

Exclude aluminium from 50% cut in new RoDTEP norms: Industry body

Our Bureau
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The Aluminium Association India (AAI) has urged the Director-General of Foreign Trade (DGFT), the Ministry of Commerce and Industry, to exclude aluminium and aluminium products from the 50 per cent reduction in the Remission of Duties and Taxes on Exported Products (RoDTEP) rates.

The AAI said its request follows the reduction in RoDTEP rates across sectors by a flat 50 per cent with immediate effect.

Earlier, RoDTEP rates for aluminium exports were nearly 3 per cent for domestic tariff area (DTA) units and 2.2 per cent for special economic zones (SEZ) units.

In a detailed representation to the DGFT, the AAI sought exclusion of export products under ITC HS



Chapter 76 (Aluminium and Articles thereof) from the scope of the February 23, 2026, order. It is similar to the exemption already granted to products under ITC HS Chapters 01-24.

UNREBATED TAXES

The notification of RoDTEP rates for FY27 is based on the actual incidence of unrebated taxes applicable to the aluminium sector, for both DTA and SEZ units.

The AAI said India's aluminium exports, valued around \$7 billion or nearly 2 per cent of the country's

total goods exports, are facing increasing pressure due to escalating tariff and non-tariff barriers in key markets. At the same time, the domestic aluminium industry is confronting a double challenge: Export opportunities are shrinking as global tariff regimes tighten, while imports into India continue to rise sharply.

The European Union's Carbon Border Adjustment Mechanism has created an indirect tariff barrier, ranging from 7 per cent to 50 per cent, while exports to the US continue to face 50 per cent duties under Section 232 Tariffs.

The association said Mexico had increased customs duties on aluminium products to 10-35 per cent from January 2026, while rising Chinese-funded aluminium capacities in Indonesia are further intensifying competition in global markets.