
CORSMA urges to exempt CR and HDG from likely export tax

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BL reported that Cold Rolled Steel Manufacturers' Association of India has informed the steel ministry that there is excess capacity in the cold rolling industry and urged the government to exempt cold rolled value added products from export duty, if imposed.

CORSMA stated that allowing duty free export of cold rolled steel products would lead to higher capacity utilization which, in turn, would generate employment in the country.

The association in its letter said that this is necessary because the price of hot rolled coils, the primary raw material for cold rollers, has gone up from INR 29,000 per tonne in January to INR 46,000 in July, leading to lower capacity utilization in the cold rolling plants.

The association, in a letter to the minister of steel, said that "During the April to June quarter, import of cold rolled products increased by 65% owing to a shortage of hot rolled coils in the country.

Pointing out that while China has imposed 15% export duty on hot rolled steel it has not withdrawn the incentives on export of cold rolled products, the association urged the Government to adopt a similar policy in India also.

Mr SC Mathur executive director of the association said that some of the cold rollers were already utilizing a portion of their excess capacity for export production based on imported raw materials.

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