

GOVERNMENT OF INDIA  
MINISTRY OF STEEL

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3605**  
FOR ANSWER ON 17.12.2024

**IMPACT OF CBAM ON INDIAN STEEL INDUSTRY**

3605. SHRI ASADUDDIN OWAISI:

Will the Minister of STEEL be pleased to state:

- (a) whether the Government has assessed the impact of the European Union's Carbon Border Adjustment Mechanism (CBAM) on the Indian steel industry;
- (b) the total steel export values to the European Union during each of the last five financial years;
- (c) the estimated loss to the steel industry as a result of the implementation of CBAM;
- (d) whether the Government is considering any measures to safeguard the interest of Indian exporters; and
- (e) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

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

(a)to(e): Steel is a deregulated sector, and the role of the Government is that of a facilitator. Export of steel is dependent on factors such as global market conditions, demand and supply, cost of input raw materials such as iron ore, coking coal etc. which are market linked. Government regularly monitors the overall steel scenario including exports, imports, prices etc.

Data on value of finished steel export to the European Union during last five financial years is given below: -

<b>Finished Steel Export</b>	
<b>Year</b>	<b>Value (Rs Crores)</b>
2019-20	10,692
2020-21	14,144
2021-22	32,149
2022-23	22,482
2023-24	29,534
Source: Joint Plant Committee (JPC);	

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The Government has taken the following measure to safeguard the interest of Indian Steel Industry:-

- i. 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.
- ii. BCD exemption on Ferrous Scrap and specified raw material for manufacture of CRGO steel has been continued upto 31.03.2026.
- iii. Implementation of the 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. The anticipated additional investment under the PLI Scheme for Specialty Steel is Rs. 27,106 crores with downstream capacity creation of around 24 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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