

**HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
DEPARTMENT OF HEAVY INDUSTRY**

**RAJYA SABHA
STARRED QUESTION No. 163
TO BE ANSWERED ON 08.07.2019**

Restrictions imposed on domestic Automobile manufacturers

163. DR. BANDA PRAKASH:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether it is a fact that Automobile industry body, Society of Indian Automobile Manufacturers (SIAM) has stated that vehicle manufacturers are considering production stoppage, if there is no resolution of the issues over restrictions imposed on domestic manufacturers using imported steel;
- (b) whether Government has extended the deadline for automobile makers to use Bureau of Indian Standards certified locally produced high grade steel till February, 2019;
- (c) whether the automobile manufacturers had sought a year's time, to source high grade steel locally citing inconsistent quality; and
- (d) if so, the reaction of Government to the plea of SIAM?

ANSWER

**THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI ARVIND GANPAT SAWANT)**

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

STATEMENT

Statement referred to in reply to parts (a) to (d) of Rajya Sabha Starred Question No. 163 for 08.07.2019 asked by Dr Banda Prakash regarding “Restrictions imposed on domestic Automobile Manufacturers”

- (a) There are no restrictions imposed on Indian Domestic Automobile Manufactures for importing steel. However, to ensure quality of steel produced/imported in the country, steel grades covered under notified Indian Standards (IS) included in Steel Quality Control Order (QCO) dated 13.08.2018, domestic production/import is allowed from the BIS registered manufacturer only. In other cases i.e. where grades not covered under QCO even this regulation does not exist.

Quality Control Orders or Technical Regulations are implemented for the benefit of the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. Ministry of Steel has implemented Steel Quality Control Order on 53 categories of steel products under Section 16(i) of BIS Act 2016.

- (b) Yes Sir, on the request of the industry, the date of enforcement of the QCO has been deferred. On the request of automotive industry, the QCO dated 13th August 2018, that came into effect from 18th December 2018, the grades falling under the standards (IS: 4454 Part-1 : 2001, IS: 4454 Part-2 : 2001, IS: 11169 Part-1 : 1984, IS: 6603 : 2001, IS: 4824 : 2006, IS: 6527 : 1995 and IS: 6528 : 1995) have been exempted on three occasions. The last such relaxation for all the grades falling under 5 Indian Standards, is given below:

Standards Exempted from QCO	Duration of Exemption
IS: 4454 Part-2 : 2001 IS: 11169 Part-1 : 1984 IS: 6603 : 2001 IS: 6527 : 1995 IS: 6528 : 1995	Exempted for 4 months, Upto 17.08.2019

- (c) & (d) Yes, The Automotive Industry had sought one year time; after the stakeholders discussion with the producers and consumers (automotive industry) and after assessing the capabilities in the country, licensed manufacturing in India and abroad, the extension for application of QCO has been given on three occasions as given at point (b) above.
