

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2686

ANSWERED ON:21.03.2005

IMPORT OF DUTY FREE RAW MATERIAL BY PRIVATE STEEL INDUSTRIES

Ahir Shri Hansraj Gangaram;Tripathi Shri Chandramani

Will the Minister of STEEL be pleased to state:

- (a) the details of private sector steel industries in Madhya Pradesh which have imported duty free raw material for meeting the export orders for steel pipes from 1999 to till date;
- (b) the details of industries out of them which could not export steel pipes after such import;
- (c) whether the said industries have paid the customs duty for importing raw material after having failed in exporting steel pipes;
- (d) if not, the details thereof and the reasons therefor; and
- (e) the action being taken by the Government against those industries?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) & (b): As per available information private sector industries in Madhya Pradesh which have imported duty free raw material for meeting the export order for steel pipes from 1999 to till date is as under:

- (i) MGM Tools Pvt. Ltd., Indore
- (ii) Flex Tubes, Indore
- (iii) Siddhartha Tubes Ltd., Indore
- (iv) AVN Tubes Ltd., Malanpur
- (v) Steel Tubes of India Ltd., Dewas
- (vi) Dee Tee Industries, Indore
- (vii) Metalman Industries Ltd., Indore
- (viii) Perfect Tools and Forgings P.Ltd., Indore
- (ix) Shine Safe Industries, Indore
- (x) Modem Iron Works, Indore
- (xi) STI Sanoh (I) Ltd., Indore

Out of the above companies Siddhartha Tubes Ltd. Indore could not export steel pipes after import of duty free raw material.

(c) to (e): Siddhartha Tubes Ltd., Indore is liable to pay custom duty of Rs. 151302/- in addition to interest thereon against advance license number 1096144 dated 11.06.1999 and customs duty of Rs. 104697/- approximately in addition to interest thereon against

advance license number 197494 dated 30.08.1999 on account of failure in part fulfillment of export obligation. The company has been declared defaulter and no further licence under any scheme of Foreign Trade Policy is being issued to them. The company has also been directed to deposit the above-mentioned custom duty along with interests by 31.3.2005.