

SWMAI Bats for Zero Percent Custom Duty

- Sanjay Singh, Features Editor



Steel Wire Manufacturers Association of India (SWMAI), an apex national body of Steel Wire and Wire Rope Manufacturers in India, is facing paucity of raw materials supply at internationally competitive prices and has petitioned the government of India for zero custom duty on imported raw materials, said an official of the Association on the sidelines of Wire & Cable India 2016 exhibition held in Mumbai from October 5-7.

Speaking at length on issues faced by Steel Wire Manufacturers Association of India, he said that Inverted Duty Structure, where duty on raw material is higher than the duty on finished product, is affecting the competitiveness of the industry. "Even the Kelkar Committee in its suggestion to the government emphasised that all raw material should attract lower duty than on finished product."

The official commenting on the annual consumption of steel wires in India said that it is at 5 percent of total steel consumption in India, and the wire industry has no opportunity to grow presently due to unavailability of raw materials at international competitive prices and existing Inverted Duty Structure.

"In our country, if we closely look at the wire demand, almost 88 percent of it is for wires in plain carbon steel grades, 5 percent would be for Stainless Steel grades and the



balance would be for Alloy Steel Wires.

"On further analysis, out of the plain carbon wires almost 75 to 80 percent of the demand is for black/uncoated wires and the balance 20 to 25 percent is for wires coated with other base metals e.g. Zinc (Galvanized), Copper, Bronze, and other coating materials", he said.

SWMAI is a regular participant at Wire & Cable India, which is held biennially alongside Metallurgy India, Tube India International and INDIA ESSEN WELDING & CUTTING.

He mentioned that China is a major exporter of raw material along with South Korea. China's quality and price is

competitive and its standardisation confirms to international practices.

SWMAI has an expanding nationwide membership of enterprises, drawn from organised and small scale sectors, representing the steel and wire rope industry. With the continuous patronage of SWMAI, Indian steel wire industry has progressed remarkably over the years on every count, like increase in volume, cutting down costs, quality at par with International Standards (ASTM, DIN, JIS, BSS etc.) in achieving a wide range of products of various types.

The organisation is a platform for continuous government-industry communications on various policy and

problem related issues of the industry. Adequate supply of wire rods, adjustable prices of wire rods with international prices and suitable government policy ensure the growth of the steel wire industry, making it sustainable and globally competitive. The association has currently 100 members nationally.

The Wire & Cable event has seen participation of 388 exhibitors from 25 countries, with more than 10,600 visitors from India and abroad. The show has attracted official country group participations from Austria, China, Germany, Italy and North America.