

# Budget FY'26

## Implications for India's Steel & Metals Industry

## Budget highlights

### Infrastructure

- Each infrastructure-related ministry will come up with a 3-year pipeline of projects that can be implemented in PPP mode. States will also be encouraged to do so and can seek support from the IIPDF (India Infrastructure Project Development Fund) scheme to prepare PPP proposals.
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### Power

- States will be incentivized to implement electricity distribution reforms and enhance intra-state transmission capacity. These measures aim to strengthen the financial health and operational capacity of electricity companies. Additionally, states that undertake these reforms will be permitted an extra borrowing limit of 0.5% of their GSDP.
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### MSMEs

- The 2nd Engine - To enable MSMEs to scale efficiently, upgrade technology, and improve access to capital, the investment and turnover limits for their classification will be increased by 2.5 times and 2 times, respectively.
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### Mining sector reforms

- Mining sector reforms, including those for minor minerals, will be encouraged through sharing of best practices and institution of a State Mining Index. A policy for recovery of critical minerals from tailings will be brought out.
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### Critical Mineral Mission

- Basic custom duties of cobalt powder and waste, the scrap of lithium-ion battery, Lead, Zinc and 12 more critical minerals have been fully exempted.
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### Export Promotion Mission

- Recognizing exports as the fourth engine of the economy, the government will establish an Export Promotion Mission with sectoral and ministerial targets. Led jointly by the Ministries of Commerce, MSME, and Finance, the mission will enhance access to export credit, provide cross-border factoring support, and assist MSMEs in overcoming non-tariff barriers in international markets.
- A digital public infrastructure, 'BharatTradeNet' (BTN) for international trade will be set-up as a unified platform for trade documentation and financing solutions. This will complement the Unified Logistics Interface Platform. The BTN will be aligned with international practices.
- Support will be provided to develop domestic manufacturing capacities for our economy's integration with global supply chains. Sectors will be identified based on objective criteria.

## Housing

- SWAMIH Fund 2 - Under the Special Window for Affordable and Mid-Income Housing (SWAMIH) fifty thousand dwelling units in stressed housing projects have been completed, and keys handed over to home-buyers. Another forty thousand units will be completed in 2025, further helping middle-class families who were paying EMIs on loans taken for apartments, while also paying rent for their current dwellings.
  - Building on this success, SWAMIH Fund 2 will be established as a blended finance facility with contribution from the Government, banks and private investors. This fund of ` 15,000 crore will aim for expeditious completion of another 1 lakh units.
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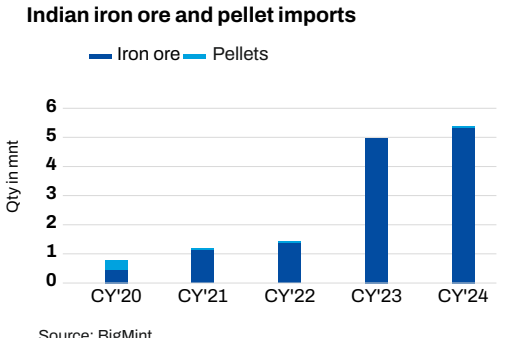
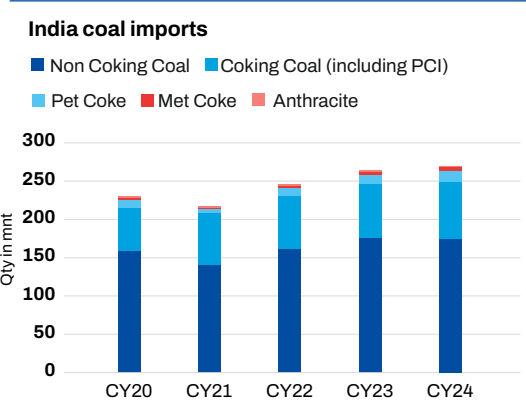
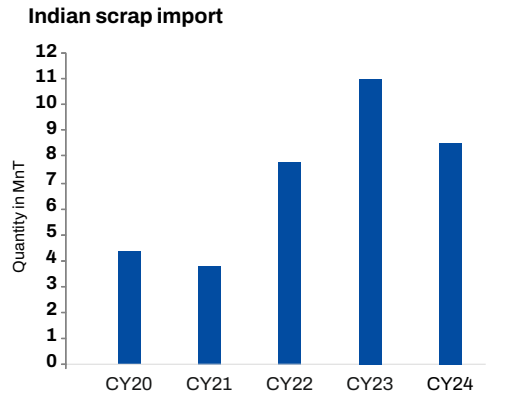
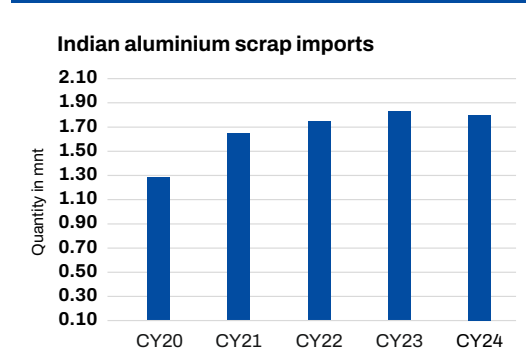
## Manufacturing Mission

- Furthering "Make in India" - Government will set up a National Manufacturing Mission covering small, medium and large industries for furthering "Make in India" by providing policy support, execution roadmaps, governance and monitoring framework for central ministries and states. Given our commitment to climate-friendly development, the Mission will also support Clean Tech manufacturing. This will aim to improve domestic value addition and build our ecosystem for solar PV cells, EV batteries, motors and controllers, electrolyzers, wind turbines, very high voltage transmission equipment and grid scale batteries.
  - Nuclear Energy Mission for Viksit Bharat Development of at least 100 GW of nuclear energy by 2047 is essential for our energy transition efforts. For an active partnership with the private sector towards this goal, amendments to the Atomic Energy Act and the Civil Liability for Nuclear Damage Act will be taken up. A Nuclear Energy Mission for research & development of Small Modular Reactors (SMR) with an outlay of 20,000 crore will be set up. At least 5 indigenously developed SMRs will be operationalized by 2033.
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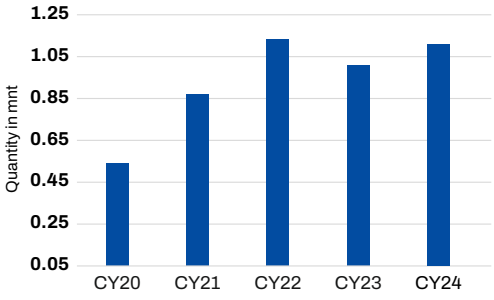
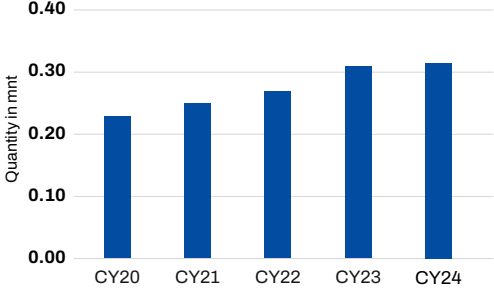
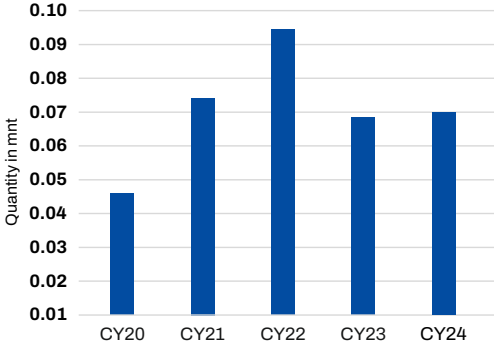
## Shipbuilding

- The Shipbuilding Financial Assistance Policy will be revamped to address cost disadvantages. This will also include Credit Notes for shipbreaking in Indian yards to promote the circular economy. Shipbuilding Clusters will be facilitated to increase the range, categories and capacity of ships. This will include additional infrastructure facilities, skilling and technology to develop the entire ecosystem.

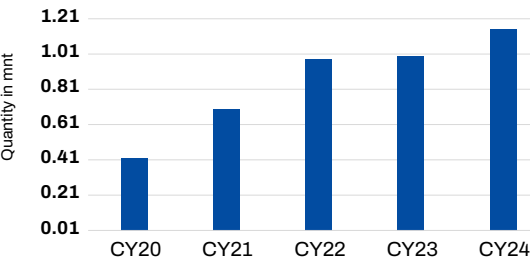
## Customs duty for FY25 & customs duty for FY26

	Commodity	CH No	Customs Duty for FY25	Customs Duty for FY26	Remarks
<b>Indian iron ore and pellet imports</b>  Source: BigMint	Iron Ore	26.01	2.50%	2.50%	Duty Unchanged
	Pellet	26.01	2.50%	2.50%	Duty Unchanged
<b>India coal imports</b>  Source: BigMint	Coking coal	27.01	1% BCD and 1.5% AIDC	1% BCD and 1.5% AIDC	Duty unchanged
	Steam Coal	27.01	1% BCD and 1.5% AIDC	1% BCD and 1.5% AIDC	Duty Unchanged
	Met Coke	27.04	5%	5%	Duty Unchanged
<b>Indian scrap import</b>  Source: BigMint	Melting scrap (iron, steel & stainless steel)	72.04	0%	0%	Duty Unchanged
<b>Indian aluminium scrap imports</b>  Source: BigMint   Customs	Scrap	7602	2.5%	2.5%	Duty Unchanged

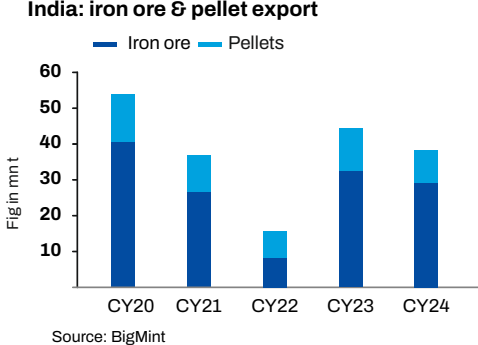
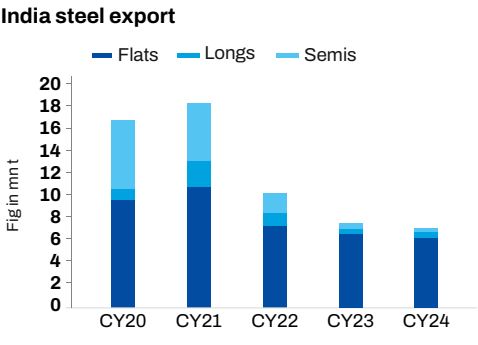
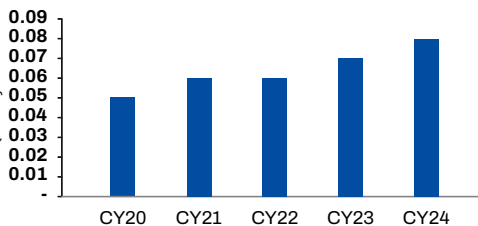
**Customs duty for FY25 & customs duty for FY26**

	Commodity	CH No	Customs Duty for FY25	Customs Duty for FY26	Remarks
<p><b>Indian copper ores and concentrates imports</b></p>  <p>Quantity in mmt</p> <p>Source: BigMint   Customs</p>	Copper Concentrate	26030000	0.0%	0.0%	Duty Unchanged
<p><b>Indian copper scrap imports</b></p>  <p>Quantity in mmt</p> <p>Source: BigMint   Customs</p>	Scrap	7404	2.5%	0.0%	Duty Removed
<p><b>Indian zinc scrap imports</b></p>  <p>Quantity in mmt</p> <p>Source: BigMint   Customs</p>	Scrap	7902	5%	0.0%	Duty Removed

## Customs duty for FY25 & customs duty for FY26

	Commodity	CH No	Customs Duty for FY25	Customs Duty for FY26	Remarks
<b>Indian lead scrap imports</b>  Source: BigMint   Customs	<b>Lead</b>				
	Scrap	7802	5.0%	0.0%	Duty Removed
<b>Indian stainless steel flat product Imports</b>  Source: BigMint   Customs	<b>Stainless steel</b>				
	Flat rolled products	7219	22.5%	15%	Flat-rolled products of stainless steel of width 600mm or more-Other nickel chrome austenitic type. However, the effective BCD is unchanged at 7.5%
<b>Indian steel import</b>  Source: BigMint	<b>Flat steel</b>				
	HR Sheets/ Plates(Non Alloy)	72.11	BCD @7.5% on non FTA origins. 0% duty on FTA origins	BCD @7.5% on non FTA origins. 0% duty on FTA origins	Duty Unchanged
	HR Coils (Non Alloy)	72.08	BCD @7.5% on non FTA origins. 0% duty on FTA origins	BCD @7.5% on non FTA origins. 0% duty on FTA origins	Duty Unchanged
	CR Coils/Sheets (Non Alloy)	72.09	BCD @7.5% on non FTA origins. 0% duty on FTA origins	BCD @7.5% on non FTA origins. 0% duty on FTA origins	Duty Unchanged
	GP/GC, PPGI, Tinplates W/W	72.10, 72.12	BCD @7.5% on non FTA origins. 0% duty on FTA origins	BCD @7.5% on non FTA origins. 0% duty on FTA origins	Duty Unchanged

## Customs duty for FY25 & customs duty for FY26

	Commodity	CH No	Customs Duty for FY25	Customs Duty for FY26	Remarks
<b>Exports duty on steel goods</b>					
<b>India: iron ore &amp; pellet export</b>					
 <p>Source: BigMint</p>	Iron Ore	26.01	30% on high grade ore and nil export duty on low grade	30% on high grade ore and nil export duty on low grade	Duty Unchanged
	Pellet	26.01	Nil	Nil	Duty Unchanged
<b>Steel</b>					
 <p>Source: BigMint</p>	HR Sheets/ Plates(Non Alloy)	72.11	Nil	Nil	Duty Unchanged
	HR Coils (Non Alloy)	72.08	Nil	Nil	Duty Unchanged
	CR Coils/Sheets (Non Alloy)	72.09	Nil	Nil	Duty Unchanged
	GP/GC, PPGI, Tinplates W/W	72.10, 72.12	Nil	Nil	Duty Unchanged
<b>Indian graphite electrode export</b>					
 <p>Source: BigMint</p>	Graphite	854511	Nil	Nil	Duty Unchanged





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