

AMNS India seeks legal relief for metcoke imports

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AMNS India, a local JV unit of the world's largest steel-maker Arcelor Mittal, has moved court seeking relief against DGFT's import curbs on metcoke, a key raw material for steel manufacturing.

AMNS India is a 60:40 joint venture between Arcelor Mittal and Japan's Nippon Steel.

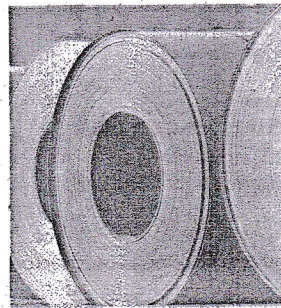
The company is seeking relief against the rejection of 168,300 mt of metcoke import orders from Indonesia and Poland. These raw material orders, AMNS India has pointed out, were placed before the restrictions kicked in; and its petition seeks relief, allowing import of the in-transit feedstock (without duty burden).

Starting January, India has imposed curbs on low-ash metallurgical coke or metcoke import. It is to be in place till June 30. Country-specific quotas were announced to help domestic suppliers.

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According to the notification, metcoke imports from specified countries will only be permitted against an import authorisation issued by the Directorate General of Foreign Trade (DGFT). Imports from 11 countries fall under these restrictions, with Indonesia, India's major metcoke source in recent months, likely to face the biggest brunt.

Metcoke serves as both a reducing agent and a source



Metcoke serves as a reducing agent and as a source of energy. BLOOMBERG

of energy. As it reacts with iron ore, it reduces the iron oxides. This reduction process is vital to obtain crude iron, which later undergoes further refining to produce steel.

"We are seeking relief for the quantities that are already in transit; and had been ordered before the curbs came in place," an official in the know said.

Earlier, AMNS India top brass had written to one of the country's top law-makers expressing dissatisfaction at the policy change pointing out that future investments and steel-making activities here could be hit if this policy was pursued on a long term basis.

AMNS India refused to comment on the matter.

Many of India's steel mills are reportedly unhappy with this policy change.

Mills are reliant on imports as they are not sure of the local quality and the mix of the metcoke in their blast furnaces.

Incidentally, AMNS India is the second large metal maker here to have moved court seeking relief.