

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2430
ANSWERED ON:23.07.2004
EXPORT OF STEEL AND CEMENT TO CHINA
Adhalrao Patil Shri Shivaji

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether huge quantum of cement and steel is being exported to China to build the stadia for Olympics 2008;
- (b) if so, whether as a result of this export, Government bodies/agencies in major cities are facing problems of non-availability of cement and steel;
- (c) if so, whether many ambitious projects of the Government bodies have delayed and cost escalated due to non-availability; and
- (d) if so, the steps being taken by the Government in this direction?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI E.V.K.S. ELANGO VAN)

(a): As per the available information, there is no export of cement to China. Export of Steel to China during 2002-03 and 2003-04 (Upto February, 2004) was 1104798 and 1033574 tonnes respectively. Information about end-use of steel exported is not maintained.

(b) to (d): Production and consumption of cement and steel during the year 2003-04 shows that there is `no shortage of these commodities for meeting the domestic demand. Only small quantity of specialised grades of steel is met through imports and here also the Government has taken following steps to ensure availability of steel and to stabilise its prices.

- (i) Reduction in customs duty on non alloy steel from 25% to 10%.
- (ii) Reduction in customs duty on alloy steel from 25% to 15%.
- (iii) Abolition of 4% Special Additional Duty (SAD) on imports.
- (iv) Lowering of excise duty on steel items from 16% to 12%.
- (v) Substantial increase in the allocation of steel items, during 2004-05, for supply to the SSI units under the Small Scale Industries Corporation (SSIC) scheme.

Non availability of these commodities in the domestic market is not the cause for delaYing the implementation of the ambitious projects of the Government bodies and consequently escalating the cost of these projects.