

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:4519

ANSWERED ON:11.08.2014

IMPORT OF STEEL

Muddahanumegowda Shri S.P.

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

(a) the details of the production of steel from steel production units of the country, its consumption and available stock during each of the last three years and the current year;

(b) the quantum and value of various types of steel imported in the current year by the country and foreign exchange spent thereon, country-wise; and

(c) whether the domestic steel industry has been affected adversely by this import and if so, the details thereof along with the efforts made by the Government to safeguard the interests of the domestic steel industry?

**Answer**

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

(a) The details of the production of steel by leading steel producing groups in the country and its consumption and available stock during the last three years is at Annexure-I.

(b) The quantum and value of various types of steel imported in the current year by the country is at Annexure – II & Annexure-II-A respectively and the country-wise foreign exchange spent thereon is at Annexure-III.

(c) The domestic steel industry is adversely affected by the imports of steel if the same is in competing areas. Also, the impact of import of steel is not felt widely across the industry. Certain specific grades/qualities of steel which are not produced in the country especially for the use of automobile sector, engineering goods etc. are to be necessarily imported and hence the need specific imports cannot be stopped. India has entered into FTA with several countries such as Japan, Korea etc. and is in the process of negotiating several other trade agreements and economic co-operation pacts. FTAs are signed taking into consideration the country's larger and strategic economic needs. However, in the process of implementation, certain industries may be found to be disadvantaged. It has been noted that the FTAs signed with Korea and Japan have led to sharp increases in imports in competing product areas, thereby adversely affecting the steel industry.

To safeguard the interests of the domestic industry, the Government continuously monitors international trade on several items including steel and has been taking corrective measures, through fiscal and other policy initiatives, wherever necessary. In addition, the Government has taken the following measures:-

i) An Inter Ministerial Group (IMG) has been set in the Ministry of Steel for effective coordination and expediting implementation of various investment projects in the steel sector.

ii) A Project Monitoring Group (PMG) has been constituted under the Cabinet Secretariat to fast track various clearances / resolution of issues delaying investments of Rs. 1000 crores or more in the manufacturing / infrastructure sector including the steel sector.

iii) 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%. Recently, the Government has imposed export duty @ 5% ad-valorem on export of iron ore pellets.

iv) Import of critical raw materials for steel industry such as coking coal, non-coking coal, scrap etc. are subject to zero or very low levels of customs duty.

v) The Ministry of Steel routinely consults the industry to be apprised of the constraints to growth and recommends necessary corrective measures to other concerned ministries.