

India drags USA to WTO over import duties

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India has dragged the USA to the World Trade Organisation's dispute settlement mechanism over the imposition of import duties on steel and aluminium, an official said.

India has stated that the decision will impact exports of these products to the USA and it is not in compliance with global trade norms.

"India has filed a dispute under the aegis of the WTO on the issue of imposing import duties by the USA on certain steel and aluminium products," the official said.

The country has sought consultations with the USA under the WTO's dispute settlement mechanism.

Seeking consultation is the first step of dispute settlement process. If the two nations are not able to reach a mutually agreed solution through consultation, India may request for a WTO dispute settlement panel to review the matter.

On 9 March, US President Donald Trump imposed heavy tariffs on imported

steel and aluminium items, a move that has sparked fears of a global trade war.

Trump signed two proclamations that levied a 25 per cent tariff on steel and a 10 per cent tariff on aluminium imported from all countries except Canada and Mexico.

India too has sought exemptions from the hefty tariffs.

Mr Biswajit Dhar, the professor of economics at Jawaharlal Nehru University, said the US decision would not only impact India's export of these goods but would also affect global trade.

India's exports of steel and aluminium products to America stood at about \$1.5 billion every year.

Some experts, however, opined that dragging the USA in the dispute over the issue is not in favour of India as New Delhi has a trade surplus with America.

India's exports to the USA in 2016-17 stood at \$42.21 billion, while imports were \$22.3 billion.

Both the countries are already involved in disputes at the global trade body. The disputes are in the areas of poultry, solar and steel.