

# Delhi HC to hear petitions related to MIP on iron, steel

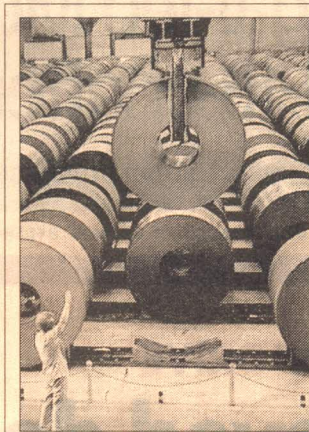
fe Bureau

**New Delhi, Jan 17:** The Supreme Court on Friday transferred various petitions challenging validity of the Centre's notification fixing minimum import price (MIP) for iron and steel products to the Delhi High Court.

A Supreme Court bench transferred the cases from high courts of Punjab and Haryana, Himachal Pradesh to Delhi after both the Centre and the Indian Steel Association (ISA) sought so. The steel ministry wanted the transfer of petitions to avoid conflicting views by different HCs on the issue.

Aimed at curbing rising imports at predatory prices from countries like China, Japan, Korea and Russia, the government on February 5, last year had imposed MIP in the range of \$341 to \$752 per tonne on 173 steel products for six months.

The move has immensely benefitted the domestic primary steel producers even as secondary steel producers expressed anguish as their raw material have become costlier. India has around 110 million tonne per annum steel capacity. It is the only market where steel demand is growing at



**A Supreme Court bench transferred the cases from high courts of Punjab and Haryana and Himachal Pradesh to Delhi after both the Centre and the Indian Steel Association sought so**

7.3% as against the negative growth in China at -3.5%.

ISA, whose members also include major companies like JSW Steel, Essar Steel, SAIL and others, had argued that the industry is reeling under extreme financial pressure on account of the predatory pricing mechanism adopted by various countries like China and Korea, who are exporting steel to India.

According to it, since it is a policy decision, any interference by courts would directly affect and adversely impact its members and the industry, which has invested around ₹5 lakh crore to set up world-class steel plants and infrastructure,

the association said, adding that the India steel industry contributes around ₹48,000 crore to the government exchequer as taxes.

It also argued that steel products like coil, strips, bars and rods, etc were imported into the country at prices, which are exceedingly lower and non-competitive with the similar steel products produced domestically. "As a consequence, India has turned into a net steel importer from net steel exporter. The pricing mechanism coupled with a subdued global steel sector, has pushed the Indian steel sector to the brink of an existential crisis," the association said in its petition.