

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.3067
FOR ANSWER ON 20/12/2012

QUALITY STANDARD ON IMPORT OF STEEL

3067. SHRI JAI PRAKASH NARAYAN SINGH:
SHRI A. ELAVARASAN:

Will the Minister of STEEL be pleased to state:

- (a) whether Government has imposed mandatory quality standards on import of a large number of steel and steel products;
- (b) whether imposition of these standards is likely to stop all import of steel and steel products in the country with immediate effect and it would lead to large scale closure of small unit;
- (c) if so, the reasons for such a step;
- (d) whether a ban on imports would raise prices of steel in the country and additional profit of more than ₹ 10,000 crore per annum for the domestic steel producers; and
- (e) if so, the reasons of favouring the large steel producers at the expense of workers in Small Scale Industries (SSI) units?

ANSWER

THE MINISTER OF STEEL

(SHRI BENI PRASAD VERMA)

(a) Government has notified 16 steel products, which have direct bearing on consumer health and safety and critical to infrastructure, under the Steel and Steel Products (Quality Control) Order, 2012. The Order equally applies to import and domestic production.

(b) No, Sir. Implementation of the Order does not prohibit import of steel in the country and it is also not intended to close small scale units. The Order merely mandates that steel products produced in the country or imported must conform to the Standards. The units have been given enough time to gear up to obtain BIS license/registration to be able to operate without interruption. Many of them have already obtained BIS license/registration. Further, Government has deferred implementation of the Order on some of the products to facilitate registration of remaining units with BIS.

(c) Does not arise in view of (b) above.

(d)&(e): The Order does not favour the large scale producers as compared to small scale units, since it is uniformly applicable to both large and small scale producers. Moreover, steel is a deregulated sector and price is determined by prevailing market forces.
