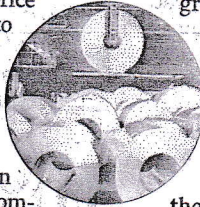


# Steel import duty may lead to steep price hike

**STEEL PRICES IN 2025** would be much higher than last year's if the proposed safeguard duty on steel imports is imposed by the end of next month, rating agency Crisil said on Wednesday.

"Domestic prices are under pressure due to global steel price decline and are expected to remain soft in 2025. Prices have a 4-6% upside potential hinged on implementation of the safeguard duty... As mills ramp up production volume from the newly commissioned capacities, increase in supply will reduce flat steel prices, but will still be higher than average price of 2024. That said, intense competition among mills to gain market share could limit the upward movement," Vishal Singh, director-research at Crisil Market Intelligence and Analytics, said in a statement.



Last year, steel prices in the domestic market declined due to additional availability of the metal backed by an increase in net imports. Hot-rolled coil prices declined 9% and cold-rolled coil prices 7%, thereby slowing topline growth of domestic mills.

However, falling coking coal prices, along with low volatility, have helped domestic steel producers reduce margin pressure to some extent.

The rating agency further said the domestic steel demand will continue to outpace other major steel consuming economies in the current year with a growth of 8-9% due to a shift towards steel-intensive construction in the housing and infrastructure sectors along with better demand from engineering, packaging and other segments.

—PTI