

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO. 2228
TO BE ANSWERED ON 09/08/2024

STEPS TO REDUCE DEPENDENCY ON STEEL IMPORT

2228. Shri Digvijaya Singh:

Will the Minister of Steel be pleased to state:

- (a) the measures that have been taken to mitigate the impact of low-priced steel imports on the domestic steel industry;
- (b) the manner in which Government is addressing the issue of raw material shortages and advocating for policies to secure new iron ore sources and promote steel recycling;
- (c) the quantity of steel imported from various countries, since 2019 year-wise; and
- (d) the steps that have been taken to reduce dependency on steel imports, particularly from China?

ANSWER

THE MINISTER OF STATE IN THE (SHRI BHUPATHIRAJU SRINIVASA VARMA)
MINISTRY OF STEEL

(a)to(d): The details of country-wise imports of finished steel including from China since 2019 are placed at **Annexure**.

Steel is a de-regulated sector where prices are a function of demand and supply, global market conditions, trends in price of raw materials, logistics cost, power and fuel cost, etc.

The measures taken by Government to encourage the domestic steel industry are as under:-

- (i) Notification of 145 Indian Standards under Quality Control Order to ensure the availability of quality steel to the industry, users and public at large.
- (ii) 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.
- (iii) Government has launched Production Linked Incentive (PLI) Scheme for specialty steel to promote the manufacturing of 'Specialty Steel' within the country and attract capital investments for production of 'Specialty Steel' in India. The anticipated additional investment under PLI Scheme for specialty steel is Rs. 29,500 crores and an additional capacity creation of around 25 million tonnes (MT) for specialty steel.
- (iv) Implementation of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting 'Made in India' steel for Government procurement.

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- (v) In the Union Budget 2024-25, 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 and specified raw material for manufacture of CRGO steel has been continued upto 31.03.2026.

India presently has sufficient reserves of iron ore and non-coking coal. However, India is import-dependent for coking coal, an important raw material for Integrated Steel Producers using the Blast Furnace route, as the availability of high-quality coking coal is limited.

Government has facilitated diversification of sourcing imported coking coal to avoid dependence on a few countries. Initiatives have been taken to source coking coal from Russia and Mongolia in addition to established sources of Australia, Indonesia, Mozambique, etc.

Further, Government has also taken measures to promote domestic production of coking coal and the Ministry of Coal has launched Mission Coking Coal in FY 2022 to meet the domestic coking coal demand projected in National Steel Policy 2017. Domestic raw coking coal production is targeted to reach 140 MT by 2030, after washing it will yield about 48 MT of usable Coking Coal.

Government has notified the Steel Scrap Recycling Policy in November, 2019 to facilitate and promote establishment of metal scrapping centres in India for scientific processing and recycling of ferrous scrap generated from various sources and variety of products in an organized, safe and environmentally sound manner.

Annexure

Country-Wise Import of Finished Steel from 2019-20 to 2023-24						
Quantity (in '000 tonnes)						
S NO	Country Name	2019-20	2020-21	2021-22	2022-23	2023-24
1	CHINA	1,207	843	833	1,407	2,687
2	KOREA	2,687	1,947	2,009	2,228	2,670
3	JAPAN	1,018	560	664	841	1,274
4	VIETNAM	86	133	75	320	737
5	TAIWAN	165	186	194	163	185
6	NEPAL	6	6	9	59	120
7	INDONESIA	464	79	241	148	94
8	GERMANY	135	146	151	112	80
9	THAILAND	52	50	25	53	58
10	RUSSIA	71	63	55	313	53
11	UAE	21	21	24	12	52
12	AUSTRIA	13	71	9	10	52
13	SAUDI ARABIA	8	36	14	9	39
14	ITALY	81	33	34	31	23
15	USA	65	54	29	17	20
16	SWEDEN	23	27	39	48	20
17	HONGKONG	0	0	0	1	18
18	BELGIUM	74	56	28	33	17
19	ROMANIA	3	1	1	2	17
20	FRANCE	56	121	58	77	15
21	OMAN	4	12	5	7	11
22	KUWAIT	8	3	3	3	9
23	SOUTH AFRICA	22	15	8	5	7
24	FINLAND	9	5	5	7	6
25	CANADA	20	17	10	11	6
26	MALAYSIA	51	42	8	20	6
27	SPAIN	32	20	27	21	5
28	U.K.	17	11	6	5	4
29	CZECH REP	2	0	1	2	4
30	SINGAPORE	139	43	8	6	4
31	Others	230	153	96	50	29
Total Imports		6,768	4,752	4,669	6,022	8,320
Production of Finished Steel		102,621	96,204	113,597	123,196	139,153
Source: Joint Plant Committee (JPC)						
