SHINING SECTOR

India is the world’s second-largest steel producer. While the country’s consumption is on the rise, exports are erratic. By Ramesh Chakrapani

According to a report by the India Brand Equity Foundation (IBEF) in December 2019, India’s crude steel production capacity rose from 80.36 million tonnes in 2010-11 to 137.97 million tonnes in 2019-20.

Crude steel producers in the world (million tonnes)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Quantity 2018</th>
<th>Quantity 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>China</td>
<td>90.00</td>
<td>94.63</td>
</tr>
<tr>
<td>2</td>
<td>India</td>
<td>88.30</td>
<td>111.20</td>
</tr>
<tr>
<td>3</td>
<td>Japan</td>
<td>104.30</td>
<td>99.30</td>
</tr>
<tr>
<td>4</td>
<td>U.S.</td>
<td>80.60</td>
<td>87.30</td>
</tr>
<tr>
<td>5</td>
<td>South Korea</td>
<td>72.5</td>
<td>71.50</td>
</tr>
</tbody>
</table>

Data from the association showed that China also led the world in exports of steel products in 2018, followed by Japan, Russia, South Korea and Germany. These five countries accounted for 42.3 per cent of all exports in the world and India has some way to go before it can gain a place in this league.

In February, the Press Information Bureau announced that according to World Steel Association data, India had become the second largest producer of crude steel, after China in 2018 and 2019, replacing Japan. The United States was in the fourth place in both years, followed by South Korea in 2018 and Malaysia in 2019.

The IBEF report also said that finished steel production more than doubled from 60.62 million tonnes in 2009-10 to 191.57 million tonnes in 2018-19, while consumption of finished steel products rose from 59.34 million tonnes in 2009-10 to 97.34 million tonnes in 2018-19, a growth of nearly 65 per cent.

In 2019, basic oxygen steelmakers accounted for 47 per cent of the steel produced in the country, followed by induction furnaces (27 per cent) and electric arc furnaces (26 per cent).

The IBEF report also said that India’s exports of steel products declined in 2018-19. The exports were 39.94 million tonnes in 2018 and 30.56 million tonnes in 2019. The exports were 34.3 million tonnes in 2018 but fell to 25.99 million tonnes in 2019. The exports zoomed to 34.3 million tonnes in 2018 but declined to 25.99 million tonnes in 2019.

**Strong Performance**

- India replaced Japan as the world’s second-largest steelmaker in 2018.
- Provisional crude steel output hit 106.40 million tonnes in 2018.
- Annual capacity has increased to 177.98 million tonnes.
- Finished steel consumption reached 90.68 million tonnes in 2018.

**Finished steel consumption patterns**

**Finished steel production (million tonnes)**

**Growth in crude steel production capacity**

**Growth in exports of steel products**

**Top global exporters of steel products in 2019**

- China: 68.767 million tonnes
- Japan: 43.839 million tonnes
- Russia: 33.343 million tonnes
- South Korea: 30.056 million tonnes
- Germany: 25.999 million tonnes
- Rest of the world: 2.633.579 million tonnes

**Production capacity by type in 2019**

- Induction furnace: 27%
- Blast furnace: 47%
- Blast oxygen furnace: 26%