

STRATEGIES FOR REDUCING DEPENDENCE ON STEEL IMPORTS

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Steel is a deregulated sector and the Government acts as a facilitator by creating a conducive policy environment for the development of steel sector in the country. The decisions regarding import and export are taken by the steel companies based on techno-commercial considerations and market dynamics.

India is the world's second-largest steel producer. During the financial year 2024-25, India's finished steel production and exports were 146.69 MnT and 4.86 MnT, respectively.

Government has taken following steps to facilitate the reduction of Steel imports and to improve the competitiveness of domestic steel manufacturers to reduce dependency on imports:

- i. Implementation of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting 'Made in India' steel for Government procurement.
- ii. Launch of Production Linked Incentive (PLI) Scheme for Specialty Steel to promote the manufacturing of 'Specialty Steel' within the country and reduce imports by attracting capital investments.
- iii. Introduction of Steel Quality Control Order thereby banning sub-standard/ defective steel products in domestic market as well as imports to ensure the availability of quality steel to the industry, users and public at large.
- iv. In the Union Budget 2024-25, following measures were taken to support domestic manufacturers and boost domestic steel manufacturing: - Basic Customs Duty (BCD) has been reduced from 2.5% to Nil on Ferro-Nickel and Molybdenum ores and concentrates which are raw materials for steel industry. BCD exemption on Ferrous Scrap has been continued upto 31.03.2026. The exemption on specified raw material for manufacture of Cold Rolled Grain Oriented (CRGO) steel has been continued up to 31.3.2026. Further, the exemption has also been extended to such specified raw materials for manufacture of CRGO Steel falling under tariff item 7226 11.00.
- v. Anti Dumping Duty (ADD) measures pertaining to some steel products like seamless tubes, pipes and hollow profiles of iron, alloy, or non-alloy steel (other than cast iron and stainless steel) (from China PR), electro-galvanized steel (from Korea RP, Japan, Singapore), stainless-steel seamless tubes and pipes (from China PR), welded stainless steel pipes and tubes (from Vietnam and Thailand) are in place currently.
- vi. Countervailing Duty (CVD) is in place for Welded Stainless Steel Pipes and Tubes from China and Vietnam.
- vii. Government has imposed a provisional safeguard duty at the rate of 12% (twelve percent) ad valorem for 200 days on imports of certain Non-Alloy and Alloy Steel Flat Products.
- viii. Steel Import Monitoring System (SIMS) has been revamped and SIMS 2.0 was launched on 25.07.2024 for more effective monitoring of imports to address the concerns of domestic steel industry.

This information was given by the Minister of State for Steel and Heavy Industries and Steel, Shri Bhupathiraju Srinivasa Varma in a written reply in the Rajya Sabha.

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