

Govt mulls import duty hike on steel to counter Chinese 'dumping'

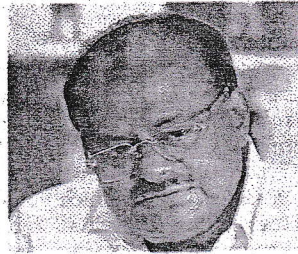
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The Steel Ministry has backed industry's demand for an import duty hike on the metal offerings coming in, particularly from China and other South-East Asian nations. The pitch — to the PMO and Finance Ministry — would be to raise tariffs to 10-12 per cent, from the existing 7.5 per cent, Steel Minister HD Kumaraswamy said.

The industry's demand for FTA reviews specifically for steel products coming in from Korea and Japan is also under consideration, the Minister told *businessline* on the sidelines of a programme organised by the Indian Steel Association, here on Wednesday.

Kumaraswamy called Chinese steel coming into India as "dumping", which has skewed domestic markets and adversely impacted steel mills here. "China has excess steel stocks. And they are dumping that, (including through) Vietnam. Because once the rates are coming down (price of steel); and steel mills here are suffering. Industry captains have already met the Finance Minister and expressed their inability to scale up on their investments," the Minister said.

"Industry is requesting the Finance Ministry to raise the tax to 10-12 per cent or so....We will try to convince the PMO and the Finance Ministry," Kumaraswamy said, adding that increased imports



HD Kumaraswamy,
Steel Minister

defeat the long-term mission have 300 mtpa of steel-making capacity in the country.

ON VIETNAM

India has already initiated anti-dumping probe into offerings coming in from Vietnam. For April-July period, India was a net importer of steel by 1.1 million tonnes (mt), with import of the metal being to the tune of 2.7 mt, while exports were around 1.6 mt, as per a Steel Ministry report.

According to Kumaraswamy, FTA reviews with Korea and Japan are "going on". Auto-grade steel imports from these countries are up substantially.

"Yes, it (the imports) is up. You see, there are several problems. And some suggestions are coming out on how to resolve the issues," he said. As per the last report of the Steel Ministry, imports from Korea are up 178 per cent y-o-y for the April-July 2024 period to 0.8 mt. It stood at 0.28 mt, a year-back. In case of Japan, imports remained flattish on y-o-y basis to 0.72 mt, albeit on a higher base.