

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.453
FOR ANSWER ON 27/04/2016

PROTECTION TO DOMESTIC STEEL MANUFACTURERS

453. SHRI DEVENDER GOUD T.:

Will the Minister of STEEL be pleased to state:

- (a) to what extent the recent increase in import duty on long and flat steel products help domestic steel sector;
- (b) the expected reduction of dumping by China due to increase in import duty;
- (c) whether it is a fact that in view of sluggish demand in the world market and over-capacity in China, there is every possibility that China may further reduce its price; and
- (d) in such a scenario, how Ministry is planning to protect the domestic steel manufacturers?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF
STEEL AND MINES

(SHRI VISHNU DEO SAI)

- (a) Increase in import duty is a basic tool for controlling the flow of imports into the country. As per information available, the prices of various steel items have recovered to some extent in recent months and this is expected to improve the financial health of domestic steel sector. It is expected that big Integrated Steel Plants will now get some respite from inflow of cheaper steel products being dumped in India at predatory prices.
- (b) It is difficult to predict future actions by China.
- (c) Such possibility cannot be ruled out.
- (d) A number of measures like raising of peak rate of basic customs duty, stringent quality check on imported steel items under Steel Products Quality Control Orders 2012 and 2015, imposition of Minimum Import Price (MIP), Safeguard/anti-dumping duties etc. have already been taken by the Government to protect the domestic steel industry suffering from injury. Further action on this front, if required, would be decided by the Government based on future assessments.
