

Engineering goods manufacturers and exporters to benefit from govt's decision on import duty on raw materials for steel: EEPC India chairman

Synopsis

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Representative Image

Engineering goods manufacturers and exporters would benefit from the government's decision to remove import duty on raw materials for steel and become more competitive in the global markets, said EEPC India chairman Mr Mahesh Desai.

The government's move would lower the cost for domestic steel industry and therefore lower the prices, he said.

He further said that increase/imposition of export duty on iron ores and a host of steel intermediaries would increase the domestic availability of the key industry inputs.

"Downstream exporters feel primary steel products prices will fall by 10% for primary producers and 15% for secondary steel producers," Mr Desai said.

Hailing the actions steps taken by the government, EEPC India chairman said that reduction in auto fuel prices would ease off logistics costs which have been hurting the sector for quite some time.

"All the steps together would not only help the industry beat the surging input costs but also improve liquidity. We welcome the government decision and greatly appreciate timely response," Mr Desai said.

"Rising inflation has emerged as a major headache for policymakers world over. Persistent NSE -4.42% elevated price poses serious risk to demand and growth. The latest decision of the government should partly neutralise the negative impact of surging raw material prices," he added.