Ministry of Steel

Imposition of Countervailing Duty on Imports of Stainless Steel Flat Products Will Strengthen the Ongoing Efforts of Indian Industry for Moving Towards 100 % Quality Regime for Better Safety and Health of Users, Says Shri Birender Singh, Union Steel Minister

Posted On: 08 SEP 2017 6:22PM by PIB Delhi

Welcoming the imposition of Countervailing Duty on imports of Stainless Steelflat products by the Ministry of Finance, Union Steel Minister Shri Birender Singh said in New Delhi today that, “CVD on Stainless Steel will strengthen the ongoing efforts of Indian industry for moving towards 100 % quality regime for better safety and health of users. This will provide a level playing field to the industry to grow to its full potential after attaining 2nd largest rank in stainless steel production in world in 2016.”

The notification issued by the Ministry of Finance, dated 7th September 2017, prescribes a total of 18.95% CVD on imports of Stainless steel flat products from China for the next five years. Reacting to the development Dr. Aruna Sharma, Secretary Steel said, “This is the first case of imposition of CVD on any steel product in India. This would provide the much needed relief to the stainless steel industry from the subsidized imports from China.” Dr Sharma said that this was one among the many steps taken by the Government to help the domestic Stainless Steel Industry. Among the other steps were the imposition of the Stainless Steel Quality Control Order (QCO) and other trade remedial measures.

The CVD investigations were initiated on 12th April 2016 by the Directorate General of Anti-Dumping and Allied Duties (DGAD) in response to a surge in subsidized imports of stainless steel flat products. These imports were distorting the domestic market, which was under huge stress and was leading to financial stress in the industry. Extensive investigations were carried out by DGAD and the final findings were issued by the DGAD vide notification dated 4th July 2017.

The final findings list a possible 81 known subsidies being provided by China. They were categorized into five different heads including Grants (0.55%), Export Financing (0%), Tax & VAT incentives (2.3%), Provision of Goods & services (15.78%) and Preferential loans and lending totaling 18.95%.

YSK/MI