

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:2391  
ANSWERED ON:03.12.2009  
IMPORT OF STEEL FROM CHINA  
Ahir Shri Hansraj Gangaram

**Will the Minister of STEEL be pleased to state:**

- (a) whether steel is being imported from China at the rates lower than the rates in the country;
- (b) if so, the steps being taken by the Government to safeguard the interests of the Indian steel industry facing competition from the cheaper imports of Chinese steel;
- (c) whether the Indian steel industry is demanding ban on the import of such steel from China;
- (d) if so, whether the Government proposes to ban the import of steel in view of the said demand; and
- (e) if so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF STEEL(SHRI A. SAI PRATHAP)

(a) Ministry of Steel monitors the average indicative price of imports from China and other countries. According to this information, the landed cost of import in respect of major steel categories keeps fluctuating on month-to-month basis. A comparison of landed cost of import from China in respect of two major categories of steel items Hot Rolled (HR) Coil and Rebar, vis-à-vis net sales realization of domestic market price is given in Table below for the past six months.

(in Rs/tonne)

Period	Landed Cost of Import from China	Net Sales Realization of Domestic Market Price
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	Hot Rolled Rebar	Hot Rolled Rebar
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June 2009	27117	27870	28585	29593
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July 2009	29422	29422	28589	29632
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August 2009	29701	35283	29679	28637
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September 2009	29172	30196	29800	28496
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Source: Economic Research Unit (ERU)

(b) During the past one year, the government has taken the following measures to assist the domestic steel industry tide over the global economic crisis, which inter-alia includes discouraging of cheaper imports and encouraging of export of steel products. These are:

- (i) Export duty on all steel items withdrawn from 31.10.2008.
  - (ii) Re-imposition of import duty on steel items at 5% (except steel melting scrap) on 18.11.2008.
  - (iii) Re-introduction of Duty Entitlement Pass Book (DEPB) Scheme on steel items on 14.11.2008.
  - (iv) Reduction of Excise Duty on steel items from 14% to 10% in December, 2008 and further to 8% in February, 2009.
  - (v) Re-introduction of Countervailing Duty on TMT bars and rods.
  - (vi) Import of Hot Rolled Coil brought into "Restricted Category" of imports with effect from 21.11.2008.
- (c) A section of the steel industry has represented for necessary fiscal action to protect the domestic steel industry from any kind of import at lower rates.
- (d)&(e): There is no proposal in the Ministry of Steel for imposition of ban on steel imports.