

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:2685

ANSWERED ON:14.03.2016

Cheap Steel Imports

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

- (a) the details of steel imported and cost thereof during each of the last three years, country-wise;
- (b) whether the Government has received any representation from the Indian steel producers to protect them from the cheap steel imports particularly from China;
- (c) if so, the details thereof including manufacturing cost of steel in India and the reaction of the Government thereto; and
- (d) the corrective steps taken by the Government to protect the domestic steel industry against the cheap steel imports?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF (SHRI VISHNU DEO SAI)  
STEEL AND MINES

(a) Details are given at Annexure I.

(b)&(c): Some domestic steel manufacturers and other stake holders have represented against surge in imports of steel from various countries including China. These representations have regularly been examined by the Government for taking corrective measures. The cost of production of different types of steel produced by individual companies is commercially sensitive information which is guarded by the concerned companies and is not publicly available. However, the domestic prices of steel have declined significantly between April, 2014 to Jan., 2015 as can be seen from Annexure II & there has also been severe decline in profits of even large steel producers, as can be seen from Annexure III.

(d) In order to protect domestic steel sector against cheap steel imports, the Government has taken the following steps:-

(i) To ensure that only quality steel is produced or imported, Government has notified Steel & Steel Products (Quality Control) Orders, 2012 dated 12.03.2012 and Steel & Steel Products (Quality Control) Orders, 2015 dated 15.12.2015.

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(ii) To increase availability of Coal and Iron ore for the domestic steel industry:-

(a) Notified the Coal Mines (Special Provisions) Amendment Act, 2015 on 30.03.2015 to streamline coal block allocations.

(b) Notified the Mines and Minerals (Development and Regulation) Amendment Act, 2015 on 27.03.2015 to streamline grant of Mining Leases.

(iii) The Union Budget 2015-16 has raised peak rate of basic customs duty on both flat and non-flat steel to 15% from 10%.

(iv) Hiked import duty on ingots & billets, alloy steel (flat & long), stainless steel (long) and non-alloy long products from 5% to 7.5% and non-alloy and other alloy flat products from 7.5% to 10%. This was further revised in August, 2015 on flat steel from 10% to 12.5%, long steel from 7.5% to 10% and semi-finished steel from 7.5% to 10%.

(v) In November 2014, instructions were issued to ensure import of rebars strictly as per Steel Product Quality Control Order 2012, to block influx of cheap imports of boron added rebars.

(vi) In June, 2015, an Anti-Dumping Duty levied for five years on imports of certain variety of hot-rolled flat products of stainless steel from China (\$ 309 per tonne), Korea (\$ 180 per tonne) and Malaysia (\$ 316 per tonne).

(vii) Imposed, in September 2015, a provisional Safeguard Duty of 20% on hot-rolled flat products of non-alloy and other alloy steel, in coils of a width of 600 mm or more, for a period of 200 days.

(viii) Imposed, vide its notification dated 05.02.2016, the Minimum Import Price (MIP) condition on 173 steel products. Imports of items covered under this notification will not be allowed into the country below the notified price.

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