

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
RAJYA SABHA**

**STARRED QUESTION NO. 137.
TO BE ANSWERED ON FRIDAY, THE 15TH DECEMBER, 2023.**

CAPACITY UTILISATION OF DIFFERENT INDUSTRIES

137. Dr. Santanu Sen:

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) the present production capacity and actual production of steel, cement and tyre sectors in the country;
- (b) whether it is a fact that these sectors are running much below their production capacity due to dumping of these items from various countries including China;
- (c) if so, the details thereof and the reasons therefor; and
- (d) the remedial measures taken/being taken by Government to protect domestic industries from dumping these items in the country?

**ANSWER
वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)
THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) TO (d) OF THE RAJYA SABHA STARRED QUESTION NO. 137 FOR ANSWER ON 15.12.2023.

(a) Production capacity and actual production of steel, cement and tyre sectors in the country during 2022-23 are as under:

Steel (in thousand tonnes)			Cement (in million tonnes)			Tyre (in lakh units)		
Capacity	Production	Capacity Utilization (%)	Capacity	Production	Capacity Utilization (%)	Capacity	Production	Capacity Utilization (%)
1,61,299	1,27,197	78.86	594	391.40	65.89	2,361.18	2,146.55	90.91

(b) & (c) With respect to capacity utilisation, the sector-wise information for steel, cement and tyre sectors is as follows:

1. **Steel sector:** As per information from Ministry of Steel, the optimal capacity utilisation in steel sector is usually about 80%, therefore, the current capacity utilisation of Indian steel sector is around optimal levels.
2. **Cement sector:** In the cement sector, the industry has been undergoing certain operational restructuring. The industry is establishing standalone grinding units near to the consumption centres which is resulting in an overall increase in installed capacity of cement production in India.
3. **Tyre sector:** The sector is operating at an optimal capacity of over 90%.

(d) With respect to the anti-dumping measures, the Directorate General of Trade Remedies (DGTR), a quasi-judicial body undertakes investigation (Anti-Dumping, Countervailing, Safeguard, etc.) based on duly substantiated application from domestic industry and also on suo-moto basis. Also, the Government from time to time notifies Quality Control Orders (QCOs) for maintaining quality standards for specific products and product categories.

Sector-wise anti-dumping measures and applicable QCOs for steel, tyre and cement sectors are as follows:

1. **Steel sector:** Anti-Dumping Duty (ADD) has been imposed on Electrogalvanized Steel. ADD is also imposed on certain raw material/inputs for steel sector including Welded stainless steel pipes and tubes; seamless tubes, pipes & hollow profiles of iron, alloy or non-alloy steel; stainless steel seamless pipes & tubes; and flat base steel wheels. Also, 145 QCOs have been notified for the sector covering carbon steel, alloy steel and stainless steel.
2. **Cement sector:** Imports in the cement sector constitute to only about 0.16% of total domestic production. There is no active ADD on the same. Also, the Government has notified QCO on manufacturing and sale of cement in the country.

3. **Tyre sector:** The import of new pneumatic tyres is already classified as ‘restricted’ in the country. There is no active ADD on the same. Also, the Government has notified QCO on pneumatic tyres and tubes for automotive vehicles.

In addition to the above, for holistic development and promotion of domestic industries, the Government has also undertaken various policy measures across sectors. These include launching sector specific policies, Production Linked Incentive (PLI) Schemes, introduction of Goods and Services Tax, reduction in Corporate tax, interventions to improve ease of doing business, Foreign Direct Investment (FDI) policy reforms, measures for reduction in compliance burden, policy measures to boost domestic manufacturing through public procurement orders, Phased Manufacturing Programme (PMP), to name a few.
