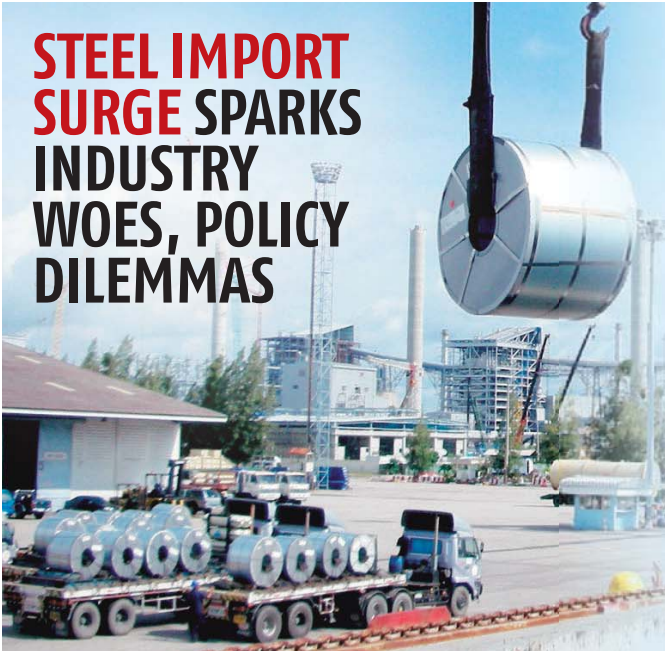


# STEEL IMPORT SURGE SPARKS INDUSTRY WOES, POLICY DILEMMAS



Surge in finished steel imports to India in recent time has prompted large domestic steel producers and steel associations to ask the government to protect their businesses. They demand that additional duties be imposed on cheap steel imports. Recently, the steel ministry proposed a 25 per

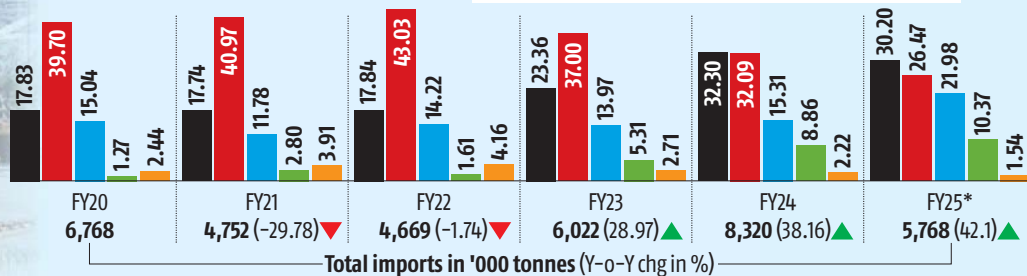
cent safeguard duty on the import of certain steel items into the country. However, the micro, small and medium enterprises (MSMEs) do not favour the proposed additional duties. They fear more duties would make their exports and domestic products uncompetitive, given that the local steel

producers have hiked their steel prices. India's finished steel imports have grown at a compound annual growth rate (CAGR) of 5.29 per cent from FY20 to FY24 and the country turned into a net importer of finished steel in FY24. China, South Korea and Japan have been the top exporters, comprising 78.6

per cent of the total finished steel imports in FY25. Until FY23, South Korea was the largest exporter to India, followed by China and Japan. Since FY24, China has taken the lead, exporting 2.6 mt of finished steel to India in FY24 and 1.7 mt in the first seven months of FY25.

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**METAL MATHS** Finished steel imports (in %) ■ China ■ South Korea ■ Japan ■ Vietnam ■ Taiwan



\*Provisional figures (Apr-Oct)

Source: Lok Sabha reply, Business Standard calculations