

Commerce min in favour of aluminium import duty hike, says Prabhu

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THE COMMERCE MINISTRY is in favour of hiking import duty on aluminium with a view to support domestic manufacturers, Union minister Suresh Prabhu has said.

"That is a proposal to protect our domestic industry. The proposal is under examination and we support the proposal," Prabhu told *PTI*.

The commerce and industry minister said that there has been a complaint by aluminium industry about dumping of the commodity.

He was replying to a question about the government's plan to increase import duty on aluminium.

The industry has demanded increase in import duties on aluminium scrap and primary aluminium amid a high growth in inward shipments of these items.

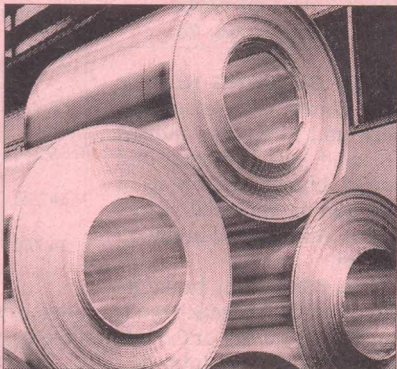
They are demanding to raise the duty on primary and scrap aluminium to 10%.

Currently, the basic customs duty on aluminium scrap and primary aluminium is 2.5% and 7.5%, respectively.

Besides this, domestic players have urged to impose minimum import price and some kind of quota on the imports for the user industry.

Total production of aluminium in India is about 4 million tonne and consumption is about 3.6 million tonne.

The demand comes in the wake of the US imposing 10% duty on certain aluminium products.



China too has raised the duties.

Aluminium is required by the industries like automobile, construction, consumer goods, among others.

All these industries are growing in India and the country is producing sufficient amount of the required metal domestically, an industry expert has said.

As per estimates, during the first quarter of the current fiscal, imports of aluminium scrap increased to 36,000 tonne from 16,000 tonne.

Further talking about a proposal to cut export duty on iron ore, the commerce and industry minister said the ministry has sought views of steel and mines ministry on the issue.

"We are open for the proposal," he said, adding that the government would provide all support for the growth of domestic industry.