

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO. 1871
FOR ANSWER ON 11.03.2025

IMPACT OF US TARIFFS

1871. SHRI ANTO ANTONY:

Will the Minister of STEEL be pleased to state:

- (a) the steps taken to protect Indian steel and aluminium producers from the impact of US tariffs;
- (b) the manner in which the Government addressing concerns about increased dumping of steel from other countries in India; and
- (c) the policy measures are being considered to safeguard small and medium steel manufacturers?

ANSWER

THE MINISTER OF STATE IN THE (SHRI BHUPATHIRAJU SRINIVASA VARMA)
MINISTRY OF STEEL

(a)to(c): USA has announced imposition of 25% tariff on Steel and Aluminium products on *most favoured nation (MFN) basis* from 12th March 2025. The Government of India continues to engage with the US Government to achieve enhancement and broadening of bilateral trade ties in a mutually beneficial and fair manner.

Steel is a deregulated sector and the government acts as a facilitator by creating a conducive policy environment for the development of steel sector in the country. Directorate General of Trade Remedies (DGTR) conducts anti-dumping investigations, under the Customs Tariff Act, 1975 and the rules made thereunder, on the basis of a duly substantiated application filed by the domestic industry alleging dumping of goods into the country causing injury to the domestic industry. The basic intent of anti-dumping measures is to eliminate injury caused to the domestic industry by the unfair trade practice of dumping and to create a level playing field for the domestic industry.

To address concerns regarding increased dumping of steel from other countries in India, Anti Dumping Duty (ADD) measures pertaining to some steel products like seamless tubes, pipes and hollow profiles of iron, alloy, or non-alloy steel (other than cast iron and stainless steel) (from China PR), electro-galvanized steel (from Korea RP, Japan, Singapore), stainless-steel seamless tubes and pipes (from China PR), welded stainless steel pipes and tubes (from Vietnam and Thailand) are currently in place.

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The Government has taken the following steps to safeguard the domestic steel Manufacturers and to strengthen competitiveness of India's steel industry:-

- (i) Countervailing Duty (CVD) is in place for Welded Stainless Steel Pipes and Tubes from China and Vietnam.
- (ii) In the Union Budget 2024-25, following measures were taken to support domestic manufacturers and boost domestic steel manufacturing:-
 - a. Basic Customs Duty (BCD) has been reduced from 2.5% to Nil on Ferro-Nickel and Molybdenum ores and concentrates which are raw materials for steel industry.
 - b. BCD exemption on Ferrous Scrap has been continued upto 31.03.2026.
 - c. The exemption on specified raw material for manufacture of Cold Rolled Grain Oriented (CRGO) steel has been continued up to 31.3.2026. Further, the exemption has also been extended to such specified raw materials for manufacture of CRGO Steel falling under tariff item 7226 11.00.
- (iii) Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting 'Made in India' steel for Government procurement.
- (iv) Production Linked Incentive (PLI) Scheme for Specialty Steel to promote the manufacturing of 'Specialty Steel' within the country and reduce imports by attracting capital investments. The anticipated additional investment under the PLI Scheme for Specialty Steel is Rs. 27,106 crores with downstream capacity creation of around 24 million tonnes (MT) for specialty steel.
- (v) Introduction of Steel Quality Control Order thereby banning sub-standard/defective steel products in domestic market as well as imports to ensure the availability of quality steel to the industry, users and public at large. As per the order, it ensured that only quality steels conforming to the relevant BIS standards is make available to the end users. As on date, 151 Indian Standards stands notified under the Quality Control Order covering carbon steel, alloy steel and stainless steel.

Government is implementing various Schemes/ Programmes for the promotion and development of MSMEs, which inter-alia includes, Micro and Small Enterprises - Green Investment and Financing for Transformation Scheme (MSE-GIFT Scheme), Micro and Small Enterprises Scheme for Promotion and Investment in Circular Economy (MSE-SPICE Scheme), MSME Champions Scheme, Prime Minister Employment Generation Programme (PMEGP), MSME SAMADHAAN, Micro and Small Enterprises - Cluster Development Programme (MSE-CDP) etc.
