

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

UNSTARRED QUESTION NO:6959

ANSWERED ON:08.05.2015

EXPORT IMPORT OF STEEL

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

- (a) the quantum and value of steel exported and imported from/to the country during each of the last three years, country-wise;
- (b) whether India has become net importer of steel from the position of net exporter, thus hurting the domestic steel manufacturing sector;
- (c) if so, the details thereof and the reasons therefor along with the reaction of the Government thereto;
- (d) the measures taken by the Government to boost export of steel and safeguard the interests of domestic steel manufacturing sector; and
- (e) whether United States has repealed the tariffs on imported steel and if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

(a) Data pertaining to value of export and import of Iron & Steel under Chapter 72 and 73 of Indian Trade Classification (Harmonised System), 2012, during the period 2012-13, 2013-14 and 2014-15(provisional) is as under:

EXPORTS : Value US \$ Million				IMPORTS : Value US \$ Million			
Chapter	Commodity	2012-13	2013-14	2014-15	2012-13	2013-14	2014-15
	(P)	(P)					
72	Iron And Steel	8,089.44	9,223.38	8,668.49	13,615.51	9,109.58	12,335.14
73	Articles Of	7,436.27	6,807.49	7,567.45	4,101.01	3,595.90	3,956.59
	Iron Or Steel						
	Total of HS-	15,525.71	16,030.87	16,235.94	17,716.52	12,705.48	16,291.73
	72 & HS-73						
	Source: DGCI&S; P: Provisional Figures						

The country-wise details of value and quantity of Iron & Steel are available in the DGCI&S publication in CD form namely 'Monthly Statistics of Foreign Trade of India' Vol. I (Exports) and Vol. II (Imports). Such CDs are regularly sent to Parliament Library by DGCI&S, Kolkata.

(b) & (c) India has been a net importer of steel since 2007-08 until 2013-14 when the country became a net exporter for that year only. In 2014-15 again India was a net importer of steel. In the year 2014-15, capacity utilization in the industry has improved from 80.9% in 2013-14 to 85% (Provisional). Production of crude steel also increased by 7.9% from 81.69 MT in 2013-14 to 88.12 MT in 2014-15 (Provisional).

(d) In the present deregulated market set-up, imports of steel are completely market-driven and take place mainly due to the domestic non-availability or limited availability of specialized steel products and partly due to price considerations. However, it is ensured that imports comply with steel and steel products (Quality Control) orders dated 12.03.12, as amended. Several measures taken by the Government to boost export of steel and safeguard the interests of domestic steel manufacturing sector are as under:

The Union Budget 2015-16 has raised peak level of basic customs duty on steel to 10-15% while current import duty is at 5% for long steel and 7.5% for flat steel.

To increase domestic value addition and improve iron ore availability for domestic steel industry at reasonable prices, duty on export of iron ore has been increased to 30%.

The Government has imposed export duty @ 5% ad valorem on export of iron ore pellets.

With the enactment of the Coal Mines Special Provisions Act 2015, process of auctioning of coal blocks has been started. Ministry of Steel is taking up the matter of allocation of coal blocks to steel PSUs to cater the requirement of domestic steel sector.

Government has taken measures to boost export of certain notified goods falling under heading Iron & Steel to notified markets at the notified rates under Merchandise Exports from India Scheme (MEIS) of Foreign Trade Policy 2015-2020.

(e) United States of America has imposed countervailing duties on imports of certain hot-rolled carbon steel flat products from India. At its meeting on 19th December, 2014, the Dispute Settlement Body (DSB) of World Trade Organisation (WTO) adopted the Appellate Body report and accordingly imposition of such countervailing duties was found to be inconsistent with WTO norms. At the DSB meeting on 16th January, 2015, the United States of America stated that it intended to implement the DSB's recommendations and ruling in a manner that respects its WTO obligations and that it would need a reasonable period of time to do so. The reasonable period of time expires on 19th March, 2016.