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Page : 8

## Removal of export duty to help steel makers pull up profits, say experts

**NEW DELHI, NOV 22 /--/** The removal of export duty on steel products will help the domestic metal producers pull up their profits with now having the freedom to explore overseas markets as well, experts said. The government has cut the export duty on steel products and iron ore to nil with effect from November 19, 2022 -- six months after imposition of the levy on May 21.

The relief comes on the back of domestic steel prices correcting by 15-20 per cent since these duties were imposed, Jayanta Roy, Senior Vice President & Group Head, Iera Limited, said. "We believe that the latest measure will help pull up the industry's profits from the second quarter lows as companies now get the freedom to explore overseas markets, depending on the pricing environment," the expert said.

SteelMint India also termed the government's decision of withdrawing

export duty on steel and raw material as a positive move for the industry. However, according to the research firm, the move may not help the industry in the short term. "The export volumes may not increase significantly in the short term as global markets are stressed owing to inflation and higher energy prices. The downside in Indian steel prices look limited although upside is also capped as price hikes may lead to imports," it said.

Brij Bhushan, Vice Chairman and Managing Director - Shyam Metallics & Energy Ltd, said: "The export duty was imposed in order to keep inflation in check and boost the domestic availability. The industry was hoping for this change as it did increase the uncertainty in the overseas market. We expect the government to continue with their stance of such relaxed rules as this is only going to help the industry in the long run." (PTI)

