial growth during April - September, 2009 (H1 of 2009-10) has shown an improvement over H1 of 2008-09.

The country's Index of Industrial Production in H1 of 2009-10 rose by 6.5 percent as against 5 percent during the same period of the previous year. The manufacturing sector, representing about 80 percent of the IIP, grew by 6.3 percent in H1 of 2009-10 over 5.3 percent in H1 of 2008-09.

During the above comparative periods, production of basic goods rose by 6.7 percent over 3.9 percent, capital goods output declined to 5.3 percent from 10.7 percent, consumer durables production recorded a high growth of 18.9 percent over 7.2 percent.

**Automobile Sector**

The performance of the Indian automobile sector during H1 of 2009-10 as compared to the same period of the previous year is shown in Table - 5.

TABLE - 5: PERFORMANCE OF THE INDIAN AUTOMOBILE SECTOR DURING H1 OF 2009-10 VIS-À-VIS HI OF 2008-09						
Category	Production H1 of 09-10	% Variance Over H1 of 08-09	Domestic Sales H1 of 09-10	% Variance Over H1 of 08-09	Exports H1 of 09-10	% Variance Over H1 of 08-09
Passenger Vehicles	1,061,920	12.98	884,118	13.46	211,645	34.29
Commercial Vehicles	236,653	(-) 7.41	220,529	(-) 0.52	17,466	(-) 35.66
Three Wheelers	271,283	7.81	207,809	12.37	66,405	(-) 4.96
Two Wheelers	4,968,884	11.99	4,470,464	15.68	512,939	(-) 1.30
<b>Total</b>	<b>6,538,740</b>	<b>11.12</b>	<b>5,782,920</b>	<b>14.51</b>	<b>808,455</b>	<b>4.41</b>

Despite a major slowdown in the global automotive sector which continued up to September, 2009 the performance of the Indian auto producers has been satisfactory in H1 of 2009-10.

Indian steel industry's growth in H1 of 2009-10 was an improvement over H1 of 2008-09. It may be mentioned here that the period between April and September 2008 was not affected by the global recession.

Between H1 of 2008-09 and H1 of 2009-10 a comparative study shows that India's crude steel production has gone up by 4.25 percent, production for sale of finished steel has increased by 2.77 percent and its apparent consumption rose by 6.47 percent.

The details are furnished hereinafter:

**(I) Crude Steel Production**

Crude steel production by India during H1 of 2009-10 and H1 of 2008-09 is furnished in Table - 6.

TABLE - 6: PRODUCTION OF CRUDE STEEL BY INDIA ('000 T)			
Category	Production : April - Sept. (H1)		% Variance
	2009 (P)	2008	
Main Producers	11,334	10,860	4.36
Major Producers	6,467	5,655	14.36
Other Producers (E)	10,513	10,644	(-) 1.23
<b>Grand Total</b>	<b>28,314</b>	<b>27,159</b>	<b>4.25</b>

Source : JPC

Note: (1) Main Producers SAIL, Tata Steel and RINL (VSP), (P) = Provisional  
(2) Major Producers are JSWL, Ispat, Essar and JSPL,

**(II) Category wise Production for Sale of Finished Steel**

Categorywise production for sale of finished steel in India during H1 of 2009-10 and H1 of 2008-09 are furnished in Table - 7.



Data Source : SIAM. Unit = No. of Vehicle

**TABLE – 7 : CATEGORYWISE PRODUCTION FOR SALE OF FINISHED STEEL IN INDIA DURING H1 OF 2009-10 & H1 OF 2008-09 ('000 T)**

Category	Production for Sale		% Variance
	H1 of 2009-10	H1 of 2008-09	
Bars & Rod	10,878	10,162	7.05
Structurals	2,575	2,479	3.87
Rly. Materials	558	561	(-) 0.53
<b>Total Long Products</b>	<b>14,011</b>	<b>13,202</b>	<b>6.13</b>
Plates	1,914	1,890	1.27
HR Coils / Skelp	5,568	5,105	9.07
HR Sheets	300	288	4.17
CR Sheets / Coils	2,440	3,200	(-) 23.75
GP/GC Sheets	2,223	2,226	(-) 0.13
Elec. Sheets	81	80	1.25
Tinplate (Incl. w/w)	102	105	(-) 2.86
TMBP	=	=	=
Pipes (Large Dia)	810	614	31.92
Tinfree Steel	=	=	=
<b>Total Flat Products</b>	<b>13,438</b>	<b>13,508</b>	<b>(-) 0.52</b>
<b>Grand Total Fin. Steel</b>	<b>27,449</b>	<b>26,710</b>	<b>2.77</b>

Date Source: JPC. H1 of 2009-10 figures are provisional

The overall figures for finished steel production show a growth of 2.77 percent in H1 of 2009-10 to over H1 of 2008-09. Production for sale of long products has increased by 6.13 percent while the flat products segment has recorded a marginal decline of 0.52 percent. A high growth of 31.92 percent is seen in case of pipes (Large Dia).

A major decline of 23.75 percent has occurred in case of CR Sheets / Coils in H1 of 2009-10 over the corresponding period of the previous year due to a drop in production of secondary majors (Essar, Ispat and JSWL) by 60,000 tons.



### (III) Imports of Finished Steel

Categorywise imports of finished steel by India during H1 of 2009-10 and H1 of 2008-09 are shown in details in Table – 8.

TABLE – 8 : CATEGORYWISE IMPORTS OF FINISHED STEEL BY INDIA DURING H1 OF 2009-10 AND H1 OF 2008-09 ('000 T)			
Category	Imports of Finished Steel		% Variance
	H1 of 2009-10	H1 of 2008-09	
Bars & Rod	290	307	(-) 5.54
Structurals	49	35	40.00
Rly. Materials	1	19	(-) 94.74
<b>Total Long Products</b>	<b>340</b>	<b>361</b>	<b>(-) 5.82</b>
Plates	453	627	(-) 27.75
HR Coils / Skelp	1,301	1,076	20.91
HR Sheets	8	35	(-) 77.14
CR Sheets / Coils	439	381	15.22
GP/GC Sheets	132	154	(-) 14.29
Elec. Sheets	126	118	6.78
Tinplate (Incl. w/w)	86	76	13.76
TMBP	=	2	=
Pipes (Large Dia)	10	12	(-) 16.67
Tinfree Steel	13	19	(-) 31.58
<b>Total Flat Products</b>	<b>2,568</b>	<b>2,500</b>	<b>2.72</b>
<b>Grand Total Fin. Steel</b>	<b>2,908</b>	<b>2,861</b>	<b>1.64</b>

Data Source: JPC. H1 of 2009-10 figures are provisional

Imports of finished steel has increased marginally by 1.64 percent in H1 of 2009-10 over H1 of 2008-09. The imports of flat products have gone up by 2.72. This is an indication of the industrial growth of the country in H1 of 2009-10 especially in view of the hefty decline of 23.34 percent in the imports of flat products during 2008-09 over 2007-08. Imports of HR coils, CR sheets / coils and tinplates have recorded growths of 20.91 percent, 15.22 percent and 13.76 percent respectively in H1 of 2009-10 over the corresponding period of the previous year.

### (IV) Exports of Finished Steel

Categorywise exports of finished steel by India during H1 of 2009-10 and H1 of 2008-09 are furnished in Table – 9.



**TABLE - 9: CATEGORYWISE EXPORTS OF FINISHED STEEL BY INDIA DURING H1 OF 2009-10 AND H1 OF 2008-09 ('000 T)**

Category	Exports of Finished Steel		% Variance
	H1 of 2009-10	H1 of 2008-09	
Bars & Road	89	114	-21.93
Structurals	13	54	(-) 75.93
Rly. Materials	0	0	=
<b>Total Long Products</b>	<b>102</b>	<b>168</b>	<b>(-) 39.29</b>
Plates	30	149	(-) 79.87
HR Coils / Skelp	178	567	(-) 68.61
HR Sheets	=	=	=
CR Sheets / Coils	155	188	(-) 17.55
GP/GC Sheets	541	840	(-) 35.60
Elec. Sheets	2	7	(-) 71.43
Tinplate (Incl. w/w)	38	55	(-) 30.91
Pipes (Large Dia)	243	288	(-) 15.62
<b>Total Flat Products</b>	<b>1,187</b>	<b>2,094</b>	<b>(-) 43.31</b>
<b>Grand Total Fin. Steel</b>	<b>1,289</b>	<b>2,262</b>	<b>(-) 43.02</b>

Data Source: JPC. H1 of 2009-10 figures are provisional

Exports of finished steel in H1 of 2009-10 have recorded a hefty decline of 43.02 percent over the same period of previous year. This has happened due to a low demand in the global steel market as also as a result of a sharp decline in the global steel prices.

### (V) Categorywise Consumption of Finished Steel

Categorywise consumption of finished steel in H1 of 2009-10 and 2008-09 is shown in Table - 10.

**TABLE - 10 : CATEGORYWISE CONSUMPTION OF FINISHED STEEL ('000 T)**

Category	Apparent Consumption		% Variance
	H1 of 2009-10	2008-09	
Bars & Road	10,836	9,995	8.41
Structurals	2,573	2,381	8.06
Rly. Materials	515	556	(-) 7.37
<b>Total Long Products</b>	<b>13,924</b>	<b>12,932</b>	<b>7.67</b>
Plates	2,269	2,336	(-) 2.87
HR Coils / Skelp	6,583	5,522	19.21
HR Sheets	303	320	(-) 5.31
CR Sheets / Coils	2,689	3,368	(-) 20.16
GP/GC Sheets	1,802	1,515	18.94
Elec. Sheets	202	191	5.76
Tinplate (Incl. w/w)	149	127	17.32
TMBP	0	2	=
Pipes (Large Dia)	570	340	67.65
Tinfree Steel	13	19	(-) 31.58
<b>Total Flat Products</b>	<b>14,580</b>	<b>13,740</b>	<b>6.11</b>
<b>Less Double Counting</b>	<b>3,300</b>	<b>3,000</b>	<b>10.00</b>
<b>Grand Total Fin. Steel</b>	<b>25,204</b>	<b>23,672</b>	<b>6.47</b>

Data Source: JPC. H1 of 2009-10 figures are provisional

The overall consumption of finished steel in India during H1 of 2009-10 has increased by 6.47 percent over the corresponding period of the previous year. The consumption of long products has gone up by 7.67 percent while that of flat products has risen by 6.11 percent in the above comparative periods.

Consumption of pipes (Large Dia) has recorded the highest growth 67.75 percent. Consumption of GP/GC sheets has posted a healthy growth of 18.94 percent. Increases in consumption are also observed in case of HR Coils - 19.21 percent, tinplates -17.32 percent, Bars & Rods - 8.41 percent and structurals - 8.06. All these has happened due to the government's thrust on the development of infrastructure and manufacturing activities in the country and the offer of its stimulus package.

It may be mentioned here that consumption of finished steel in 2008-09 recorded a negative growth of 1.19 percent over the previous year. The consumption trend in H1 of 2009-10 shows a healthy recovery for the Indian steel industry, which is likely to continue in the rest of the financial year 2009-10.

### Core Sector Growth

Provisional data released by the Central Statistical Organisation (CSO) of government of India shows that the core sector comprising of six infrastructural industries, reported a growth of 5 percent in H1 of 2009-10 as compared to the 3.4 percent growth during the same period of the previous year.

According to a media report, the growth of core sector industries reached 16 percent in December, 2009 as compared to 3.6 percent during the same month of previous year. Experts opine that this increase in the growth of infrastructural industries will help the country's IIP growth to 9 percent during 2009-10.

### Government Thrust to Encourage R&D Activities in Steel Industry

The Ministry of Steel, Government of India, to encourage R&D activities in the iron and steel sector, provides financial assistance from Steel Development Fund. The ministry has invited research proposals on the following subjects of national importance from interested organization / research laboratories and academic institutions.

- Beneficiation / upgradation of low grade hematite and magnetic iron ore including BHQ / BMQ and high LOI / Blaine number iron ore fines and ferruginous manganese ore with improved yield and their economic utilization.
- Exploration / beneficiation of Indian bauxite / production of fused magnesia using Indian magnesite.
- Utilization of slimes and overburden of iron ore and other minerals.
- Beneficiation / utilization of high ash Indian coking / non-coking coal to get low ash and improved yield.
- Alternate iron making through rotary hearth furnace using ore / coal composite pallets.
- Mineral and plant waste disposal, utilization and recycling.
- Development of low cost / cost effective desalination

technology for use of sea water in mineral processing and steel industry.

- Development of ultrafine grained high tensile steel products (YS : 800–100 MPa) with high elongation (>40%)
- CO<sub>2</sub> capture and sequestration in ferrous industry.
- Development of innovative technology for effective recovery / utilization of waste heat in different iron and steel making process.
- Development of steel intensive low cost mass housing.
- Development of value added coatings on steel.
- Development of novel joining processes (e.g. diffusion bonding / friction stir welding) for steel – steel / steel – other metals.

Major Indian steel producers have already extended their research arena in some of the above fields.

### Thrust on Expanding CSR Activities

The Ministry of Corporate Affairs, Government of India, is working on the broad contours of a code that will require all profit making companies to set a side an amount proportionate to their turnover or profits for Corporate Social Responsibility (CSR) initiatives.

The Government plans to make the process consultative, rather than prescriptive, on the proportion of funds to be earmarked for CSR activities to make it acceptable for the corporates.

The proposed code may see the government coming up with incentives for companies that spend beyond a limit on CSR activities. Minister for Corporate Affairs, Salman Khurshid has said that the companies may even be extended fiscal relief for their involvement in CSR work. He also said that one of the ways to attract the companies towards CSR work is to develop a system of CSR credits, similar to carbon credits which are given to companies for green initiatives.

In the steel industry, SAIL, Tata Steel and some other major producers are doing commendable work on CSR activities and are continuously expanding their field of CSR activities.

### New Steel Projects to be Delayed or Abandoned

- World's largest steelmaker, ArcelorMittal may pullout of a US\$ 20 billion plant to build two steel plants of 12 Mtpy capacity, one each in Jharkhand and Orissa, due to difficulties in land procurement. Mittal said, "If we cannot make progress in these two sites, we will have to abandon the idea of starting the projects there and look for other places for our expansion."

Meanwhile, ArcelorMittal has applied to the Karnataka Government for setting up a 6 Mtpy capacity steel plant at an investment of Rs. 30,000 crore in the next three / four years. If everything goes well, the deal may be finalized by April, 2010.

- POSCO of South Korea planned to set up a 12 Mtpy capacity steel plant in Paradip in Orissa at a cost of Rs. 40,000 crore and its first phase of 3 Mtpy capacity was to be operational by 2010. The project is likely to be delayed by about two years due to land acquisition and



other problems.

Recently, the Steel Minister, Virbhadra Singh has said that he expects land acquisition and other problems will be resolved by April – May 2010. The minister also indicated that POSCO was in talks with the Maharashtra and Karnataka Governments for setting up steel projects besides the one in Orissa.

- Tata Steel's 6 Mtpy steel project at Kalinganagar in Orissa was to be set up at an investment of Rs. 15,400 crore and its first phase of 3 Mtpy capacity was to be operational by 2009. It may be delayed by two years due to land acquisition problems. The company is trying to start the project by April, 2010.
- Tata Steel's 5 Mtpy steel project planned in the Baster region of Chhattisgarh is not likely to come up in the near future.
- JSWL's 10 Mtpy steel project at Salboni in West Bengal was to be set up at a cost of Rs. 40,000 crore. The company also had plans to build another 10 Mtpy in Jharkhand. The company's Joint MD has said that "the greenfield projects are on hold. They will be only reviewed in 2010–11."
- Essar Steel Ltd. was to set up a 4 Mtpy capacity steel plant at Paradip in Orissa. The project is being delayed due to problem of price of the land to be acquisitioned.

Many other smaller projects are help up due to the land acquisition and environmental problems.

### Financial Performance

The Intelligence Group of Economic Times has made a survey of 78 steel companies. The survey observes that "on a sequential basis, the steel sector has done well, mainly due to higher sales volume, reduced operating expenses and lower raw material cost." The aggregate net sales of the 78 companies surveyed, dropped by 9.8 percent in April – June 2009 quarter and by 14.0 percent in July – September 2009 Quarter on a Y-o-Y basis. Net profits of these 78 companies also declined by 37.2 percent and 29.5 percent respectively in the above two quarters on a Y-o-Y basis. The survey observes that the position could have been worse had the companies not managed to sell more steel than what they did last year. The domestic steel demand is inline with the recovery in the Indian economy and this is expected to continue for the next several quarters as well, the survey said.

The aggregate performance of the 78 companies surveyed as mentioned above is shown below :

AGGREGATE PERFORMANCE OF 78 STEEL COMPANIES – QUARTERWISE (%)					
Parameters	July – Sept.'09	Apr.-June'09	Jan.-Mar.'09	Oct.-Dec.'08	July-Sept.'08
Net Sales	(-) 14.0	(-) 9.8	(-) 2.6	(-) 1.0	41.6
Operating Profit	(-) 14.8	(-) 26.8	(-) 33.9	(-) 66.4	25.1
Net profit	(-) 29.5	(-) 37.2	(-) 38.7	(-) 77.1	35.3

Source : Economic Times : 11.11.2009

Details of net sales and net profits of some Indian steel companies during H1 of 2009-10 vis-à-vis H1 of 2008-09 are shown in Table – 11.

TABLE – 11 : NET SALES AND NET PROFITS OF SOME INDIAN STEEL COMPANIES : H1 OF 2009-10 VS H1 OF 2008-09 (RS. CRORE)						
Company	Net Sales / Income from Operations			Net Profits		
	H1 of 2009-10	H1 of 2008-09	% Change	H1 of 2009-10	H1 of 2008-09	% Change
SAIL	19,198.77	22,901.87	(-) 16.17	2993.92	3844.79	(-) 22.13
Tata Steel*	11,183.87	12,813.12	(-) 12.72	1692.77	3276.21	(-) 48.33
JSPL	3172.23	4111.41	(-) 22.84	605.07	852.30	(-) 29.01
M. Seamless**	877.54	1019.83	(-) 13.95	136.38	124.21	9.80
Monnet I&E Ltd.	670.13	788.51	(-) 15.01	125.45	132.33	(-) 5.20
Surana Inds.	415.30	405.30	2.47	17.44	16.95	2.89

\* Does not consolidate CORUS financials, \*\*Maharashtra Seamless

### Conclusion

India GDP, as per CSO at factor cost, recorded a growth of 7.9 percent in the second quarter of 2009-10. The country's Index of Industrial Production (IIP) during the first seven months (April to October) of 2009-10 has grown by 7.1 percent as compared to 4.3 percent in the corresponding period of the previous year. The manufacturing sector growth rose by 7.1 percent during April – October, 2009 as against 4.2 percent during the same period of 2008.

According to the provisional data released by JPC, India's 'Production for Sale' of finished steel at 38.57 Mt rose by 3 percent during April – November, 2009 as compared to the same period of the preceding year. India's consumption of finished steel at 35.97 Mt has recorded a healthy growth of 8.1 percent in the above comparative periods.

According to the World Steel Association (WSA), India with a crude steel production of 51.68 Mt in the first eleven months of 2009 remained the fifth highest producer in the world and the country was one of the two major global steel producers along with China, to register a positive growth in crude steel production during the above period.

Demand for steel is growing steadily and the major steel producers of the country have raised the prices of some of their products. According to World Steel Dynamics, global steel prices will rise in 2010 as compared to 2009.

The Indian steel industry has faced the recession post October, 2008 to a large extent and the country's higher IIP and Manufacturing growth during 2009-10 will help it to record satisfactory performance during the year.

