

GOVERNMENT OF
INDIA
MINISTRY OF
STEEL

RAJYA SABHA
UNSTARRED QUESTION NO. 3040
FOR ANSWER ON 27/03/2023

STEEL PRODUCTION

3040. DR. DHARMASTHALA VEERENDRA HEGGADE:

Will the Minister of STEEL be pleased to state:

- (a) whether India has emerged globally from being the 4th largest producer to the 2nd largest producer and the 2nd largest consumer of steel;
- (b) whether Production Linked Incentive (PLI) Scheme for domestic production of Speciality Steel has been approved recently, if so, the details thereof, including outlay;
- (c) the objectives, salient features, and the reasons for choosing Speciality Steel;
- (d) the present status of the Scheme and the expected outcome;
- (e) the number of applications received and number of companies selected under the Scheme as on date; and
- (f) the committed investment, capacity addition, and employment likely to be generated under the Scheme?

ANSWER

THE MINISTER OF STATE IN THE
MINISTRY OF STEEL

(SHRI FAGGAN SINGH KULASTE)

- (a) India emerged as world's second largest crude steel producer since 2018 and second largest consumer of finished steel since 2019.
- (b) A Production Linked Incentive (PLI) Scheme for Specialty Steel was approved by the Government on 22.07.2021, with a financial outlay of ₹ 6,322 crores.
- (c) Objective of the PLI Scheme is to promote domestic manufacturing of 'Specialty Steel' within the country by attracting capital investment, generate employment and promote technology up-gradation in the steel sector. Salient features of the scheme include – 3 slabs of incentives, participation only by companies registered in India, commitment to thresholds of investment and incremental production given in the scheme guidelines. Specialty Steel is a value-added steel wherein normal finished steel is worked upon by way of coating, plating, heat treatment and so on, useful in applications requiring specific properties such as defence, space, power, automobile, specialized capital goods etc. Additional production of specialty steel is required for the domestic steel sector to move up the global value chain.
- (d)to(f): Application window was closed on 15.09.2022. Government received 79 applications from 35 companies out of which Memorandum of Understanding (MoU) were signed with 27 selected companies covering 57 applications. Companies participating in the PLI scheme have committed to an investment of ₹ 29,530 crores, downstream capacity addition of 24.78 million tonne and employment to about 55,000.