
Indian scrap aluminium importers oppose duty charge

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Reuters reported that India's scrap aluminium traders are in talks with the government to seek a rejection of a request by primary metal producers for an import duty charge on scraps.

Statement from the custom authority said the Aluminium Association of India, which represents the interests of the private primary aluminium producers, filed a request late last month to the directorate general of safeguards customs and central excise to impose a duty on imports of scrap aluminium.

Mr Zain Nathani MD of Nathani Industrial Services, an Indian scrap metal importing firm said "The primary aluminium producers want to limit the imports of scrap aluminium because the prices of the products we produce from scrap are more competitive."

Mr Aditya Gupta, a trader from Meenakshi Metalics, a scrap metal firm based in Mumbai said "If this duty charge is implemented it would really limit our imports and I don't understand why the government would want to stop recycling metals."

Mr Ikbal Nathani, BIR's representative in India said "Recycled raw materials should always be promoted and it's a well documented fact that recycling 1 tonne of aluminium conserves up to 8 tonne of bauxite ore and 14 MW hours of electricity."

As per report, India's Aluminium firms have claimed a INR 6,707 loss per tonne of the metal during the Q1 of this year, compared with a profit of INR 5,149 per tonne during the last quarter of 2008. They had said "Increased imports are also leading to the loss of employment. In 2007-08 the industry had employed around 6,530 people and by March this year the number had dropped to 5,615."

According to local industry statistics, during the Q1 of this year India imported 131,858 tonne of scrap aluminium which represents 49.74% in relation to the primary aluminium production.

(Sourced from Reuters)

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