

While there have been some delays in implementing the various components of these programmes, it is the constant endeavour of these companies to make good the delays for ensuring adherence to timelines. The implementation of the expansion programmes are constantly reviewed by the Boards of the respective companies and the Ministry of Steel with a view to minimizing delays.

**Effect of cheap import and raw material security on steel industry**

865. SHRI N. K. SINGH:

SHRI MAHENDRA MOHAN:

Will the Minister of STEEL be pleased to state:

- (a) whether Government is aware that the steel industry in the country has been badly affected due to cheap imports and raw material security;
- (b) if so, the details thereof;
- (c) whether Government proposes to take any measure to curb cheap imports and raw material security for steel firms; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP): (a) and (b) The global meltdown, beginning September 2008, had its effect of Indian steel sector as well. The steel production and consumption during the period October to December (Q3) witnessed substantial reduction by (-) 7.8% and (-) 13.6% respectively. Government initiated various steps to enable the steel sector to manage itself during the economic slowdown. These measures along with the economic stimulation packages resulted in a revival of steel demand during January-March period of 2009 (Q4). During this period (Q-4) the production and consumption finished steel in the country grew by 1.2% and 3.8% respectively. The growth in production and consumption of finished steel has continued in the first quarter of the current year *i.e.* 2009-10 compared to the first quarter of the previous year as may be seen in the table below:

*Production, Export, Import & Consumption Apr-June 2009-10 vs. 2008-09*

(In million tonnes)			
Finished Steel	Apr-June 2008	Apr-June 2009	% Change
Production	13.527	13.982	3.4%
Import	01.493	01.414	-5.3%
Export	01.032	0.642	-37.8%
Real Consumption	12.200	12.830	5.2%

SOURCE: JPC (Figures are provisional)

(c) and (d) Currently, there is a 5% import duty, in addition to CVED @ 8% for all steel products, so as to create a level playing field for the domestic steel manufacturers with the steel imports. Besides, to protect the domestic steel industry from cheap imports Government has put the

import of Hot Rolled (HR) Coils in the negative list. Further safeguard investigations have been initiated against import of HR Coils/Sheets/Strips and anti dumping investigations have been initiated against import of Cold Rolled Flat Products of Stainless Steel HR Flat Products being imported or originating from various countries. The Government has also imposed 5% *ad-valorem* export duty on export of iron ore (other than fines but including lumps and pellets).

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12.00 Noon

(MR. DEPUTY CHAIRMAN in the Chair)

### PAPERS LAID ON THE TABLE

#### The Outcome Budget (2009-10) of the Ministry of Steel

THE MINISTER OF STEEL (SHRI VIRBHADRA SINGH): Sir, I lay on the Table a copy (in English and Hindi) of the Outcome Budget for the year 2009-10 in respect of the Ministry of Steel. [Placed in Library. *See* No. L.T. 85/15/09]

- I. **Report and Accounts (2005-06) of Delhi State Industrial and Infrastructure Corporation Limited, New Delhi and related papers**
- II. **Report and Accounts (2007-08) of the Omnibus Industrial Development Corporation of Daman and Diu and Dadra and Nagar Haveli, Naini, Daman and related papers.**

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI GHULAM NABI AZAD): Sir, I lay on the Table under Section 38 of the Drugs and Cosmetics Act, 1940, a copy (in English and Hindi) of the Ministry of Health and Family Welfare Notification G.S.R. 116(E), dated the 24th February, 2009, publishing the Drugs Cosmetics (Second Amendment). [Placed in Library. *See* No. L.T. 61/15/09]

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA J. PATEL): Sir, I lay on the Table:

- I. A copy each (in English and Hindi) of the following papers under sub-section (1) of Section 619A of the Companies Act, 1956:-
  - (a) Annual Report and Accounts of the Delhi State Industrial and Infrastructure Development Corporation Limited (DSIIDC), New Delhi, for the year 2005-2006, together with the Auditor's Report on the Accounts and the comments of the Comptroller and Auditor General of India thereon. [Placed in Library. *See* No. L.T. 41/15/09]
  - (b) Sixteenth Annual Report and Accounts of the Omnibus Industrial Development Corporation of Daman and Diu and Dadra and Nagar Haveli Limited (OIDC), Naini, Daman, for the year 2007-2008, together with the Auditor's Report on the Accounts and the comments of the Comptroller and Auditor General of India thereon.