

GOVERNMENT OF INDIA
MINISTRY OF STEEL
RAJYA SABHA
UNSTARRED QUESTION NO. 3351
FOR ANSWER ON 20.03.2026

SUSTAINABLE MANUFACTURING AND DOMESTIC STEEL DEMAND

3351. DR. K. LAXMAN:

Will the Minister of STEEL be pleased to state:

- (a) the initiatives for promoting green steel production and reducing carbon emissions in the steel sector;
- (b) the adoption of energy-efficient technologies and renewable energy in steel manufacturing;
- (c) the measures to ensure fair pricing and availability of steel for MSMEs and downstream industries; and
- (d) the strategy for balancing imports and exports to support domestic industry while meeting quality requirements?

ANSWER

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

(a)&(b): The initiatives for promoting green steel production, reducing carbon emissions, adoption of energy-efficient technologies and renewable energy in the steel sector are as under:-

- (i) Ministry of Steel has released the Taxonomy for Green Steel to provide standards for defining and categorizing the low emission steel.
- (ii) Ministry of Steel released a report titled "Greening the Steel Sector in India: Roadmap and Action Plan" in alignment with the recommendations of the 14 Task Forces constituted by this Ministry for this purpose which provides the future roadmap for green steel and sustainability, towards net-zero target by 2070. The report is available on Ministry of Steel's website.
- (iii) Ministry of Steel has awarded four (04) pilot projects for use of hydrogen in steel sector under National Green Hydrogen Mission launched by Ministry of New & Renewable Energy.
- (iv) National Solar Mission launched by Ministry of New and Renewable Energy in January, 2010 promotes the use of solar energy and also helps to reduce the emission of steel industry.

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(v) The Bureau of Energy Efficiency under Ministry of Power has implemented the Perform, Achieve and Trade (PAT) Program, under which large steel plants were assigned targets to reduce their specific energy consumption. To achieve these targets, steel plants adopted measures such as waste heat recovery systems, top pressure recovery turbines, coke dry quenching and other energy-efficient technologies.

(vi) Ministry of Power has notified Renewable Consumption Obligation (RCO) in September, 2025, which mandates designated consumers, including from Iron & Steel Sector, to progressively increase the share of renewable energy in their electricity consumption.

(c)&(d): Steel is a deregulated sector and the Government acts as a facilitator by creating a conducive policy environment for the development of steel sector including MSMEs in the country and the decisions regarding pricing and import and export are taken by the steel companies based on techno-commercial considerations, market dynamics, cost of input materials and prevailing taxes/duties. However, Government has taken following steps for balancing imports and exports to support / increase domestic production while meeting quality requirements:-

- i. Implementation of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting 'Made in India' steel for Government procurement.
- ii. Launch of 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.
- iii. Introduction of Steel Quality Control Order thereby banning sub-standard/defective steel products in domestic market as well as imports to ensure the availability of quality steel to the industry, users and public at large.
- iv. In the Union Budget 2026-27, following measures were taken to support domestic manufacturers and boost domestic steel manufacturing:-
 - a. Nil Basic Customs Duty (BCD) has been continued on Ferro-Nickel
 - b. The basic custom duty exemption has been extended up to 31.03.2028 on Ferrous Scrap, Magnesium Oxide (MgO) coated cold rolled steel coils for use in manufacture of cold rolled grain oriented steel and Specified goods for the manufacture of cold rolled grain-oriented steel.
- v. Countervailing Duty (CVD) is in place for Welded Stainless Steel Pipes and Tubes from China and Vietnam.
- vi. Government has imposed safeguard duties on import of "Non-Alloy and Alloy Steel Flat Products" into India for a period of three years, on the subject goods falling under tariff headings 7208, 7209, 7210, 7211, 7212, 7225 and 7226 to safeguard the interests of domestic steel industry.
