### GOVERNMENT OF INDIA MINISTRY OF COMMERCE & INDUSTRY (DEPARTMENT OF COMMERCE)

## RAJYA SABHA UNSTARRED QUESTION NO. 2431 TO BE ANSWERED ON 08<sup>th</sup> AUGUST, 2018

#### **HEAVY TARIFFS ON IMPORTS BY US**

#### 2431. SHRI SUKHENDU SEKHAR RAY:

Will the Minister of **COMMERCE & INDUSTRY** be pleased to state:

- (a) to what extent steel imports and aluminium shipments from India were affected due to recent imposition of heavy tariffs by the US Government on imported steel and aluminium, the details thereof;
- (b) whether India has also raised tariff on certain imported goods from the US, the details thereof;
- (c) whether India has raised before WTO the unilateral action of the US administration in enhancing such import duties, the details thereof;
- (d) whether Government considers that the emerging scenario may lead to global trade war; and
- (e) if so, what are the preventive measures contemplated by Government?

#### ANSWER

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

- United States (US) has imposed global tariff of 25% and 10% on certain steel and aluminium products, respectively, under Section 232 of US Trade Expansion Act of 1962 which came into effect from 23.3.2018. The provisional data of exports for the 1<sup>st</sup> Quarter of 2018-19,as compared to 1<sup>st</sup> quarter of 2017-18, indicates that the exports to US have declined from US\$ 198 million to US\$ 115 million in case of affected tariff lines in Steel and increased from US\$ 107 million to US\$ 143 million in respect of affected tariff lines in aluminium.
- India has raised the unilateral action of the United States before the relevant World Trade Organisation (WTO)Committees, as well as initiated consultations with the United States, under the dispute settlement mechanism at the WTO. Further, India has also imposed retaliatory duties on 29 goods originating from the United States vide Customs Notification Nos. 48/2018 and 49/2018 dated 20.06.2018 in accordance with the relevant provisions of WTO Safeguard Agreement. The US specific retaliatory duties shall enter into effect from 18.09.2018 as per Customs Notification No. 56/2018 dated 03.08.2018. India, being a member of WTO, believes in fair and rule based multilateral trading system. The specific trade protectionist measures of countries are tackled under the WTO's established dispute settlement mechanism.

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