

Steel MIP to remain for entire six-month term

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New Delhi, April 26: Imposed in early February to rein in rising imports, the minimum import price (MIP) on steel will remain valid for the entire scheduled six-month term as domestic industry's present overall situation, though improved, does not support any premature withdrawal of the trade remedial measure, sources in the steel ministry said.

The government had imposed MIP on 173 steel products in the range of \$341 to \$752 per tonne on 173 steel products for six months to protect the domestic industry from galloping imports from countries like China, Japan, Korea and Russia.

"Even as the prices are better now, the industry is far from its desired financial position. Imports also re-

mained unabated. There is no question of withdrawing MIP at the moment," said a senior steel ministry official.

Chances are also remote of withdrawing it prematurely till its tenure ends in July, another official said.

Steel prices have risen globally since February and in sync with the global trend, domestic firms have also hiked the prices of their products. A Credit Suisse report, published on April 19, said that domestic prices have surged \$50-60 per tonne after the MIP was imposed in February.

"Even though Chinese prices have rallied too (to around \$445 per tonne now), we think protectionism is here to stay," it had said.

Imports also remain largely unabated. According to the Joint Plant Committee (JPC), a unit under the

MIP notification is in public interest: HC

New Delhi, April 26: The Delhi HC on Tuesday said that the Centre's February 5 notification providing minimum import price (MIP) on specified iron and steel products for a period of six months is in public interest to "stabilise the domestic market". A bench of chief justice G Rohini and justice Jayant Nath said: "We are prima facie satisfied that the notification is nothing but a policy decision taken by the Government of India in the interest of public and to stabilise the domestic market of steel... Hence, we find force in the submissions of respondents that staying the notification pending the writ petition would be against public interest."

steel ministry, imports stood at 0.997 million tonne (MT) in March this year compared with 0.84 MT in the same month last year, recording a 18.2% rise. In February this year, India had imported 0.912 MT steel. The price of HR Coil, the benchmark steel product, on the other hand, was lower in March at ₹34,500 per tonne in the Delhi market compared with ₹39,667 per tonne in the same month last year.

Steel industry sources said that imports would "definitely" come down in April as most of the transactions were booked earlier than February. Credit Suisse also expects imports to be "meaningfully" lower in April.

Apart from the MIP, the government had tried many tariff and non-tariff trade barriers, but none worked on the expected lines.