



India: Second-largest Scrap Importer

India has emerged the **world's second-largest scrap importer of steel** toppling South Korea.

- Scrap imports In India increased by 35% in the first half of this year to 3.87 million tonnes.
- This signifies that **the Indian system is not consuming internal scrap of steel, that is generated from old vehicles and machinery components, due to lack of efficient metal recycling facilities and technology**

What will be the benefits of using internal scrap?

- Due to the **slowdown in the domestic steel industry and cheap price of imported scrap metals**, India became the second-largest scrap importer.
- However, India's Internal scrap market holds huge potential, for instance, India will have **22 million obsolete vehicles by 2025** from 8.7 million at present.
- But as of now, **India lacks regulations in scrapping and** recycling is mostly done by the **unorganised segment**.
- Thus, there is a need for a **comprehensive metal recycling policy** so that India can mobilise Internal scrap market.
- **Benefits of using internal scrap:**
 - It will improve **India's balance of trade**.
 - Mobilising internal scrap will **create millions of jobs** in recycling dominated industries like plastic, rubber, glass, fabric, metal industries and technology and the auto sector.
- The government can **incentivise internal scrap mobilisation** in the automobile industry, by steps like **waiver** in the registration fee for a new car can be provided if the buyer produces a certificate for scrapping an old car.

Turkey is still the world's largest recycler and scrap importer of the world.

[Source:THBL](#)

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