

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

LOK SABHA
UNSTARRED QUESTION NO. 2235
TO BE ANSWERED ON 24th DECEMBER, 2018

IMPOSITION OF TARIFF ON INDIAN IMPORTS

2235. DR. SHRIKANT EKNATH SHINDE:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the United States of America (USA) has imposed tariff on Indian imports into the USA and if so, the details thereof;
- (b) the response of India to the USA imposition of tariff on Indian goods;
- (c) the impact of US imposition of tariff on India's trade and economy along with the response of India thereto; and
- (d) whether such imposition of tariff violates WTO and other agreements and if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

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

- (a) Every Country including the United States (US) and India impose import tariffs at the bound rate or below as per schedule of concessions notified to World Trade Organisation (WTO). However, in March 2018, the US has imposed additional duties beyond their commitment to WTO through a global tariff of 25% and 10% on certain steel and aluminium products, respectively, under Section 232 of the US Trade Expansion Act of 1962. The additional duties are applicable to Indian exports to US, as well.
- (b) Since these additional duties levied by the US are potentially WTO noncompliant, India had challenged the same before the Dispute Settlement Body of WTO.
- (c) Based on the export value in the calendar year 2017 (Source: United Nations COMTRADE – WITS data), duty likely to be collected by the US Government is estimated to be USD 241 million. India also imposed additional duties on US imports to that extent however, the notification is yet to be brought into effect. Though the steel exports to US have declined partially due to additional duties and Countervailing Duties the exports of aluminium have increased in the current year.

- (d) The additional duties levied by the US are potentially WTO noncompliant and several countries including India have challenged imposition before the Dispute Settlement Body of WTO.
