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**STANDING COMMITTEE ON
COAL, MINES AND STEEL (2025-2026)**

EIGHTEENTH LOK SABHA

MINISTRY OF STEEL

**Aatmanirbharta in Steel Sector and
Roadmap for 'Made in India' Steel
Production**

TWENTY-FOURTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI
JULY, 2026/ASHADHA 1948 (Saka)**

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**Presented to Lok Sabha on 22.07.2026
Laid in Rajya Sabha on 22.07.2026**



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NEW DELHI
JULY, 2026/ASHADHA 1948 (Saka)**

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COMPOSITION OF THE STANDING COMMITTEE ON COAL, MINES AND STEEL (2025-2026)

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*nominated w.e.f. 16.10.2025 vide Bulletin – Part-II, Para No. 3329 dated 17.10.2025

nominated w.e.f. 05.12.2025 vide Bulletin – Part-II, Para No. 3767 dated 08.12.2025

@ nominated w.e.f. 03.06.2026 vide Bulletin – Part-II, Para No. 5267 dated 04.06.2026

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INTRODUCTION

I, the Chairperson, Standing Committee on Coal, Mines and Steel (2025-26) having been authorized by the Committee to submit the Report on their behalf, present this Twenty fourth Report (Eighteenth Lok Sabha) on the subject 'Aatmanirbharta in Steel Sector and Roadmap for 'Made in India' Steel Production' pertaining to the Ministry of Steel.

2. The Committee selected the subject for detailed examination during 2025-26. The Committee were briefed by the representatives of the Indian Steel Association (ISA) on 24.11.2025, Ministry of Steel and AIIFA Sustainable Steel Manufacturers Association (AIIFA) on 15.12.2025. Based on the oral and written testimonies submitted to the Committee, a report on the subject was prepared.

3. The Report was considered and adopted by the Committee at their sitting held on 20.7.2026. The Minutes of the sittings of the Committee are appended to the Report.

4. The Committee wish to express their gratitude to the Ministry of Steel, Indian Steel Association (ISA) and AIIFA Sustainable Steel Manufacturers Association (AIIFA) for placing material information as well as tendering evidence and views before the Committee.

5. The Committee place on record their profound appreciation for the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

6. For the facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

**NEW DELHI;
...20.. July, 2026
29 Ashadha, 1948(Saka)**

**ANURAG SINGH THAKUR
Chairperson
Standing Committee on Coal,
Mines and Steel**

Chapter 1

INTRODUCTORY

A. Domestic Steel Industry

India is the world's second largest crude steel producer. The domestic steel industry is a major economic driver, contributing about 2% to the GDP, and is fuelled by robust infrastructure growth, the *Atmanirbhar Bharat* (self-reliance) initiative, and booming urbanization. Over the past decade, the Indian steel sector has experienced robust growth in both capacity and production, with steelmaking capacity registering a compound annual growth rate (CAGR) of 11.46% over the last two years. India's steel sector is a key "sunrise sector" with strong and steady growth. It became the world's second-largest steel producer in 2018 and has since retained this position. At the same time, steel consumption has more than doubled over the past 12 years. As demand increased, exports rose while imports declined, improving self-reliance. To support this growth, the government ensured raw material availability and reduced production costs. It also improved access to global markets for Indian steel producers.

1.2 The iron & steel sector serves as an indicator to national development and is crucial for economic development during the nation building phase. The steel capacity of the country has increased from 109.85 MTPA to 200.33 MTPA during 2014-15 to 2024-25. Crude steel capacity needs to grow at a CAGR of 7.0% to reach 300 MT, CAGR of the last three years is 9.1%.

1.3 At present, according to 'World Steel', the world's total production of crude steel for the period of January to December 2024 was 1884.6 MT. During the same period, India produced 149.4 MT, which is a 6.2% increase compared to the production of January to December 2023. *[BN pg 1-Ministry]*. Crude Steel production expanded from 103.545 Million Tonnes (MT) in 2020-21 to 152.180 Million Tonnes (MT) in 2024-25. Crude steel production in 2024-25 registered a growth of 5.4% over 144.299 MT in 2023-24.

Strategic importance of achieving Aatmanirbharta in steel

1.4 Steel plays an important role in a country's economy. It supports sustainable economic growth because it can be recycled and helps complete projects faster. Using more steel in construction and infrastructure projects allows work to be finished more quickly and results in stronger and longer-lasting structures, as steel has high strength compared to its weight and is very durable. Since steel is 100% recyclable, it also helps improve

environmental performance throughout its entire life cycle. Steel consumption is closely linked with a country's GDP, especially during the early stages of nation-building. The National Steel Policy, 2017 aims to make India self-reliant in all types of steel and to make the Indian iron and steel industry globally competitive.

1.5 The major end use segments, where Aatamnirbharta, in steel is critical are Defence and Space, Railways and Automobiles, Renewable Energy sector for reaching net zero goal by 2070 and infrastructure. Lack of domestic capability in these areas can make India vulnerable. Major Steel Players are deploying advanced technology to meet these advanced grade steel.

Growth in Domestic Steel Demand

1.6 As informed by the Ministry of Steel, the growth in consumption of steel in India during the last five years is given below:-

Total Finished Steel (alloy/stainless + non-alloy) Consumption		
Year	Qty.(mt)	% change over previous years
2020-21	94.89	-5.3
2021-22	105.75	11.4
2022-23	119.89	13.4
2023-24	136.29	13.7
2024-25	152.13	11.6
April-December, 2025(P)	119.57	7.0

Source: JPC (*Provisional till December 2025)

1.7 India is recognized as the only large economy showing robust, consistent growth in steel consumption, with demand growing in double digits for several of the past three years. The per capita consumption for 2023-24 and 2024-25 is 97.7 kg and 108.0 kg respectively. In India, steel is primarily consumed in growth driving sectors such as Housing and Construction (43%), Infrastructure development (25%), Engineering and Packaging (22%), Automotives (9%) and Defence (1%). During the financial year FY 2025, the total steel consumption in the country was 152.13 Million Tonnes. However, India's annual per capita steel consumption is 108.0 kg per annum. There is large scope to improve the steel usages in various sectors.

1.8 The rapid pace of growth of the industry and the observed market trends called for certain guidelines and framework. Thus, the concept of the National Steel Policy was evolved with aim to provide a roadmap of growth and development for the Indian steel industry.

National Steel Policy-2017

1.9 The National Steel Policy (NSP) was announced in November 2005 as a basic blueprint for the growth of a self-reliant and globally competitive steel sector. The long-term objective of the National Steel Policy 2005 was to ensure that India has a modern and efficient steel industry of world standards, catering to diversified steel demand. The focus of the policy was to attain levels of global competitiveness in terms of global benchmarks of efficiency and productivity. With passage of time and continued growth in the domestic steel industry, it was felt that the NSP 2005 needs to be in sync with changing times. Accordingly, after a detailed review, the Government has released the National Steel Policy 2017, which has laid down the broad roadmap for encouraging long term growth for the Indian steel industry, both on demand and supply sides, by 2030-31, with a vision to create a technologically advanced and globally competitive steel industry that promotes economic growth. The outcome indicators of NSP 2017 are as follows :-

S.No.	Parameter	Projections (2030-31)
1	Total crude steel capacity (in MTPA)	300
2	Total crude steel demand/production (in MTPA)	255
3	Total finished steel demand/production (in MTPA)	230
4	Sponge iron demand/production (in MTPA)	80
5	Pig iron demand/production (in MTPA)	17
6	Per Capita Finished Steel Consumption (in Kg)	158

(BN pg 1)

Domestically Manufactured Iron and Steel Product (DMI&SP) Policy

1.10 At the same time, as a facilitator in the present day de-regulated, liberalized economic/market scenario, the Government has also announced a policy viz. Domestically Manufactured Iron and Steel Product (DMI&SP) for providing preference to domestically manufactured iron and steel products in Government procurement. This policy seeks to accomplish 'Make in India' with the objective of nation building and to encourage domestic manufacturing and is applicable on all Government tenders.

Steel Sector Capacity

1.11 Steel is a deregulated sector and the Ministry of Steel functions primarily as a facilitator by creating a conducive policy environment for the development of steel sector in the country.. Decisions related to creation of capacity are taken by the industry based on techno-commercial considerations such as availability of raw materials, distance from ports, logistics, market conditions etc.

1.12 India emerged as the world's second-largest steel producer in 2018 and has since maintained this position. It remains the only major economy to have recorded consistent growth in both steel production and consumption, achieving a compounded annual growth rate (CAGR) of 6% between FY 2015-16 and FY 2024-25, significantly higher than other major economies.

1.13 The Ministry has further informed that Government of India's policies have played a pivotal role in driving this growth. Major infrastructure initiatives such as the Gati Shakti Master Plan, National Infrastructure Pipeline, National High-Speed Rail Corridor, and the Smart Cities Mission have boosted creation of infrastructure and domestic steel demand significantly.

1.14 The existing capacities of PSU and Private Sector Integrated Steel Producers (ISPs) are 31 MT and 75 MT respectively. Planned capacity additions by PSU and Private Integrated Steel Producers by 2030-31 stand at 14.4 MT and 93 MT respectively. Secondary producers are also expected to enhance their capacities through increased output of downstream and value-added steel products. This will lead to a total steel production capacity of 333.6 MT in the next 5 years.

Growth of Steel in India vis a vis other countries

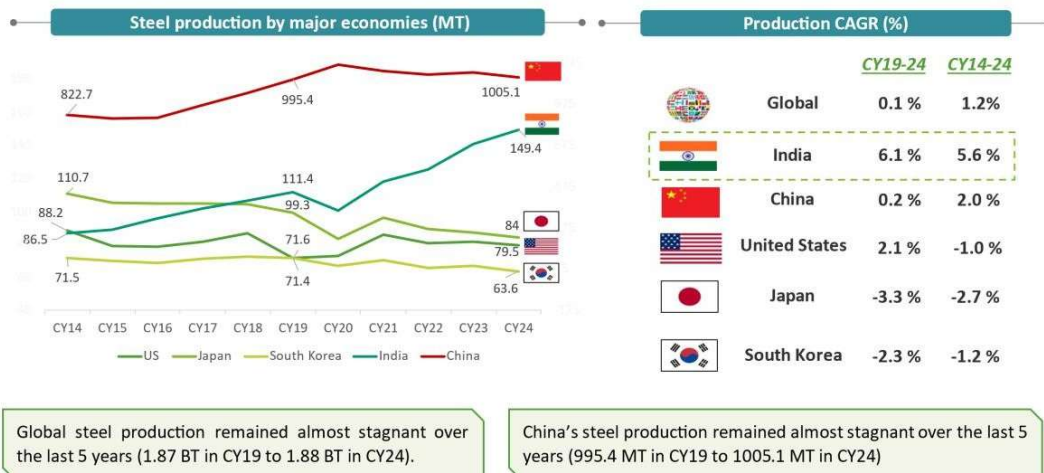
1.15 Regarding growth of steel sector in India as compared to the global scenario, the representatives of the Ministry of Steel briefed the Committee as under:-

“India is the only large economy where we are still growing capacity, production, steel use. It has gone up by 37 per cent in 2024 over 2019, whereas China, USA, Japan, South Korea, all are negative”.

Further, the Ministry has informed that the steel production in India as compared to global economies is as under:

- India had the fastest growth in steel consumption over the last decade while consumption across major economies have either declined or grew marginally
- India's steel consumption has shown an increase of 7% over the last decade
- China's steel consumption has shown increase over last decade but during last 5 years, it has declined at the rate of -1.2%
- World's steel consumption has shown increase over last decade, but it has declined over past 5 years at the rate of -0.4%.
- South Korea, USA and Japan have seen negative growth during the last decade

Growth in consumption is supported by robust steel production in India compared to global economies



Source: World steel

B. Key Challenges in Indian Steel Sector

1.16 The Ministry of Steel have apprised that the key challenges in the steel sector in the country are as under:

“Iron Ore: Regulatory delays, uncertainty in auction processes, and high bidding premiums hinder timely operationalization of iron ore mines, disrupting long-term raw material security for the steel sector -especially for CPSEs. Additionally, limited domestic utilization of low-grade iron ore fines without beneficiation reduces resource efficiency and further constrains domestic ore availability.

Coke: High ash content and inconsistent domestic coking coal quality, coupled with low washery efficiency, limit availability of steel-grade coal. Heavy dependence on Australian imports persists due to challenges in diversifying supply. Meanwhile, slow adoption of stamp-charge battery technology -due to high costs and integration difficulties - constrains efforts to reduce import reliance.

Railways: Rail congestion, manpower shortages, and operational delays, combined with poor connectivity to ports and waterways, hinder timely dispatch and limit multimodal logistics efficiency.

Roadways: Insufficient lane capacity and bottlenecks on major mining and industrial corridors, along with poor last-mile road connectivity to steel and raw material units, cause delays, higher transport costs, and inefficient evacuation and delivery.

Slurry Pipelines: Land acquisition and clearance delays, water availability constraints, and high capital costs with long gestation periods slow down pipeline development and implementation.

Shipping / Coastal & Inland Waterways: Limited mechanized port infrastructure, poor rail connectivity, and slow development of National Waterways hinder efficient cargo handling and evacuation.

India’s specialty steel ecosystem: India faces a shortage of specialty steel capacity vital for defence, space, energy, and automotive sectors. Over a quarter of the country’s FY25 steel imports were specialty and value-added grades, creating strategic supply vulnerabilities. Domestic producers operate at a 5–10% cost disadvantage due to limited indigenous technology, financing challenges, logistical issues, and high-power costs. Heavy dependence on imported equipment and foreign expertise further restrains the growth of India’s own advanced steel manufacturing capabilities”.*[Ministry BN Page 4]*

CHAPTER II

ROADMAP FOR MADE IN INDIA STEEL PRODUCTION

2.1 The Government through various enablers has taken several initiatives for steel sector growth which is encompassed by the following broad key areas:-

A. Augmenting demand and supply

- National Steel Policy, 2017
- Production-Linked Incentive (PLI) Scheme for Specialty Steel
- Preference to Domestically Manufactured Iron & Steel (DMI&SP)

B. Infrastructure Development and logistics

- Rail and Road Infrastructure
- Gati Shakti National Master Plan
- Sagar Mala Project for port connectivity
- Slurry pipelines for transportation
- Logistics cost reduction

C. Raw Material Security

- Iron Ore
- Coking Coal
- Impact of Global Trade Restrictions on domestic steel

D. Sustainability

- Green Steel Taxonomy
- National Green Hydrogen Mission
- Steel Scrap Recycling Policy 2019

A. Augmenting Demand and Supply

(i) National Steel Policy (NSP), 2017 Projections vis-à-vis Current status of the steel sector

2.2 As informed by the Ministry of Steel, the capacity target of 300 MT was envisaged in the National Steel Policy (NSP), 2017, which

provides policy direction to the steel sector in India with the objective of creating a technologically advanced and globally competitive steel industry that supports economic growth.

The current status of the steel sector vis-a vis projections in National Steel Policy (NSP), 2017, is given below:Parameter	Projections till 2030-31 as per NSP 2017	Current Status (2025-26) (as on 31 st March 2026)
Total crude steel capacity(Million Tons)	300	220.3
Total crude steel demand/ production (Million Tons)	255	169.2
Total finished steel demand/ production(Million Tons)	230	161.7
Per Capita Finished Steel Consumption (in kgs)	158	115.5

2.3 Regarding the target of achieving 300 MTPA crude steel capacity by 2030-31 as laid down in the National Steel Policy, 2017 against the current capacity of 200.27 MTPA (FY 2024-25), and the specific interventions and timelines implemented by the Ministry to bridge the gap of 99.73 MTPA in the next 6 years, the Ministry replied as under:

“.....The current installed capacity stands at 220.3 MTPA up to March 2026..... Based on announced expansion plans of major steel producers, crude steel capacity is expected to increase progressively from the current level to around 235 MTPA in FY 2026-27 and reach or exceed 300 MTPA by FY 2030-31. These figures are indicative in nature, as actual capacity creation depends on investment decisions taken by the industry.

Capacity addition over the past three years has recorded a CAGR of approximately 9percent, which is higher than the about 7 percent CAGR required to achieve the 300 MTPA target by 2030-31. This growth rate is considered broadly sustainable in the medium term, supported by strong domestic demand, ongoing brownfield expansions by major producers, policy stability, and continued public investment in infrastructure. However, beyond FY 2025-26, the pace of capacity expansion may be influenced by the availability and

cost of iron ore and coking coal, capital intensity of large steel projects, financing conditions, logistics and evacuation infrastructure in certain regions, environmental clearances, land acquisition timelines, and volatility in global steel prices. The Ministry is actively engaging with stakeholders to anticipate and mitigate these challenges”.

(ii) Production Linked Incentive (PLI) Scheme for Speciality Steel

2.4 Production-Linked Incentive (PLI) Scheme for Specialty Steel was approved by the Union Cabinet with a financial outlay of ₹6,322 crore. The scheme was approved to promote the manufacturing of “Specialty Steel” within the country by attracting capital investment, generate employment and promote technology up-gradation in the steel sector. The scheme was notified on 29th July 2021, and the implementation guidelines were published on 20th October 2021.

2.5 The scheme covers five broad product categories, Coated/Plated Steel Products, High Strength/Wear Resistant Steel, Specialty Rails, Alloy Steel Products & Steel Wires and Electrical Steel.

2.6 Two rounds of applications have been concluded so far in which 44 projects from 19 participating companies (under PLI scheme 1.0) and 42 projects from 25 participating companies (under PLI scheme 1.1) have been received in the first and second rounds, respectively. Major Integrated Steel Producers (ISPs) and secondary producers have participated in both the rounds.

2.7 Each participating company has signed a project-wise memoranda of understanding (MoU) with the Ministry of Steel. A MoU contains the terms of participation, yearly investment and production commitments. The scheme offers incentives within a tenure of five years on fulfilling investment and production commitments evaluated at the time of submission of incentive claims by the company.

2.8 During the scheme tenure of first round, an investment of Rs. 27,106

Crores, generation of 14,760 direct employment opportunities and production of about 7.9 million tonnes of specialty steel have been committed.

2.9 The second round of the PLI scheme was launched on 06th January 2025. Under PLI 1.1, an investment of Rs.17,000 Crores, generation of 16,000 direct employment opportunities and achieving production of about 6.4 million tonnes of specialty steel are expected.

The details of key performance indicators for PLI Scheme for Specialty Steel till Sep'25 is as below:

Status of PLI Scheme for Specialty Steel

Cumulative Investment (INR Crores.)	Cumulative Production (in tonnes)	Cumulative Employment
22,973	2,308,000	13,284

2.10 Regarding capacity addition and 'Made in India' targets under Speciality Steel, the Indian Steel Association (ISA) in a written response to the Committee during the examination of the subject, informed as under:-

"The scheme has helped attract investment and has encouraged Indian companies to start making high-value specialty steel that was imported. Since India imported around 4 million tons of specialty steel worth about ₹300 billion in 2020–21, when the PLI scheme was brought in for new categories of specialty steel and also to increase the exiting specialty steel capacity for import substitution. Most projects are still under implementation, and full results will be visible only over the next few years because specialty steel plants need long time, complex technology, technology transfer agreements and high capital investment.

The scheme has succeeded in creating intent and commitment for domestic production of specialty steels such as automotive steel, electrical steel, coated steel, and alloy steels. Some import dependence has started reducing in selected segments, but India still relies on imports for many high-end grades. Therefore, while the direction of the PLI scheme is correct, its impact on imports is gradual rather than immediate.

Companies implementing PLI projects face several challenges. These include delays in acquiring advanced technology, high capital and energy costs, shortage of skilled manpower, slow regulatory and environmental clearances, and uncertainty in raw material prices. In some cases, meeting the strict timelines and production thresholds under the scheme has also been difficult, especially for complex specialty steel grades that require trial runs and customer approvals.

To improve the effectiveness of the PLI scheme in future, we suggest the incentive that are being provided should not have complex eligibility and stringent criteria as maximum cap for each company is not more than 200 crores under PLI, this includes group companies which is meagre in comparison to the investments being made.

Allowing more flexible timelines, providing stronger support for R&D and technology transfer, faster clearances, assured government and PSU procurement of specialty steel, export support, and continued policy stability will help companies scale up production and make India a competitive hub for specialty steel. With these improvements, the PLI scheme can play a much bigger role in for absolute Aatmanirbharta in Steel and building an export-oriented specialty steel industry and the vision of Hon'ble Prime Minister of India- Make in India-Make for the World".

Gap between commitments and achievements under PLI

2.11 During the examination of the subject, the Committee had observed the following gap between commitments and achievements under PLI:-

- a) PLI 1.0 and PLI 1.1 combined have attracted investment commitments of ₹44,106 crores with estimated production of 14.3 MT specialty steel. As of October 2025, actual investment is ₹22,973 crores (52% of commitment) and production is 2.308 MT (16% of target), the factors causing this significant gap between commitments and achievements ;
- b) PLI 1.0 targets 7.94 MT incremental production but has achieved only 2.329 MT (till October 2025) with a FY 2025-26 target of 1.255 MT, whether the Ministry is confident that the remaining 5.6 MT will be achieved before scheme completion and the key bottlenecks ;
- c) The third round PLI 1.2 launched on 31st October 2025 focuses on super alloys,

CRGO, stainless steel, and titanium alloys.

On being asked about the possibility of PLI 1.2 achieving its aims, given that PLI 1.0 and 1.1 have underperformed. the Ministry of Steel furnished the following written reply:

“The apparent gap between investment and production commitments and the achievements as of October 2025 is primarily attributable to the phased and long-gestation nature of steel projects, rather than any withdrawal of commitments. The PLI Scheme for Specialty Steel is applicable for a five-year production period, with FY 2023-24 being the first year of production and FY 2024-25 the first year of incentive disbursement. The final year of production under the original timeline is FY 2027-28, with incentive disbursement continuing up to FY 2028-29. Further, for companies that have been granted deferment due to changes in business or project timelines, production is permitted up to FY 2029-30 and incentive disbursement up to FY 2030-31.

As of October 2025, actual investment of ₹22,973 crore represents 52% of the total committed investment of ₹44,106 crore, while the remaining ₹21,133 crore is expected to be invested progressively up to FY 2029-30. Accordingly, the investment trajectory remains aligned with the approved timelines, and there is no material dilution of committed investments. Production levels are currently lower because a significant number of projects are still under construction or commissioning and are yet to commence commercial production.

Achievability of remaining PLI 1.0 production target

Under PLI 1.0, the target incremental production is 7.94 MT, against which 2.329 MT has been achieved up to October 2025, with a target of 1.255 MT for FY 2025-26. The Ministry remains confident of achieving the balance production within the scheme period, as most participating companies have already made substantial capital investments and are at advanced stages of project execution.

The slower production ramp-up is attributable to project-related bottlenecks such as delays in procurement of specialised machinery, civil construction timelines, commissioning challenges, and global supply-chain uncertainties. Additionally, 18 MoUs under PLI 1.0 have availed a one-year deferment in production, which has shifted

output to subsequent years without affecting the overall committed capacity. The steel sector's exposure to market volatility, including fluctuations in input costs and output prices, has also influenced the pacing of commissioning decisions.

PLI 1.2

PLI 1.2, launched on 04.11.2025, has been designed after incorporating lessons learnt from PLI 1.0 and 1.1. The focus areas – super alloys, CRGO steel, stainless steel and titanium alloys — are strategic, high-value segments with strong and sustained domestic demand, import dependence, and clear downstream linkages.

The Ministry has provided greater clarity on timelines, eligibility conditions, and monitoring mechanisms under PLI 1.2, while also engaging closely with industry to ensure realistic capacity planning. The Ministry will continue close monitoring and stakeholder engagement to ensure timely execution and course correction wherever required “.

2.12 Regarding the five PLI product categories, (Coated Steel, High Strength/Wear Resistant, Specialty Rails, Alloy Steel, Electrical Steel), the Committee desired to be apprised about those categories that are underperforming along with the reasons. To this, the Ministry replied as under:-

“Categories of Alloy steel, coated steel and high strength/wear resistant steel have received significant commitments. Steel projects are highly capital intensive and involves co-ordination with many stakeholders. Availability of critical equipment required for these projects is affected by uncertainties in global supply chain. Steel sector being deregulated, is exposed to market dynamics which includes volatility in input costs and fluctuation in output prices” .

2.13 The Committee further examined regarding the sectoral breakdown of investments (new capacity vs. capacity expansion vs. technology upgrades to which the Ministry replied as under:-

“Approximately 95% investments have been committed for new capacities in specialty steel. About 5% investments have been committed for capacity expansion/augmentation”.

2.14 The Committee observed that the Ministry has suspended QCOs on 42 BIS standards for three years and 13 specialty steel standards under PLI 1.2 for one year (effective 20th November 2025). The High Level Committee on NFRR on Non-Financial Regulatory Reforms (HLC-NFRR) recommended retaining QCOs on 37 BIS standards for safety, small producers, unfair trade practices, national security, and PLI adequacy. The Committee desired to be apprised as to how the Ministry will ensure that QCO removal for 107 products does not result in compromising safety. In this regard, the Ministry replied as under:-

“As per the recommendations of the Report of High-Level Committee on Non-Financial Regulatory Reforms regarding Quality Control Orders on Steel Products, the Ministry of Steel has issued the Steel and Steel Products (Quality Control) Amendment Order, 2025. Through the said Order, the Ministry has adopted a calibrated approach and suspended QCO enforcement for 55 standards (42 standards for three years and 13 standards relating to specialty steel under PLI 1.2 for one year). The remaining 96 standards have been retained on grounds of health & Safety, support to small steel producers, preventing unfair trade practices, upholding national security etc. as detailed below: -

(i) Health/Safety: BIS standards/steel products, which are related to safety and health considerations have been retained.

(ii) Small Steel Producers: About 2356 Small Steel Producers contribute 47% of India's Steel production. They are already in financial stress due to low steel prices and units of 181 small producers have either already closed down or running at less than 10% capacity. There is a great possibility of cheap Chinese steel flooding into market, if QCO related to these products are suspended. Hence, such steel products being produced by Small Steel Producers are being retained.

(iii) Unfair trade practices: Steel Sector is a Strategic Sector and complete dependence of sourcing it from other countries may not be the right approach especially on price consideration, where only relevant source is China/ ASEAN countries and unfair trade

practices lead to lower price of steel. Such over dependence on unified source may create a supply chain issue based on geopolitical factors, as is being faced in the case of rare earth metal. There are steel products which can come in bulk quantities from China and adversely impact the domestic steel players, due to unfair pricing and can also create over dependence on China. There is criterion in the BIS Act for implementation of QCO for prevention of unfair trade practices. Hence, BIS standards/steel products are being retained on the basis of unfair trade practices criterion.

(iv) National Security: Under the criteria of National Security under the BIS Act, Steel products related to Defence, Atomic Energy etc. are being retained on National Security ground.

Adequate capacity in Specialty Steel and included in PLI: Ministry of Steel has launched Production Linked Incentive (PLI) Scheme for incentivizing production of Specialty Steel in the country with allocation of Rs.6,322 crore in the year 2021. Three rounds of PLI have been launched respectively in the year 2021, January 2025 and November 2025. Ministry has agreed for suspension of QCOs for Specialty Steel in which very little or nil capacity exists in the country and it will take some time to create the capacity

(iii) Preference to Domestically Manufactured Iron and Steel Products(DMI &SP)

2.15 The government introduced the DMI&SP Policy to provide preference to domestically produced iron & steel material in Government tenders. The policy seeks to accomplish 'Make in India' with the objective to encourage domestic manufacturing. Features of the amended DMI&SP policy, 2025 are as follows:

- i. All government ministries, departments, public sector units (PSUs), and entities under their control must source iron and steel products domestically.
- ii. The policy covers procurement of iron and steel for projects under centrally sponsored and central sector schemes, for items valued above ₹5 lakh.

- iii. For capital goods packages used in steelmaking domestic value addition in the range of 30-95% is mandated. Alongside, products that can be imported are also indicated.
- iv. The Ministry of Steel may grant waivers if specific grades or quantities of steel cannot be sourced within India, but only upon demonstration of non-availability.
- v. Suppliers from countries that restrict Indian companies from bidding in their public procurement tenders are barred from bidding for Indian government steel contracts, unless specifically allowed by the Ministry.
- vi. To promote self-reliance in technologies used in the Indian iron and steel sector by incentivizing the adoption of indigenous technologies across all stages of steel manufacturing

B. Infrastructure Development and Logistics

2.18 Logistics and Infrastructure are one of the key challenges faced by the Indian Steel Sector. During an interactive session with the Indian Steel Association (ISA), the representative of ISA briefed the Committee as follows:-

“All the steel companies right now are investing heavily into infrastructure steel because that is going to be the future in very short time. The moment the policy makers understand, solution lies in urbanization and vertical movement, it will happen. Earlier we used to think that steel is more expensive than cement. But we have seen the live cases. It gives more space within a building. A steel building has more space. There are a number of advantages. Normal construction takes five years. This takes only one-and-a-half years or one year. There is less pollution, less time taken, and quick delivery for the policy makers.”

2.19 The Key logistical challenges impacting the steel sector as informed by the Ministry of Steel are as under :

Railways

- High rail congestion and limited rake/wagon availability affecting timely dispatch
- Inadequate manpower and operational delays at loading/unloading points

- Inadequate rail connectivity to ports and waterways, limiting multimodal logistics efficiency

Roadways

- Congestion on key mining and industrial corridors due to insufficient lane capacity and bottlenecks
- Last-mile road connectivity to many steel and raw material units remains inadequate, with narrow feeder roads, congestion, and poor infrastructure causing delays, higher transport costs, and inefficiencies in evacuation and delivery.

Slurry Pipelines

- Land acquisition and Right-of-Way (RoW) delays for pipeline corridors
- Multiple statutory clearances (EC, forest, RoW), leading to long implementation timelines
- Water availability constraints and limited arrangements for reuse/recycling
- High upfront capital expenditure and long gestation period

Shipping / Coastal & Inland Waterways

- Infrastructure deficiencies at ports and terminals, including limited mechanized handling capacity
- Inadequate rail connectivity to ports restricting seamless evacuation
- Limited operationalization of National Waterways; most are still in early development stages

(i) Rail and Road Infrastructure

2.20 Rail congestion and wagon/rake unavailability are critical bottlenecks. The Committee desired to be informed regarding the current average rake turnaround time for steel movements, and the target for FY 2030-31 and also the Ministry of Steel's coordination with the Ministry of Railways on dedicated rake allocations for steel. Since Last-mile road connectivity remains inadequate with narrow feeder roads and congestion the Committee desired the Ministry to outline the strategy to integrate state highways and rural roads serving steel and mining clusters with the national logistics grid. To this, the Ministry replied as under :- *[updated replies*

“Rail congestion and wagon/rake unavailability are recognised as critical constraints affecting the cost competitiveness, reliability and sustainability of steel sector logistics. The Ministry of Steel has been engaging closely with the Ministry of Railways and other concerned Ministries to address these bottlenecks in a coordinated and time-bound manner.

Current Rake Turnaround Time and Target for FY 2030–31

Analysis undertaken under the Sectoral Plan for Efficient Logistics (SPEL) for Iron and Steel Sector indicates that the current average rake turnaround time (TAT) for iron ore and steel movements is about 5–6 days. This is primarily attributable to congestion, mineral-dense corridors, inadequate line capacity and yard infrastructure, limited mechanisation at sidings and terminals, and wagon/manpower constraints on peak routes. Elevated rake TAT reduces effective rail capacity and leads to diversion of traffic to roads, increasing logistics costs and emissions. In alignment with the National Steel Policy 2017, PM GatiShakti, National Master Plan, and capacity augmentation under the Dedicated Freight Corridor (DFC) programme, the Ministry of Steel, in coordination with the Ministry of Railways, is targeting a reduction in average rake turnaround time to about 3 days by FY 2030–31. This improvement is expected through progressive commissioning of Eastern and Western DFCs to decongest existing trunk routes, expansion and modernisation of steel-plant rail sidings with mechanised loading/unloading and longer loop lines, and adoption of higher-capacity wagons supported by operational reforms such as electronic train management systems and real-time rake tracking.

Coordination with Ministry of Railways on Rake Availability

The Ministry of Steel has been coordinating the progress closely with the Ministry of Railways through structured inter-ministerial mechanisms, including Logistics committee review meetings chaired by Secretary (Steel), dedicated discussions with Railway authorities, and identification of priority rail infrastructure projects critical for steel logistics, including doubling, tripling, quadrupling and new line projects in mineral-intensive corridors.

While Indian Railways does not earmark rakes on a sector-

exclusive basis, these coordinated interventions are aimed at ensuring predictable and adequate rail capacity for steel and raw material movements, supported by policy measures like promotion of high-capacity wagons for bulk traffic, and aggregation-based rail services for smaller steel units.

Last-Mile Road Connectivity and Integration with National Logistics Grid

The Ministry recognises that inadequate last-mile road connectivity—particularly narrow feeder roads linking mines, steel plants and logistics nodes to National and State Highways—remains a significant bottleneck. Sectoral Plan for Efficient Logistics (SPEL) assessment indicates that a large number of steel and iron ore units are located 2–7 km away from NH/SH networks, connected by narrow roads passing through habitations, resulting in congestion, delays and higher logistics costs. Approximately 1,000 km of first-and last-mile road infrastructure across key steel-producing states has been identified for upgradation”

(ii) **Gati Shakti National Master Plan**

2.21 In alignment with the National Steel Policy 2017, PM GatiShakti, National Master Plan, and capacity augmentation under the Dedicated Freight Corridor (DFC) programme, the Ministry of Steel, in coordination with the Ministry of Railways, is targeting a reduction in average rake turnaround time to about 3 days by FY 2030–31. To address the issue of logistics and Infrastructure, the Ministry of Steel is pursuing a multi-pronged strategy in coordination with the Ministry of Road Transport & Highways, State Governments and other stakeholders, which includes: -

- Integration of steel and mining clusters into the PM GatiShakti digital platform to identify last-mile gaps and prioritise connectivity projects,
- Promotion of Multi-Modal Logistics Parks (MMLPs) near major steel clusters to enable efficient modal shifts and reduce dependence on congested urban road networks.[lop question 7]

the development of Multi-Modal Logistics Parks (MMLPs) under PM Gati Shakti, along with port-linked

and hinterland warehousing hubs at locations such as Haldia/Kolkata, Vizag and Raipur–Raigarh, aims to reduce handling, inventory and aggregation costs while improving access to organised logistics.

Sagar Mala Project for port connectivity

2.22 The Committee desired the Ministry to furnish details regarding the Sagar Mala Project which aims to improve port connectivity and the percentage of India's iron ore and finished steel export/import traffic that is expected to be handled through improved port infrastructure by FY 2030-31 ; the current status of coastal and inland waterway operationalization for steel movement ; and also, the time required for the National Waterways Program for steel logistics to become operationalized. To this, the Ministry submitted as under:-

“The Ministry of Steel has undertaken an assessment of sectoral logistics for the iron and steel sector. The findings in the draft report of the assessment indicates that, under the Sagarmala Project, with port modernization and enhanced hinterland connectivity around 15% of India’s iron ore and approx. 3% of steel movement is expected to be handled through this improved port infrastructure by FY 2030–31,

At present, coastal shipping for steel movement has been partially operationalized, with limited but gradually increasing movement along the eastern and western coasts. Inland waterway transportation of steel remains at early development and pilot stage, restricted to select stretches such as National Waterway-1 [Ganga-Bhagirathi-Hooghly River system (1620 Km)] and National Waterway-2 [Brahmaputra River system (891 Km)] “.

(iii) Slurry pipelines for transportation

2.23 Slurry pipelines are used to transport fine particulate solids, such as iron ore, coal, or mining waste over long distances. Slurry pipelines for iron ore transport are seen to face land acquisition and Right of Way (RoW) delays. When the Committee desired to be apprised about the o slurry pipelines currently serving major steel clusters; and water availability constraints, the Ministry

informed as under:-

“ Iron ore slurry pipelines are a globally established mode for bulk transportation of minerals, offering significant advantages in terms of lower logistics cost, reduced carbon emissions, minimal land footprint and lower dependence on rail and road networks.

In India, despite large iron ore production and proximity of mines to steel and pellet plants, the share of slurry pipelines in iron ore transportation remains limited. This is primarily due to Right of Way (RoW) constraints, land acquisition challenges, multiple regulatory clearances and concerns related to water availability.

Present Operational Slurry Pipelines: At present, only 34 MTPA of iron ore slurry pipeline capacity is operational in India, constituting approximately 6% of total iron ore movement.

Existing operational pipelines primarily serve coastal steel and pellet clusters such as Paradip, Kalinganagar and Visakhapatnam, linking them with iron ore mining belts in Odisha, Chhattisgarh and Maharashtra

Water Availability Concerns & Water Sourcing Strategies

Water constraints are real and material, particularly in Odisha and Chhattisgarh. Slurry pipelines are water-intensive. For instance, a 30 MTPA, 300 km pipeline requires 87,840 m³/day of water.

Return water pipelines, closed-loop recycling, and desalination form the core water management strategy, ensuring slurry pipelines remain both economically viable and environmentally sustainable.

Return Water Pipelines (RWP):

- Return water pipelines are emerging as the primary mitigation strategy.
- RWPs allow 85% of water to be recovered and reused, reducing freshwater withdrawal drastically.

Closed-loop Recycling Systems:

- Slurry pipelines are designed as zero-discharge systems, where water recovered at pellet or steel plants is pumped back to the mine end.

- This reduces environmental discharge risks and dependence on continuous freshwater abstraction.

Desalination for Coastal Units:

- For coastal steel clusters (Paradip, Visakhapatnam, Angul), desalination plants are being evaluated either for make-up water or full water sourcing.
- This approach reduces dependence on river systems and enhances long-term sustainability” .
- 2.24 Regarding slurry pipelines, the Indian Steel Association (ISA) representatives informed the Committee as under:-

“.....slurry pipeline is the solution for decarbonisation as we will reduce that much of movement. We also need slurry pipeline approvals which have not been coming very easily in many of the States. , we want natural gas and petroleum products under GST. Then, electricity duty varies from State to State. If we have to transport RE power from one State to another State, we must look at how it should not become very expensive because it is not possible that everywhere solar energy is generated. So, wherever it is possible, we capture the wind energy, solar energy, and the likewise. The transfer charges need to be rationalised which will help India to grow with more renewable energy. The only way is decarbonise, especially for steel and we will need support because almost ranging from 220 kg of reduction in carbon to more than 300 kg reduction in carbon for those who are in the electric arc furnace can take place only through renewable conversion to more of renewable energy”.

(iv) Logistics Cost Reduction

2.25 For every one ton of finished steel, four tons of freight movement is undertaken. Within India, road and rail freight both are very high, making Indian steel industry becoming uncompetitive outside the factory gate. As per Niti Ayog report, outside the factory gate, there are cost disadvantages for Indian steel industry given in the following chart:

USD/Ton	
Logistics and Infrastructure	25-30
Power	8-12
Import duty on Coal	5-7
Clean Energy Cess	2-4
Taxes and duties on iron ore	8-12
Finance	30-35
Total cost	80-100

2.26 Regarding reduction in cost of logistics including rationalisation of freight classification for iron ore and coal, development of warehousing hubs, and multimodal steel logistics corridors, the Ministry informed the Committee as under:-

“The sectoral logistics analysis done by this Ministry suggests that the estimated logistics disadvantage of USD 80–100 per tonne is directionally correct but represents an upper-end scenario rather than an all-India average. Mode-wise cost assessments show that dependence on road transport, first- and last-mile rail gaps, port handling charges, higher rail freight classifications and surcharges can add ₹600–1,200 per tonne per leg, which compounds across multiple movements of iron ore, coal and finished steel. When combined with indirect factors such as idle freight due to wagon constraints, longer turnaround times, power costs, royalties and taxes, the cumulative disadvantage for inland steel plants and MSMEs, especially those distant from mines or ports, can plausibly approach USD 80–100 per tonne, whereas coastal or corridor-connected plants experience a much lower penalty. Thus, while the figure may overstate the average, it is credible for high-logistics-intensity producers, underscoring the importance of the reforms proposed by this Ministry.

Indicative logistics cost by mode of transportation:

Mode of transport	Typical distance suitability	Logistics cost (₹/tonne-km)	Total cost example* (₹/tonne)	Key remarks
Road	<300 km, last-mile	~3.5	~2,830–2,930 (780 km case)	High flexibility, but costly and congestion-prone
Rail	300–1,000 km, bulk	~2.3	~1,620–1,720 (650 km case)	Most economical for steel if surcharges are rationalised
Inland waterways (NW-1)	>1,000 km, bulk	~1.06	~1,805–1,905 (Haldia–Varanasi)	Low cost, but port/handling adds ₹300–400/tonne
Slurry pipeline (iron ore)	100–500 km, high volume	~0.86	Lowest among modes	Very low operating cost; high upfront capex

2.27 The said logistics disadvantage is sought to be addressed through a combination of rail freight rationalisation, creation of warehousing and logistics hubs, and development of multimodal steel logistics corridors. Key proposed reforms include reclassification of iron ore freight from Class 165 to Class 145, aligning it with other bulk raw materials, and reversal of the enhanced special classification for coal/coke from Class 145A to Class 145, which together would significantly lower the landed cost of key inputs. In addition, withdrawal of the 15% Busy Season Surcharge, restoration of long-lead freight concessions for steel, and review of short-lead concessions for iron ore and coal have been recommended to directly reduce rail freight burden, particularly for MSMEs”.

2.28 Regarding logistics costs incurred by Indian steel producers and the global bests the Ministry replied as under:-

“Indian steel producers presently incur logistics costs of about 16–18% of revenue, compared to the global benchmark of 10–12%. The Ministry expects a substantial reduction in this gap by FY 2028–29, aligned with the commissioning of major rail infrastructure projects under the PM Gati Shakti National Master Plan.

By FY 2028–29, over 14,000 km of rail infrastructure is expected to be operational, including ~2,840 km of Dedicated Freight Corridors (Eastern and Western DFCs), ~3,000 km of feeder and last-mile connectivity, and ~7,000 km of capacity augmentation works such as doubling and tripling on high-density steel routes. These projects will enable segregation of freight traffic, higher axle loads, longer trains and improved turnaround time.

The commissioning of this rail network is expected to facilitate a significant modal shift of steel and raw material movement from road to rail, improve the reliability of bulk logistics and progressively bring down logistics costs of the steel sector towards global benchmarks”

C. Raw Material Security

2.29 India’s main advantage lies in the availability of iron ore. For long term survival and availability of right quality of iron ore specially for decarbonization which requires high FE content iron ore, beneficiation will play a key role. The present royalty scheme makes this unviable.*[BN -ISA-page 5]*. The key challenges faced by the steel sector regarding raw material security (iron ore, coking coal etc) can be outlined as follows:-

(i) Iron Ore

- Regulatory and environmental approvals delay mining operationalization and expansion, indirectly affecting ore security.
- Auction or reallocation of cancelled/expired iron ore leases creates uncertainty and delays in securing operational mines, resulting in disrupted iron ore availability and impacting long-term supply planning for the steel sector.
- Auction of iron ore leases poses a challenge for CPSEs, as high bidding premiums and aggressive auction conditions make it difficult for them to compete and subsequently operationalize the mines, underscoring the need for a reservation route to ensure timely and secure raw material supply.
- Low-grade iron ore fines (45–55% Fe) have limited domestic use and without beneficiation, large quantities remain underutilized or exported, challenging resource efficiency and domestic ore availability.*[PPT-Ministry]*

2.30 The Committee noted that the Ministry identifies regulatory delays, auction uncertainty, and high bidding premiums as key challenges in iron ore mine operationalization. The Committee desired the Ministry to identify the number of iron ore mining leases which remained operationalized versus cancelled/expired as of December 2025 ; the average time taken for operationalization post-auction and low-grade iron ore fines (45-55% Fe) that remain largely underutilized without beneficiation ; the current beneficiation capacity in India, and the investment that has been committed to scale this up ; the specific number of beneficiation plants being commissioned in FY 2025-26 and FY 2026-27 and whether the Ministry has considered establishing a dedicated mine allocation route for PSUs (similar to coal sector practices) rather than competing in open auctions. To this, the Ministry replied as under:-

“After the auction of an iron ore mining lease in India, the time required to operationalize the mine typically ranges from 24 to 60 months, depending on the mine’s prior status and the readiness of statutory approvals. For re-auctioned (previously operational) mines, successful bidders generally require 18–30 months to recommence production, as baseline geological data, land acquisition, and infrastructure (haul roads, beneficiation linkages, rail sidings) often already exist. In contrast, virgin or greenfield leases usually take 30–60 months, as they must sequentially secure approvals such as Mining Plan approval, Environmental Clearance (EC), Forest Clearance (FC) where applicable, land acquisition, Consent to Establish/Operate, and development of mining and evacuation infrastructure. Delays are most commonly driven by EC/FC timelines, land access issues, and last-mile rail or port connectivity rather than mining readiness.

From a regulatory standpoint, the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act)—as amended and prescribes defined milestones and timelines for operationalisation after auction. Typically, the successful bidder must obtain all statutory clearances within 2 years of grant of the mining lease (extendable in limited circumstances where delays are attributable to the Government). Failure to meet prescribed milestones triggers progressive penalties:

- i. Forfeiture of a portion or the entirety of the performance security,
- ii. Levy of additional charges or interest, and, in

- prolonged non-compliance
- iii. Termination of the mining lease with re-auction of the block.

2.31 The performance security quantum is substantial (linked to lease area and notified rates), making non-operationalisation economically punitive. These provisions were tightened to curb speculative bidding and ensure that auctioned iron ore resources are brought into production within a predictable timeframe, supporting domestic steel sector raw material security

Low-grade iron ore fines containing 45–55% Fe are generally rendered suitable for the iron and steel industry either through beneficiation or by blending with higher-grade ores. Fines in the 1–10 mm size fraction are typically utilised as feed for sinter production, even at lower iron grades. However, ultra-fines <1 mm are suitable only for pelletisation, for which a minimum iron content $\geq 61\%$ Fe is required. Consequently, iron ore fines of <1 mm size and <61% Fe must necessarily undergo beneficiation to upgrade the iron content, followed by pellet making, or be blended with high-grade ores to achieve an average grade of $\geq 61\%$ Fe. In the absence of beneficiation processing or blending, these low-grade ultra-fines are typically diverted to export markets.

India's installed iron ore beneficiation capacity currently stands at 114.15 million tonnes (MT), with capacity utilisation during FY25 in the range of 65–71%. The beneficiation capacities is concentrated in Odisha, Karnataka, and Chhattisgarh, reflecting the geographic distribution of iron ore reserves and associated steelmaking ecosystems.

The steel sector in India is deregulated, and decisions relating to creation of capacity are taken by industry players based on techno-commercial considerations such as availability of raw materials, access to logistics and ports, market conditions, financing environment and demand outlook.

The reservation route for iron ore mines under Section 17A of the MMDR Act provides for the allocation of iron ore mining leases to steel CPSEs and is done by the Ministry of Mines.

In order to ensure raw material availability to the steel sector the Ministry has recommended allocation of mines to Ministry of Mines on nomination basis to CPSEs".

Iron Ore Grade and Quality

2.32 The Committee desired to be apprised regarding the grade profile of India's iron ore reserves (% of Fe content by category), its comparison to

global benchmarks ; the impact of declining ore grades on mining productivity and beneficiation requirements ; the processes that are underway to upgrade ore grades through beneficiation or sourcing from high-grade deposits. In this regard, the Ministry replied as under:

“India is endowed with substantial iron ore resources, comprising both hematite and magnetite ores. As per Indian Bureau of Mines (IBM), the total iron ore resources are estimated at about 25.36 billion tonnes, of which 6.41 billion tonnes are reserves and the balance are remaining resources. Hematite accounts for the dominant share, with around 24.06 billion tonnes, largely located in Odisha, Chhattisgarh, Jharkhand and adjoining regions, while magnetite resources of about 1.31 billion tonnes are mainly concentrated in Karnataka and southern States. A grade-wise analysis of hematite reserves indicates that medium-grade ore (58–62% Fe) constitutes the largest share, followed by low-grade (<58% Fe) ore, while high-grade (>62% Fe) reserves form a comparatively smaller proportion. This distribution underscores the long-term shift towards greater reliance on beneficiation for effective utilisation of domestic resources.

Iron Ore Resources in India (in Million Tonnes)

Type	Reserves	Remaining Resources	Total Resources
Hematite	6,209.0	17,848.8	24,057.8
Magnetite	202.8	1,102.4	1,305.2
Total	6,411.8	18,951.2	25,363.0

(Source: IBM, Indian Mineral Yearbook)

Grade-wise Hematite Reserves (in Million Tonnes)

Grade Category	Fe Content	Reserves
High Grade	>62% Fe	1,450.0
Medium Grade	58–62% Fe	2,596.7
Low Grade	<58% Fe	1,532.6
Total		6,209.0

The progressive decline in average ore grades has a direct bearing on mining productivity and downstream processing. Lower-grade ores result in higher stripping ratios, increased material handling, greater generation of fines, and reduced yield per tonne of ROM ore. Consequently, mining costs rise and the proportion of ore requiring beneficiation increases. Production data indicate a steady rise in low-grade (<58% Fe) output, which has more than doubled over the last few years, reinforcing the structural need for beneficiation and

pelletisation to sustain steel production.

Beneficiation improves Fe content, reduces alumina and silica, and enhances sinter and pellet quality. However, increased beneficiation requirements also entail higher capital expenditure, energy consumption, water usage and operating costs. This trend is reflected in the current utilisation of beneficiation capacity, where installed capacity of about 114.2 MT supports beneficiation of 70–80 MT, yielding 51–59 MT of upgraded ore.

In terms of cost competitiveness, Indian steel production costs are estimated to be about 5–10 percent higher than global benchmarks, primarily due to the heavy dependence on imported coking coal. Coking coal constitutes 35–40 percent of the cost of hot metal production through the blast furnace route. India imports the bulk of its metallurgical coal, exposing domestic steelmakers to global price volatility and supply risks. While iron ore availability is adequate domestically, the combined effect of declining ore grades and high priced imported coking coal increases the overall cost of steelmaking vis-à-vis countries with access to high-grade ore and domestic coking coal reserves.

Recognising these challenges, initiatives are underway to upgrade ore grades through large-scale beneficiation, including encouragement to pelletisation, optimal utilisation of low-grade fines, and policy measures facilitating sale of surplus ore by captive miners. These measures aim to improve raw material efficiency, reduce waste, and partially offset the cost disadvantages arising from declining grades and imported coking coal dependence. Collectively, sustained beneficiation and pelletisation, along with diversification of coking coal sources and improved mining productivity, are central to maintaining the long-term competitiveness and self-reliance of the Indian steel sector”.

(ii) Coking Coal

2.33 India is dependent on coking coal imports. However, to reduce the risks, it has diversified its coking coal procurement to various countries. During the sitting of the Committee to hear the views of ISA and AIIFA , the Industry pointed out that India is still 80–85% dependent on a single geography for coking coal imports and cited rising coal costs and import duty burdens.

2.34 In this context, the Committee desired to know the diversification strategy adopted to reduce India's coking coal dependence and about

the long-term sourcing diversification roadmap being prepared. To this the Ministry replied as under :-

“India is largely dependent on imports of coking coal due to limited availability of high-quality, low-ash coking coal within the country vis-à-vis domestic demand, particularly from integrated steel producers. Industry has highlighted concerns regarding concentration of imports from a single geography.

Based on import data available with the Ministry, Australia continues to be the largest source of India’s coking coal imports. However, imports are not exclusively confined to a single geography, as India also sources coking coal from other countries as well. Accordingly, while dependence on Australia remains significant, the industry projection of 80–85% dependence on a single geography appears on the higher side when viewed against aggregated import data, though it may reflect short-term or company-specific procurement patterns.

In order to reduce supply concentration risks, the Ministry has been encouraging diversification of coking coal sourcing. Accordingly, Steel CPSEs has been procuring coking coal from a diversified group of countries mainly Australia, United States, Indonesia, Mozambique etc. The import of coking coal from Russia has also increased after signing the Memorandum of Understanding (MoU) on 14.10.2021 with Russia on procurement of coking coal which is used in steel making. The import of coking coal in the last two years is as under:

Country wise Coking Coal Import (<i>in million tonnes</i>)				
S. No.	Country	2023-24	2024-25	Apr-Sep 2025
1	AUSTRALIA	29.599	24.544	14.636
2	CANADA	3.170	1.747	0.870
3	COLOMBIA	0.012	0.082	
4	INDONESIA	2.101	2.069	1.108
5	MOROCCO	0.000	0.017	
6	MOZAMBIQUE	2.240	3.429	2.343
7	NETHERLAND	0.085		
8	NEW ZEALAND	0.221	0.264	0.145

9	POLAND	0.011		
10	RUSSIA	5.257	7.747	4.484
11	SINGAPORE	5.389	5.698	3.295
12	SWITZERLAND	0.824	0.849	0.494
13	U A R A B E M T S	0.626	2.032	1.664
14	U K	0.054	0.120	
15	U S A	8.451	8.474	4.308
16	UKRAINE	0.079		
Total		58.118	57.070	33.346
Source: Ministry of Commerce & Industry “				

2.35 During the examination of the subject, the Committee had observed that India's steel sector faces critical raw material challenges, particularly with coking coal, where import dependence stands at approximately 85-90%, with around 54% of imports coming from Australia alone in 2024-25. The sector imported approximately 58 million tonnes of coking coal in FY 2023-24, costing approximately Rs 1.5 lakh crore. The government has launched Mission Coking Coal under the Aatmanirbhar Coal Mission, targeting 140 MT of domestic raw coking coal production by 2030, 105 MT from Coal India Limited and 35 MT from private allocations, while aiming to increase blending of domestic coal from 10% to 30% in steelmaking.

2.36 Keeping this in view, during the interaction with ISA, the Committee desired to be apprised about the strategic impacting the competitiveness of Indian steel and the diversification strategies which ISA has undertaken or recommended. To this ISA furnished a written reply as under:-

“Coal remains central to India’s energy mix as India is world’s second-largest consumer of coal. Despite being home to the fifth-largest global coal reserves, India faces a domestic shortage of high-grade coking coal, necessitating imports.

Limited availability and quality of domestic coking coal

India’s geological endowment of prime coking coal is limited. The bulk of domestic coking coal is of high ash content, which is unsuitable for high-efficiency blast furnace operations without extensive washing and blending. Existing beneficiation

capacity is not adequate to upgrade domestic coal to the metallurgical grade required by integrated steel plants.

Structural demand–supply gap

India's steel industry uses the BF-BOF route, which requires high-grade hard coking coal. Domestic supply meets only ~10–15% of the total coking coal requirement of the steel sector; the rest must be imported. With rising crude steel production, this gap is widening.

Concentration of global export supply

Globally, high-quality hard coking coal is concentrated in a few countries. Australia accounts for over 50% of internationally traded coking coal, due to its high-quality reserves, stable mining ecosystem, and efficient logistics. Other producing regions—USA, Canada, Russia, Mozambique—have smaller, more volatile export capacities.

India's dependence on one primary source (Australia)

Indian blast furnaces need consistent quality of coking coal for stable operations; Australian coal offers predictable characteristics (Coke Strength after reaction (CSR), Ash content).

Long-term supply contracts, reliable logistics, and existing technical benchmarks favour sourcing from Australia.

Some alternative sources face issues: infrastructure constraints (Mozambique), sanctions/geo-political risks (Russia), or higher landed cost/quality variability (USA/Canada).

Efforts towards diversification

Increasing imports from USA, Canada, Russia, and Mozambique to reduce concentration risk.

Participation in overseas coal block development (e.g., in Mozambique, Indian Steel Producers like Jindal Steel, SAIL have stakes) to have secured long-term supply.

- Promoting washeries and beneficiation to maximise utilisation of domestic coking coal.
- Encouraging research into coal blending technologies to allow use of higher shares of Indian coking coal.

Summarizing, Steel Producers are diversifying coking coal risk as it was too much dependent on Australia. In 2019, 73 percent imports of Coking Coal were coming from Australia. That is now reduced to 58 percent. There is an increase in

case of Russia from 0.62% to 8.15%. Similarly, imports from US have gone up from 8% to 17% now. Imports from Mozambique, has gone up from 4% to 7.31 percent. Indonesia has gone up from 2.46% to 4%. We have diversified to the extent possible. There are certain categories of hard coking coal, for which we have to depend on Australia and Comprehensive Economic Partnership (CEPA), New Government of Australia and Queensland, where the Coal Mines are located are cooperative. Coal is a part of the FTA. Therefore, we consider India's heavy dependence on imported coking coal to be a major strategic weakness for the steel industry. With nearly 85–90% dependence on imported coking coal, any reduction in global supply—such as recent signals from Australian coal miners about reduction in future investments, emphasis on reduction in carbon footprint, increase in Royalty—creates serious risks for India. Australia is India's largest supplier, so reduced production or policy shifts there can directly affect coal availability and prices for Indian steel producers.

Geopolitical tensions, supply chain disruptions, and global market shocks have a direct and immediate impact on Indian steel competitiveness. Events such as Wars, Conflicts, trade restrictions, port disruptions, or changes in environmental policies in exporting countries often lead to sharp price volatility in international coal markets. Since coking coal is a key input for steelmaking, higher coal prices quickly increase production costs, reduce profit margins, and make Indian steel less competitive in both domestic and export markets.

To reduce this risk, ISA has recommended diversification of coking coal sources so that India is not dependent on a single country. Member companies are being encouraged to engage with alternative suppliers which are-

- Apart from Australia, Russia, and the USA are highly recommended countries for import of coking coal. Mozambique and Mongolia can be other preferred options.
- India imports high-grade metallurgical coke from Colombia, although it is not a traditional partner. Other minerals include copper and iron ore.
- Poland, Japan, Indonesia, Russia, Australia, and the USA are preferred Low Ash Metallurgical (LAM) coke suppliers as domestic capacities of coke oven plants are insufficient and the merchant cookeries will be unable to meet future demand of high-volume blast furnaces.

Price volatility of imported coking coal has been a cause of concern for the domestic Industry, so much so the price went skyrocketing to 690 USD in Feb-March 2022, when it was in

the range of USD 120-130 during April 2021. This led to cost of steel production to increase by 35-40%. ISA at its level engaged with Price reporting agencies such as Platts as Coking Coal import prices are indexed to Platts indices. Continuous engagement helped to bring in changes in Platts methodology and ISA is ensuring this.”

Mission Coking Coal

2.37 The Mission Coking Coal aims to reduce import dependence from the current 85% to below 80% by 2030 through enhanced domestic production and beneficiation. However, domestic coking coal often has high ash content and lower quality compared to imported coking coal. The Committee desired ISA to furnish details regarding the technical and economic challenges in utilizing domestic coking coal in existing blast furnaces and stamp-charged coke oven batteries ; the level of investment in coal washeries and beneficiation infrastructure that is required to make domestic coking coal suitable for steelmaking and the policy support, including capital subsidies for washeries, technology support for beneficiation, or assured coal linkages, that is needed to achieve the Mission Coking Coal targets. To this, ISA ,inter -alia, submitted as under:

“India has ~35 billion tons of Coking Coal reserves out of which more than 50% is of the high ash variety (35-50% ash content) and has difficult washability characteristics. In order to make it usage for steel making, coking coal is washed to reduce the ash percentage and Indian Prime Coking Coal and Medium Coking Coal (<18% ash) is blended with imported coking coal (<9% ash).

As per National Steel Policy 2017, the targeted steel production by FY2030-31 is 300 Mnt of which 181 Mnt would be through Blast Furnace route i.e. nearly 3-fold increase is targeted in the blast furnace route steel-making capacity.

BCCL produced 40.50 million Tons (Mnt) of Raw Coal and also produced 1.65 Mnt of Washed Coking Coal in 2024-25 against 1.46 Mnt in 2023-24 — a growth of 13.02% over the previous year.

Washeries Capacity in India-

Similarly, current installed coking coal washery capacity in the country is ~36 MTPA (input feed capacity) but the actual operating capacity of these washeries is just about ~23 MTPA.

BCCL alone has close to 15 MTPA washery capacity and out of this roughly 6 MTPA is currently operation. Overall, the usable coking coal for steel making post washing and processing from these washeries is mere 4-5 MTPA.

In the coming years (by 2025) BCCL is planning to provide roughly 6-7 MTPA of washed coking coal to the steel sector. However, this quantity is too scanty and has to be increased by enhancing the existing washery facilities or by setting up new ones.

Current Scenario of Indian Coking Coal-

Indian steel industry is importing 70% of its total coking coal requirement from Australia alone at the rate of average 42 MTPA of coking coal per annum in last 5 years”.

Import Diversification and Supply Risk

2.38 The Committee noted that 60% of steel imports arrive from FTA countries (ASEAN, Japan, Korea) at zero duty. It was also informed that the steel Industry has proposed amendments to provisions of the Customs Tariff Act, 1975 and the Anti-Dumping Rules, 1995 to ensure that subsidies extended by exporting countries are fully countervailed in India.

In reply to a query whether the Ministry is reviewing existing FTAs such as ASEAN, Japan, and Korea CEPAs, the Ministry replied as under:-

“Being the nodal department, Department of Commerce undertakes the review of FTAs. M/o Steel provides inputs related to tariff mandate and product specific rules to DoC, whenever FTAs come up for review, to protect the interest of domestic steel industry. The amendments to provisions of the Customs Tariff Act, 1975 and the Anti-Dumping Rules, 1995 are carried out by Department of Revenue from time to time for taking appropriate trade remedial actions against the subsidised imports “.

2.39 During an interactive session with Indian Steel Association, the Committee inquired about the threats to the domestic steel industry by cheap imports, dumping practices, and unfair trade measures from countries like China, Vietnam, South Korea, and others.. To this, ISA

replied as under:-

“ISA is thankful to the Government of India for Imposing an Anti-Dumping Duty on Hot Rolled Coils originating from Vietnam. However, a definitive safeguard duty of 12% recommended by DGTR on Flat Steel is awaiting issuance of Customs notification. Though this 12% duty is less, keeping in view 50% duty levied by USA, 25% Safeguard TRQ duty by EU till June 2026-to be enhanced by EU to 50%, recently Mexico has also notified duty of 50%. We would request Government to impose the recommended duty at the earliest.

Apart from the above, while negotiating FTAs with global partners, India needs to find its own unique approach and while it's important for the Indian Steel Industry to be a part of Global Value Chains, it has to ensure it takes the right position for the benefit of the industry while putting up its views for FTA negotiations.

Review of Existing signed FTAs like India- Korea CEPA, India — Japan CEPA, FTA with ASEAN countries and other FTAs must have a definite Tenure after which needs to be renegotiated, including carryover of provisions / closure of FTA depending on mutual positions. Japan and Korea through informal restrictions on Indian Steel Exports have not been giving equivalent access to their market, though Chinese producers have been able access those markets. Given the real situation India should seriously consider removing chapter 72 from the Korea and Japan CEPA. A periodic review may also be incorporated. A definite Tenure / review schedule allows partners the option of re-negotiating based on changed circumstance, including closure if so, felt necessary.

This prevents the country getting permanently locked into an FTA which later turns un-favourable due to changed circumstances.

Incorporation of Melt and Pour clause as part of Rules of Origin Condition in new FTA. It is already incorporated in India-Australia, India-UAE, and India-UK FTAs.

Implementation of RoDTEP for Iron and Steel products Under Chapter 72

The initiative taken by the Government of India of announcing/notifying the RoDTEP scheme on August 17, 2021 — a step towards offering level playing parity to the Indian exporters in compliance with the WTO provisions. RoDTEP immensely helped to improve Global cost competitiveness of Indian exporters by eliminating extra burden of the embedded non-creditable taxes and duties.

India is world's 2nd largest steel producer and consumer at the same time, with\ most of its major steel companies accredited as world-class steelmakers amongst the Top-34 Global steel companies in terms of operational excellence, cost competitiveness and growth prospects.

In spite of being a world class industry, the Indian steel industry faces challenges beyond the factory gate as it is saddled with structural deficiencies like non- creditable taxes and duties and high logistics cost etc. which adversely affect its cost competitiveness as against the other global steel producers. Taxes and duties paid towards procuring the mineral resources, fuel and electricity are some of the major non-creditable taxes incurred by the steel industry, thereby causing avoidable cost burden on the domestic industry ranging somewhere between 6%-12% of the FOB export value. Various taxes, which are embedded in the value of exported product inter alia include State VAT and Central Excise duty on fuel used in the transportation, CGST/SGST on the tyres, lube oil, spares etc., incurred for transportation, taxes and levies embedded in extraction and consumption of Raw Material viz. iron ore, pellets, coal and taxes embedded in consumption of electricity.

The domestic steel industry is capable of becoming the best in the world and has all the credentials to achieve the same. However, the burden of embedded taxes faced by it acts as a handicap vis-a-vis its global peers. We need to urgently address this issue on priority by eliminating the excess cost burden faced by them”.

(iii) Impact of Global Trade Restrictions and CBAM on Indian Steel

2.40 The Committee have observed that major steel-consuming regions such as the European Union and the United States have imposed trade restrictions, including the EU's Carbon Border Adjustment Mechanism (CBAM). At the same time, over 350 million tonnes of excess steel capacity exists in Asian countries such as China, Japan, Korea and ASEAN nations. Recently, the EU imposed a 35.9 per cent countervailing duty on Chinese Hot Rolled Coils. It was submitted by ISA that CBAM could severely affect India's export competitiveness. AIIFA also noted MSMEs lack capacity to measure and document embedded emissions.

2.41 In this context, the Ministry was asked about the strategy devised to safeguard India's steel industry from the combined impact of global trade

restrictions, CBAM, and diversion of surplus steel into the Indian market. The

Ministry replied as under:-

“Steel is a deregulated sector, and export of steel is dependent on factors such as global market conditions, demand and supply, cost of input raw materials such as iron ore, coking coal etc. which are market linked.

Government has taken following steps to safeguard domestic steel Industry:-

- 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. Anti Dumping Duty (ADD) measures pertaining to some steel products like seamless tubes, pipes and hollow profiles of iron, alloy, or non-alloy steel (other than cast iron and stainless steel) (from China PR), electro-galvanized steel (from Korea RP, Japan, Singapore), stainless-steel seamless tubes and pipes (from China PR), welded stainless steel pipes and tubes (from Vietnam and Thailand), Hot rolled flat products of alloy or non-alloy steel (from Vietnam), Cold Rolled Non-Oriented Electrical Steel" originating in or exported (from China PR) are currently in place.
- 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.

Further, the details of steps taken by Government for promotion of green and low-carbon steel technology in the country 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 has 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.

(iii) Four pilot projects have been awarded for implementation of pilot projects for use of hydrogen in steel sector under National Green Hydrogen Mission launched by Ministry of New & Renewable Energy.

D. Sustainability

(i) Green Steel Taxonomy

2.42 Green Steel is the future of steel industry. Green steel production involves significant capital investment, making access to green financing. Critical and Public Sector Undertakings play a key role in technology leadership within the steel sector. Regarding the current status of adoption of green steel technologies across steel PSUs, and the investments being made in R&D for low-carbon and breakthrough steelmaking technologies, the Ministry replied as under:-

“Government of India is actively working for reduction of carbon emissions in the steel sector and promotion of green steel technologies. Steel Public Sector Undertakings (PSUs) are playing an important role in adoption of low-carbon technologies and in undertaking research and development (R&D) for cleaner steel production.

Steel PSUs have undertaken multiple initiatives aimed at improving energy efficiency and reducing emissions. These include modernization of blast furnaces, improvement in coke rate and energy consumption, increased use of Pulverized Coal Injection (PCI), Top Gas Recovery Turbines (TRT), Coke Dry Quenching (CDQ)-Waste Heat Recovery (WHR) Systems, LD Gas Recovery, enhanced use of process automation and digitalisation. These measures have led to gradual reduction in emission intensity across PSU steel plants.

In addition, PSUs are undertaking pilot and demonstration projects related to green steel technologies, including use of renewable energy, and exploration of hydrogen-based steelmaking technologies, in alignment with national decarbonization objectives.

Steel PSUs are also investing in research and development

through their in-house R&D centres and collaborative projects with academic institutions, research laboratories and international technology providers. R&D efforts are focused on development of low-carbon ironmaking routes, increased scrap utilization, energy-efficient processes, alternative fuels, hydrogen-based Direct Reduced Iron (DRI), and other breakthrough technologies suitable for Indian conditions.”

2.43 During their presentation before the Committee, the representative of the Ministry briefed the Committee as under:-

“.....we, in steel industry, which is among the more polluting industries, each of the company and the whole sector, are working on decarbonization plans to make sure that not only our operations will be decarbonized, but also we will provide all the steel necessary for decarbonization of other industries”.

2.44 On being asked about preferential procurement policy for green steel, if any, the Ministry replied :-

“At present Ministry of Steel has not brought any Green Steel Public Procurement Policy (GSPPP). The Government is presently focusing on promoting the production and use of green-rated steel as per the Green Steel Taxonomy framework notified by this Ministry on 23.12.2024. As on 31.03.2026, 90 steel units have been awarded ‘Green Steel Certificates’ under this framework producing 12.45 million tonnes of green steel”.

Decarbonisation Roadmap for the Entire Steel Ecosystem

2.45 While interacting with the Ministry on the issue of decarbonization, the Committee desired to be apprised regarding the Government’s integrated decarbonisation roadmap for the steel sector, and the incentives which will be provided for technology adoption by both large integrated plants and MSME secondary producers. To this, the Ministry replied as under:-

“ Ministry of Steel has released a report titled "Greening the Steel Sector in India: Roadmap and Action Plan" which provides the future roadmap for green steel and sustainability, towards net- zero target by 2070.

The roadmap delineates short-term, medium-term, and long-term objectives for decarbonising the Indian steel industry in alignment with India's commitment to achieve Net Zero by 2070. In the short term (up to FY 2030), the focus is on enhancing energy and resource efficiency and promoting renewable energy use. In the medium term (2030–2047), the emphasis will be on adoption of green hydrogen and CCUS technologies, while in the long term (2047–2070), the transition towards net-zero will be driven by disruptive and breakthrough technological innovations in steelmaking processes.

Integrated steel plants as well as Secondary Steel producers are being encouraged to undertake pilot and demonstration projects for emerging technologies such as green hydrogen-based steelmaking and CCUS, supported by policy facilitation, coordination with other Ministries, and alignment with national initiatives such as the National Green Hydrogen Mission and renewable energy programmes.

For Secondary steel producers, including MSMEs, the Government is conscious of their limited financial capacity to adopt high-cost green technologies. Accordingly, the decarbonisation strategy for the secondary sector emphasizes low-cost and scalable interventions, such as higher scrap usage, improved furnace efficiency, renewable energy procurement, and cleaner fuel substitution. These measures provide immediate emission reduction benefits without imposing excessive capital burden.

Government's integrated decarbonisation roadmap seeks to ensure a just, gradual and economically viable transition for both large integrated steel plants and MSME secondary producers, while safeguarding competitiveness, employment and growth of the steel sector, in line with India's long-term climate and development objectives".

(ii) National Green Hydrogen Mission

2.46 The objective of National Green Hydrogen Mission (NGHM) includes production of 5 million metric tonnes (MMT) of green hydrogen per annum by 2030 and use of hydrogen in industrial sector. The Ministry of Steel is a key stakeholder under NGHM for implementation of pilot projects for the use of hydrogen in steelmaking.

2.47 Under the NGHM, Ministry of Steel has been allocated ₹455 crore for

implementation of pilot projects for use of hydrogen in iron and steel production till FY 2029-30. At present, four pilot projects are being implemented under the NGHM for use of hydrogen in the steel sector, which are presently at design stages and are expected to be completed within a period of 24 to 45 months.

2.48 The details of the awarded projects under NGHM in steel sector along with their timelines, project cost and focus area are as follows:

S.No.	Focus Area/ Scheme	Company Name	Project Cost	Timelines
1.	Scheme B: Use of hydrogen in existing Blast Furnace to reduce coal/coke consumption	SAIL	50 Crores	24 Months
2.	Scheme B: Use of hydrogen in existing Blast Furnace to reduce coal/coke consumption	JSW Steel Limited	70 Crores	45 Months
3.	Scheme C: Injection of hydrogen in vertical shaft based DRI making to partially substitute the NG/other reducing gas	JSW Steel Limited	30 Crores	45 Months
4.	Scheme C: Injection of hydrogen in vertical shaft based DRI making to partially substitute the NG/other reducing gas	Jindal Steel Limited (erstwhile Jindal Steel & Power Limited)	28.44 Crores	17 Months

2.49 At present, hydrogen-based steel production technologies are at the pilot phase and are not yet proven at commercial scale in the country. Accordingly, detailed planning for large-scale deployment, commercial viability and for achieving cost competitiveness of hydrogen-based steelmaking vis-à-vis conventional production routes can be assessed after completion and evaluation of the results of the pilot projects and the technological and economic insights that emerge from them. Further, no separate blending trajectory or targets for use of hydrogen in steelmaking, including for the years 2026, 2028 and 2030, have been targeted by the Ministry of Steel. However, the following three approaches for utilization of hydrogen in Iron and steel making under NGHM have been identified:

“Scheme A: Pilot project to produce DRI using 100% hydrogen in the consortium mode. At present, no projects is being implemented under this scheme.

Scheme B: Injection of hydrogen in the BF through tuyeres to reduce the coal/coke consumption.

Scheme C: Injection of Hydrogen in Vertical shaft based DRI making partially to substitute the natural gas/other reducing gas & raise its proportion in a gradual manner with an objective to use the maximum hydrogen”

2.50 The Committee during their interaction with ISA inquired that beyond hydrogen-based steelmaking, what other decarbonization technologies and strategies is ISA prioritizing . To this, ISA replied as under:-

“Beyond hydrogen-based steelmaking, the Indian Steel Association (ISA) emphasizes that India’s steel decarbonization cannot depend on one single technology. Instead, it must use multiple practical solutions, applied in stages, keeping in mind India’s raw material availability, costs, and existing plant designs. The ISA had engaged A.T. Kearney for a study report Decarbonization of Indian Steel Industry clearly highlights several no hydrogen pathways that are essential and viable for India, especially in the near and medium term.

One of the most viable near-term options is increasing the share of scrap-based steelmaking through Electric Arc Furnaces (EAFs). Scrap-based EAF production has much lower emissions compared to coal-based routes. ISA considers this pathway practical as scrap availability in India is expected to rise significantly due to vehicle scrappage, infrastructure aging, and policy support. However, the pace of expansion depends on building an organized scrap collection and processing ecosystem. While EAFs cannot fully replace BF-BOF in the short term, they will play a growing role in reducing overall emission intensity.

Energy efficiency and waste heat recovery are identified as the lowest-cost and most immediately deployable solutions. Technologies such as coke dry quenching, top pressure recovery turbines, waste heat recovery from coke ovens, sinter plants, and EAFs can significantly reduce fuel consumption and emissions. ISA sees these measures as highly viable because they improve both environmental performance and operating costs, making them attractive even without heavy subsidies.

Renewable energy integration for auxiliary and captive power consumption is another priority area. Steel plants consume large amounts of electricity, much of which still comes from coal-based captive power plants. ISA supports replacing this with solar, wind, and hybrid renewable solutions, initially through grid-connected and open-access models, and later through round-the-clock renewable power with storage. This pathway is considered highly viable in India and can immediately reduce indirect (Scope 2) emissions without changing core steelmaking processes.

Biomass and biochar injection in blast furnaces is viewed as a supplementary and transitional option. Biochar can partially replace coal or coke and reduce emissions, but ISA notes that large-scale adoption is constrained by limited biomass availability, competing uses in power and fuel blending, and higher costs. Therefore, biomass is considered useful for pilot projects and partial substitution, but not as a standalone large-scale solution.

Carbon Capture, Utilization, and Storage (CCUS) is seen as a critical long-term technology, especially for India's coal-based BF-BOF plants, which will continue to dominate production for decades. ISA believes CCUS will be essential to achieve deep decarbonization once the efficiency and fuel substitution have reached a technological limit. CCUS is currently expensive and requires infrastructure for CO₂ transport, storage, and utilization. Near-term applications, such as CO₂ use in urea, methanol, and enhanced oil recovery are considered more viable, while large-scale geological storage is expected to develop over time.

The use of alternative reductants and fuels, such as increased natural gas in DRI processes, coal gasification combined with carbon capture, and gradual blending of low-carbon fuels, is also part of ISA's strategy. These options help reduce emissions incrementally and act as a bridge until advanced technologies like green hydrogen become commercially viable. Overall, ISA's position is that India's decarbonization pathway must be practical, phased, and cost-sensitive. Energy efficiency, renewable power, scrap-based steelmaking, and waste heat recovery are the most viable near-term solutions. Biomass and alternative fuels provide limited but useful support, while CCUS plays a crucial role in the long term. Together, these strategies allow India to reduce emissions steadily while maintaining steel production growth and global competitiveness".

2.51 The Steel Scrap Recycling Policy 2019 aims to promote circular economy in the steel sector, with targets to increase steel scrap availability to 70 million tons by 2030 to meet 35-40% of production through the Electric Arc Furnace (EAF) and Induction Furnace (IF) route. Regarding the plan to strengthen the Vehicle Scrappage Policy, domestic scrap processing, and a national scrap exchange so that the secondary steel sector has assured access to affordable scrap, the Ministry submitted as under:-

“Scrap is an important raw material for steel production and presently contributes about 21% of India’s crude steel production, with total scrap consumption of 33.36 million tonnes (MT) in FY 2024. Of this, 24.67 MT is met from domestic sources, while the remaining 8.69 MT is met through imports to bridge the demand–supply gap.

Various studies suggest that India’s scrap generation is expected to grow to about 50 million tonnes by 2030 reducing import dependence significantly. This increase will come mainly from three sources—around 6 million tonnes of extra home scrap due to higher crude-steel production, 8 million tonnes of additional prompt scrap from growing manufacturing activity, and about 4 million tonnes of obsolete scrap recovered from end-of-life vehicles (ELVs), ship recycling and construction & demolition (C&D) waste.

Government has taken following steps to strengthen the Vehicle Scrappage Policy, domestic scrap processing, and national scrap exchange:

Ministry of Environment, Forest & Climate Change has introduced the Environment Protection (End-of-Life-Vehicles) Rules, 2025, which establishes a framework for managing End-of-Life Vehicles (ELVs) in an environmentally sound manner and mandates Extended Producer Responsibility (EPR), requiring vehicle producers to meet annual scrapping targets based on the type of vehicle and materials recovered.

- ii. Recycling of Ships Act, 2019 has been notified by Ministry of Shipping, Ports and Waterways with aims to regulate and promote the safe and environmentally sound recycling of ships.
- iii. Ministry of Road Transport and Highways (MORTH), being the nodal department of the Vehicle Scrapping Policy has

informed that a discussion on the disposal of impounded vehicles which are lying in police stations was held on 11th June 2025 at NITI Aayog. It was decided that MoRTH will engage with MHA on this issue as per Rule 8 of the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 which provides that auctioned, impounded, or abandoned vehicles may be offered for scrapping to RVSF by any enforcement agency. Accordingly, MoRTH has requested DGPs/IGPs/CPs of States/UTs for identification and scrapping of impounded/abandoned vehicles and to scrap such motor vehicles lying in police stations at RVSFs, after following due legal process

iv. MSTC, a CPSE under Ministry of Steel provides comprehensive e-commerce services, including e-auctions, e-sales, and e-procurement, e-Tenders etc. along with the specialized customized software solutions, meeting each and every requirement of its clients.”

2.52 Regarding the current status of scrap availability, quality, and pricing in India and the key challenges in establishing a formal scrap collection, dismantling, and processing ecosystem, ISA replied as under:-

“India needs hundreds of scrap-processing/shredding centres, each supported by multiple local collection/dismantling units to aggregate scrap from households, industries, old vehicles, railways, construction demolition, etc.

Policy should incentivise and fast-track establishment of such centres — including via viability gap funding, tax incentives, land allotment, reduced GST, or subsidized electricity/power costs for processing units.

Formalise & Organise the Informal Scrap Sector

Encourage informal scrap dealers, small aggregators, local dismantlers to register, form cooperatives or associations, bringing them under regulatory supervision. This improves traceability, scrap quality, reduces environmental hazards, and ensures consistent supply.

Enable access to training and certification for scrap-handling, sorting, segregation, processing — raising standards and safety.”

(IV) Role and importance of the Secondary Steel Sector

2.53 The Secondary Steel Sector forms a critical pillar of India's steel economy, accounting for nearly half of national steel capacity and comprising a vast network of Micro, Small, and Medium Enterprises (MSMEs). Dominated by Electric Arc Furnaces (EAFs) and Induction Furnaces, the sector relies primarily on steel scrap and DRI, inherently aligning with circular-economy principles and low-carbon pathways. With its wide regional distribution and employment-intensive structure, the sector ;

- Supports local industrial ecosystems
- Provides cost-effective inputs for construction, infrastructure, engineering, and automotive sectors
- Ensures balanced industrial development
- Complements the capacity of integrated producers

2.54 This segment is central to ensuring widespread steel availability and strengthening India's overall steel supply chain. (AIIFA pg 1). The secondary steel sector will be central to India's decarbonisation agenda and its commitment to achieving net-zero emissions by 2070. Owing to its high share of scrap-based steel making, the sector already benefits from a lower carbon footprint compared to conventional routes. With targeted support and technology upgradation, the Indian secondary steel sector can become a global model for sustainable steelmaking, driving both environmental progress and inclusive industrial growth.

The share of Secondary steel plants including MSMEs in Crude Steel Capacity in 2024-25 is 94.42 MnT out of total 200.3 MnT. Secondary steel plants and MSMEs therefore hold about 47% of the total crude steel production capacity

Challenges faced by the secondary steel sector

2.55 The AIIFA Sustainable Steel Manufacturers Association which is a body representing over 1800 secondary steel units across India have highlighted key

challenges affecting the domestic secondary steel sector. The Secondary steel plants including MSMEs face persistent challenges relating to:

- Energy efficiency
- Technology modernization
- Emissions reduction particularly due to dependence on coal-based DRI and uneven adoption of advanced steelmaking technologies (AIIFA pg 2)

Besides above, raw material availability remains the single most critical challenge for domestic steel producers, particularly secondary and mid-sized units that depend heavily on merchant miners. Persistent price volatility, inconsistent dispatches, and the lack of supply prioritization - despite the National Steel Policy's target of 300 MT capacity by 2030 – create significant operational uncertainty. These disruptions hinder production planning, inflate input costs, and erode the competitiveness of India steelmaking, which is central to achieving the national goals of Aatmanirbhar Bharat and 'Make in India'.

Secondary steel sector in the Atmanirbhar Bharat vision

2.56 Regarding the steps which the Ministry of Steel plans to integrate the secondary steel sector into the Atmanirbhar Bharat vision by ensuring competitive access to raw materials, finance, technology and export markets, the Ministry replied as under:-

“Steel is a deregulated sector and the Government acts as a facilitator by creating a conducive policy environment for the development of the steel sector. Government has taken several measures for raw material availability, technology upgradation and energy-efficiency for MSMEs and Secondary Producers which include the following: -

1. Implementation of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting 'Made in India' steel for Government procurement.
2. Launch of the Production Linked Incentive (PLI) Scheme for Specialty Steel to promote the manufacturing of value-added steel within the country and reduce imports by attracting capital investments.
3. The Steel Scrap Recycling Policy, 2019 provides a

coordination framework with various Ministries to facilitate and promote recycling of ferrous scrap generated from various sources.

4. In the Union Budget 2024-25, following measures were taken to support domestic manufacturers and boost domestic steel manufacturing: -

- a. Basic Customs Duty (BCD) has been reduced from 2.5% to Nil on Ferro-Nickel and Molybdenum ores and concentrates which are raw materials for steel industry.
- b. BCD exemption on Ferrous Scrap has been continued upto 31.03.2026.
- c. The exemption on specified raw material for manufacture of Cold Rolled Grain Oriented (CRGO) steel has been continued up to 31.3.2026.

Ministry of Steel engages with secondary steel industries periodically, inputs from which are utilized for policy formulation”.

2.57 During a briefing meeting held with AIIFA Sustainable Steel Manufacturers Association, the representatives of the AAIFA steel association briefed the Committee regarding MSMEs as under:-

“..... they make affordable steel available all across India for infrastructure growth..... the Government has supported us over the last 10 to 15 years, creating a level playing field for our sector. However, there is still much work to be done. What is happening is that this affordable steel is produced via methods such as arc furnace, induction furnace, DRI, and rolling mills. These various manufacturing processes classify it as secondary steel.

.....in 2016, our Government decided to abolish this classification. All steel makers are the steel makers. This decision has provided us with a level playing field. However, this sector still needs help and has the potential to grow. With our current contribution of 55 per cent to steel production, we believe we can increase it to 70 to 72 per cent. We have a roadmap for that. By 2030, the consumption is projected to be approximately 190 million tons while our production capacity may reach around 220 million tons” .

2.58 In a reply to the Committee regarding the support mechanisms which the Ministry plans —such as common BIS testing facilities,

phased implementation, or financial assistance—to help MSMEs comply with QCOs without compromising national quality standards, the Ministry submitted as under:

“In order to safeguard the interest of consumers in the country, Government has taken measures to ensure the consumption of quality steel in the country. Towards this, Bureau of Indian Standard (BIS) and Ministry of Steel have taken steps to formulate standards and their incorporation in the Quality Control Order.

The Central Government, after consulting BIS, publishes Quality Control Order (QCOs) in exercise of the powers conferred by sub-sections (1) and (2) of section 16 read in conjunction with section 17 and subsection (3) of section 25 of the BIS Act, 2016 thereby bringing the notified products under BIS Mandatory Certification.

Out of 151 standards, Ministry has suspended 55 standards (42 standards for three years and 13 standards relating to specialty steel under PLI 1.2 for one year). The remaining 96 standards have been retained in the QCO on grounds of health & Safety, support to small steel producers, preventing unfair trade practices, upholding national security, need to develop self-reliance etc. The Ministry has felt that it would be prudent to take a balanced view taking into account the interest of the Steel Sector as well as the consumer industry of Steel.

About 2356 Small Steel Producers contribute 47% of India's Steel production. They are already in financial stress due to low steel prices and units of 181 small producers have either already closed down or running at less than 10% capacity. There is a great possibility of cheap Chinese steel flooding into market, if QCO related to these products are suspended. Hence, such steel products being produced by Small Steel Producers have been retained in the QCO.

The Report of High-Level Committee on Non-Financial Regulatory Reforms has also proposed a shift from mandatory, stringent factory-level certifications to voluntary or market-based conformity to BIS/ Ministry of Consumer Affairs.

BIS continues the process of enhancing testing facilities, wherever necessary.

2.59 Regarding how the Ministry of Steel working with the Finance Ministry/financial institutions to create low-cost credit lines or a Steel Technology

Upgradation Fund for both large and small producers, the Ministry replied that

:-

“Electricity duty and power tariffs fall under respective State Governments and the Ministry of Power. Financing for capacity expansion is arranged by companies through debt, equity, or internal accruals. Statutory clearances are addressed through existing inter-ministerial mechanisms. Single-window systems are developed and operated by nodal departments of state governments and DPIIT in Government of India” .

(V) Technology Adoption across integrated steel plants, secondary steel producers, and MSME units

2.60 The Committee observed that India's steel sector is at the cusp of a technological transformation, with investments in process and digital technologies projected to rise from USD 1-1.2 billion in 2024 to USD 2.3-2.7 billion by 2030. The National Steel Policy 2017 emphasizes developing a technologically advanced and globally competitive steel industry, while recent government initiatives focus on AI adoption, Industry 4.0 integration, and green steel technologies. In this context the Committee desired to be apprised regarding the current level of technology adoption across integrated steel plants, secondary steel producers, and MSME units, , ISA, inter -alia, replied as under:

“Technology adoption in Indian steel sector can be categorised production wise, that is BF-BoF, EAF and EIF. Major integrated steel plants using BF-BOF are modern and have adopted state of the art technology and also upgraded old units and are comparable to global standards also comparable to countries like Japan, South Korea, and Germany be it-automation, digital process control, energy efficiency, best available technology for waste energy recovery and other waste to wealth processes, zero liquid discharge and advanced metallurgical processes, for which the resources are generated within and through financial institutions or foreign funding or through Joint ventures. Five of the Integrated Indian steel producers, who are members of ISA are acclaimed as World-Class Steelmaker by World Steel Dynamics, one of the steel analytical agencies of Global repute with headquarters in the US.

Small and medium steel producers and those in MSMEs need upgradation. The cost of upgrading the facilities need finances which will make them economically unviable to start with unless supported and given access to finance at reasonable cost.

.....Further, to ensure that technology benefits the entire steel sector, institutional mechanisms such as shared technology and pilot

demonstration centers, government-supported technology transfer platforms, concessional financing for modernisation, cluster-based upgradation programs, and stronger industry-academia-research linkages to enable major, medium and small steel producers including central and state-owned units adopt modern technologies in a practical and affordable manner. “

OBSERVATIONS AND RECOMMENDATIONS

Aatmanirbharta in steel sector: A Strategic initiative for India's Economic Security

1. The Steel industry in India serves as a crucial backbone for economic development and accounts for nearly 2% of the nation's GDP. The production and consumption of steel are widely regarded as indicators of economic progress. Aatmanirbharta in steel sector is of utmost importance because of its major end use segments like the Defence and Space, Railways and Automobiles, Renewable Energy and Infrastructure Development etc. The Committee note that India has emerged as the world's fastest growing major steel producer and the second largest producer of crude steel globally. The Committee further note that the country's crude steel capacity has increased from 109.85 MTPA in 2014-

15 to over 200 MTPA in 2024-25 and is growing at a higher pace to achieve the target of 300 MTPA by 2030-31 under the National Steel Policy. The Committee, while appreciating the efforts, are of the view that enhancing domestic capabilities in steel for important sectors will strengthen the steel sector and ensure long term economic growth and national security. The Committee further note that India's steel ecosystem has scaled rapidly across production capacity, national consumption, and global trade; and to achieve self-reliance in the steel sector, the domestic steel plants are also prioritizing structural technological upgrades. The Committee note that achieving Aatmanirbharta in the steel sector is targeted at reducing dependency on foreign imports for coking coal, raw materials, high grade alloys and promoting domestic value addition, and therefore a significant objective for the nation. The Committee, therefore, desire that the Ministry continue its efforts to strengthen measures in this direction to achieve self-reliance in the steel sector.

Growth of Steel Sector in India vis-a-vis Global Economies

2. The Committee note that India has continued to register growth in domestic steel demand supported by robust steel production. While

consumption across major economies have either declined or grew marginally over the past decade, India's steel consumption has shown an increase of 7% over the last decade and the country is now the 2nd largest consumer of finished steel in the world. Driven by demand for mega-infrastructure projects, Railways, Defence and urban housing, India reflects a strong momentum in production of steel by expanding its production capacity to a target of 300 million tonnes by the year 2030 supported by industrial expansion and Government initiatives like the PLI for speciality steel. The Committee while commending the Ministry of Steel for steering the sector on a sustained growth trajectory note that there is a significant potential for further growth of steel sector in the country and hope that the Ministry will continue to leverage this position while ensuring that the domestic steel industry grow with the support and encouragement from the Ministry of Steel.

Addressing Challenges Faced by Domestic Steel Sector

3. The Committee note that steel is a deregulated sector in India and the Government acts as a facilitator by creating a conducive policy environment for the development of steel sector. The Committee while noting that the Ministry of Steel have undertaken significant policy initiatives to promote the growth and development of the steel sector, the industry still has to overcome a few challenges. The Committee note that the primary challenges in the steel sector are high import dependence for coking coal due to domestic coal quality; decline in the availability of high-grade ore; logistics costs in infrastructure; and connectivity to ports, waterways and rail connectivity. The Committee, therefore, are of the opinion that to overcome these challenges, the Ministry of Steel may explore the feasibility of creation of an Inter-Ministerial Joint Task Force across various Ministries for coordinated efforts to achieve the targets envisaged under the National Steel Policy and the vision of Aatmanirbhar Bharat.

National Steel Policy Targets

4. The National Steel Policy (NSP) 2017 provides the foundational roadmap to establish a technologically advanced, globally competitive and self-reliant Indian steel ecosystem. Approved by the Union Cabinet to replace

the older NSP 2005 framework, it envisages to domestically meet entire demand of high grade automotive steel, electrical steel, special steels and alloys for strategic applications by 2030-31. It also aims to increase domestic availability of washed coking coal so as to reduce import dependence on coking coal from ~85% to ~65% by 2030-31. The Committee note that while achieving crude steel capacity of 300 MTPA by the year 2030-31 and other long-term benchmarks for production expansion, capital investment and raw-material security, crude steel capacity of 220.3 MTPA has been achieved as on 31.3.2026. The Committee further note with satisfaction that India's steel sector has maintained robust growth, supported by sustained Government initiatives such as the PM Gati Shakti National Master Plan, National Infrastructure Pipeline, Smart Cities Mission, Mission Coking Coal and the DMI&SP Policy. While noting that NSP 2017 has proven effective in steering the nation into a high-growth trajectory by laying down the roadmap for long term growth of the steel sector with focus on several key initiatives for high quality steel production, modernization, capacity building and domestic demand creation, the Committee desire the Ministry of Steel to continue to align and upgrade the National Steel Policy 2017 in line with evolving macroeconomic shifts, international trade and domestic market to further strengthen India's global leadership in the steel sector.

Strengthening the PLI Scheme to Accelerate Self-Reliance in Specialty Steel

5. The Committee note that the Production Linked Incentive (PLI) Scheme for Specialty Steel, launched with an outlay of Rs. 6322 crore, is a key intervention aimed at reducing import dependence in high-value steel grades and promoting domestic manufacturing. As of September 2025, investments of Rs.22973 crore, production of 2.31 million tones and employment for 13284 persons have been achieved. The Committee are pleased to note that the Scheme is proving to be effective in making the steel sector self-reliant by catalyzing investments in critical segments such as automotive steel, electrical steel, coated steel and alloy steel, which were previously dependent on imports. While dependence on imports for specialty steel is reducing over the years, acquiring advanced technology, reduction in capital and energy costs and skilled manpower can further accelerate the growth in this sector. The Committee, therefore desire the Ministry to strengthen

support for R&D and technology transfer and facilitate assured procurement of domestically produced specialty steel. The Ministry may undertake periodic review of the performance of PLI scheme and ensure that the intended objectives of the Scheme are achieved. Such measures would help maximize the impact of the PLI Scheme and accelerate India's progress towards complete self-reliance in specialty steel production.

Commitments and achievements under PLI

6. The Committee note that the PLI Scheme for Specialty Steel is applicable for a five-year production period, with FY 2023-24 being the first year of production and FY 2024-25 the first year of incentive disbursement. The final year of production under the original timeline is FY 2027-28, with incentive disbursement continuing up to FY 2028-29. As informed by the Ministry of Steel, the apparent gap between investment and production commitments and the achievements under PLI as of October 2025 is primarily attributable to the phased and long gestation period of steel projects, rather than any withdrawal of commitments. As of October 2025, actual investment of Rs. 22,973 crore represents 52% of the total committed investment of Rs. 44,106 crore, while the remaining Rs. 21,133 crore is expected to be invested progressively up to FY 2029-30. Accordingly, the investment trajectory remains aligned with the approved timelines, and there is no material dilution of committed investments. The Committee hope that keeping in mind the bottlenecks faced during the implementation of PLI 1.0 and PLI 1.1, the Ministry will make more efforts to make PLI 1.2 a success. The Ministry has informed that it has provided greater clarity on timelines, eligibility conditions, and monitoring mechanisms under PLI 1.2, while also engaging closely with industry to ensure realistic capacity planning. The Committee desire to be apprised of the progress made in this regard.

Quality Control Order (QCO) Implementation under PLI Scheme

7. The Committee note that under the Steel and Steel Products (Quality Control) Amendment Order, 2025 the Ministry under a calibrated approach has suspended the enforcement of QCO on a total of 55 Indian Standards, 42 related to steel products and 13 related to specialty steel grades. The remaining 96 standards have been retained on grounds of health and

Safety, support to small steel producers, preventing unfair trade practices and upholding national security. The Committee are of the view that strategic implementation of the QCO for steel and steel products will encourage innovation, reduce costs and will give boost to anti-dumping measures against cheap steel imports while having a positive impact on the domestic steel industry which will give thrust to small steel industries and Micro, Small, and Medium Enterprises (MSMEs).

DMI & SP Policy for Greater Domestic Value Addition

8. The Committee appreciate that the Domestically Manufactured Iron and Steel Products (DMI&SP) Policy implemented by the Ministry of Steel provides preference to domestically produced iron & steel material in Government tenders and seeks to accomplish 'Make in India' with the objective to encourage domestic manufacturing. The amended DMI & SP policy, 2025, inter alia, provides that all government ministries, departments, PSUs, and entities under their control must source iron and steel products domestically. The policy covers procurement of iron and steel for projects under centrally sponsored and central sector schemes, for items valued above Rs.5 lakh. DMI & SP Policy is a strategic framework, to take the nation forward towards self-reliance. The policy effectively shields the domestic steel sector from cheap imports, retains capital within the country, and incentivizes technological upgrading among indigenous suppliers because it requires foreign suppliers to transfer technology to domestic companies within specified timeframes if they wish to bid for Indian government contracts. The Committee observe that major organisations have largely been complying with the DMI & SP Policy since its launch in 2017. The Committee are hopeful that the Policy will achieve greater success with its wider adoption by other procuring organisations as well as small and medium steel producers. The Committee desire the Ministry to closely monitor its compliance and implementation in a periodic manner and apprise the Committee of the progress made in this regard.

Strengthening Rail and Road Logistics Infrastructure

9. The Committee note that the rail and road logistics are critical to the

steel sector for moving heavy raw materials and finished products efficiently. This network links mines, production plants, and end consumers across vast geographical distances. The Committee are of the view that last mile road connectivity, coupled with adequate rail wagons and rakes will ensure timely and cost-effective transportation of steel and its raw materials. At the same time, the Committee appreciate the efforts of the Ministry in coordination with the Ministry of Railways to address logistics issues and note that a target has been set for reducing average rake turnaround time from the current 5–6 days to about 3 days by FY 2030-31 through dedicated freight corridors and operational reforms. The Committee also note the identification of nearly 1,000 km of first and last mile road infrastructure for upgradation in key steel producing regions. The Committee desire that these initiatives be implemented in a time bound manner with close interministerial coordination so as to reduce logistics cost in the steel sector.

Leveraging PM Gati Shakti for Efficient Steel Logistics

10. The Committee appreciate the PM Gati Shakti National Master Plan which is a transformative mega infrastructure initiative launched by the Government of India. It syncs railways, highways, ports, waterways, airports, mass transit, and logistics infrastructure to ensure seamless last mile connectivity for freight which is the backbone for infrastructure development in steel sector. The Committee feel that the development of Multi-Modal Logistics Parks (MMLPs) under PM Gati Shakti, along with port linked and hinterland warehousing hubs at key locations will reduce steel logistics drastically and also reduce time for raw materials to reach steel plant and finished product from steel plants to the market. The Committee, hence, urge that such projects be implemented on priority so as to strengthen connectivity to steel and mining clusters, improve supply chain efficiency and enhance the competitiveness of the domestic steel industry. The Committee wish to be apprised of the progress made under this plan.

Promoting Coastal and Inland Waterways for Cost Effective Steel Logistics

11. The Committee understand that Sagarmala Programme is a flagship initiative by the Ministry of Ports, Shipping, and Waterways to modernize India's maritime sector and is aimed at transforming the country's economy through port-led development. Its core objective is to harness India's coastline and navigable waterways to drastically reduce domestic and Export-Import (EXIM) logistics costs. The Committee note the potential of the Sagarmala Programme to improve logistics efficiency in the steel sector and appreciate the Ministry's assessment that, by FY 2030-31, enhanced port infrastructure could handle around 15 per cent of iron ore movement and approximately 3 per cent of steel movement. The Committee further note that the coastal shipping for steel movement has been partially operationalized, with limited but gradually increasing movement along the eastern and western coasts. Inland waterway transportation of steel remains at early development and pilot stage, restricted to select stretches only. While noting that this will reduce rail and road logistics costs in the steel sector by providing an alternative and cheaper means of transportation for raw materials as well as finished steel products, the Committee hope that this initiative of the Government will reap huge benefits for the steel sector.

Slurry Pipelines for Cost-effective and Environmentally Friendly Bulk Transportation

12. The Committee understand that the slurry pipelines specially designed to transport fine particulate solids such as iron ore, coal or mining waste over long distances offer a cost effective and environmentally preferable mode of transporting iron ore etc. with significant potential to reduce dependence on rail and road logistics and lower transportation costs. As of now, 34 MTPA of slurry pipeline capacity, accounting for about 6 per cent of total iron ore movement, is currently operational in the country. The Committee are informed that slurry pipelines are water intensive and to address the water availability concerns, Return Water Pipelines and Closed Loop Recycling Systems are emerging as primary mitigation strategy; and desalination for coastal units are also being evaluated for make-up water or full water sourcing. The Committee, therefore, are

of the view that development of slurry pipelines with efficient technologies may be encouraged which will help in reducing logistics costs and will help in reducing the carbon footprint in the steel sector.

Reducing Logistics Costs to Enhance Global Competitiveness of Indian Steel

13. The Committee are informed that logistics costs for steel industry in India in road and rail freight make the domestic steel industry becoming less competitive outside the factory gate. The Committee note that Indian steel producers presently incur logistics costs of about 16–18% of revenue, compared to the global benchmark of 10–12%. The Committee are informed that that to minimize this gap by FY 2028–29, over 14000 km of rail infrastructure is expected to be operational, including 2840 km of Dedicated Freight Corridors (Eastern and Western DFCs), 3000 km of feeder and last mile connectivity, and 7000 km of capacity augmentation works such as doubling and tripling on high density network railway corridors. These projects will enable segregation of freight traffic, higher axle loads, longer trains and improved turnaround time. The Committee appreciate the initiatives being undertaken for rail freight rationalisation, development of logistics hubs and multimodal transport corridors, as well as the commissioning of rail infrastructure by FY 2028-29 under PM Gati Shakti. The Committee appreciate these reforms and infrastructure projects as they are vital to reduce logistics costs, improve supply chain efficiency and enhance global competitiveness of the domestic steel industry.

Strengthening Iron Ore Security through Mine Development and Beneficiation

14. The Committee note that assured availability of iron ore, particularly high grade ore required for advanced and low carbon steel production, is critical for the steel sector. While India possesses substantial iron ore resources of about 25.36 billion tonnes, high grade hematite reserves (>62% Fe) constitute only around 1.45 billion tonnes, necessitating increasing reliance on medium and low grade ores. The Committee note that the operationalisation of auctioned mines, often range from 24 to 60 months, affecting timely availability of raw materials. The Committee further note that declining ore grades increase mining and

processing costs and that substantial quantities of low grade iron ore fines remain under utilised or are exported in the absence of adequate beneficiation and pelletisation, despite the country having an installed beneficiation capacity of 114.15 MT. The Committee while noting the efforts of the Ministry to secure raw material availability, opine that mine development, beneficiation and pelletisation infrastructure may be encouraged to promote efficient utilization of low-grade ore and ensure assured raw material linkages for steel producers.

Coking Coal

15. The Committee note that due to the limited availability of high-quality low ash domestic coal, there is continued dependence on imports for coking coal, which account for nearly 85–90 per cent of the sector's requirements. The Committee also note that the Ministry is taking steps to diversify the sourcing of imports of coking coal. The Committee also note that one of the objectives under the National Steel Policy is to increase domestic availability of washed coking coal so as to reduce import dependence on coking coal from ~85% to ~65% by 2030-31. The Mission Coking Coal, a key initiative to meet the raw material goals under the National Steel Policy, aims to increase domestic raw coking coal production up to 140 MT by FY 2029-30. The Committee appreciate the efforts being made under the Mission Coking Coal to enhance domestic production and increase the blending of indigenous coking coal, as continued dependence on imported coking coal make the sector vulnerable to global price volatility, geopolitical uncertainties and supply chain disruptions, which impact the competitiveness and long-term resilience of the steel industry. The Committee opine that the Government continue with its strategy for coking coal security through domestic coking coal production and beneficiation, promoting advanced coal blending technologies and further diversifying import sources so as to strengthen raw material security and support sustainable growth of the steel sector.

Decarbonisation Roadmap and Green Steel Certification

16. The Committee appreciate the initiatives taken by the Government for reduction of carbon emissions in the steel sector and promotion of green steel through Green Steel Taxonomy, National Green Hydrogen Mission and the Steel

Scrap Recycling Policy. The Committee note that the Green Steel Certification Portal is a digital platform managed by the National Institute of Secondary Steel Technology (NISST) under the Ministry of Steel. This portal works as an interface for implementing India's Green Steel Taxonomy which sets rules for low-carbon steel. This helps the steel industry produce steel with lower emissions, supporting national climate goals and global sustainability. The Ministry of Steel is a key stakeholder under NGHM for implementation of pilot projects for the use of hydrogen in steelmaking. The Committee also notes that four pilot projects have been awarded for use of hydrogen in iron and steel production. Besides, the Steel Scrap Recycling Policy 2019 also aims to promote circular economy in the steel sector, thereby reducing emissions. The Committee is informed that for secondary steel producers, including MSMEs, the Ministry is conscious of their limited financial capacity to adopt high-cost green technologies and the decarbonisation strategy for the secondary sector has been chalked accordingly so that it emphasizes low cost and scalable interventions, such as higher scrap usage, improved furnace efficiency, renewable energy procurement, and cleaner fuel substitution. These measures provide immediate emission reduction benefits without imposing excessive capital burden. The Committee is of the view that the Ministry may explore a gradual and economically viable transition for decarbonisation for both large steel plants and the MSME secondary producers, while also ensuring competitiveness and growth of the steel sector. The Committee desires the Ministry to explore a Green Steel Transition Roadmap that protects the competitiveness of the domestic steel industry while advancing India's long-term commitments.

MSMEs - Key Driver of Sustainable Steel Production

17. The Committee notes that the secondary steel sector accounts for nearly 47 per cent of the country's crude steel production capacity with 94.42 million tonnes out of the total 200.3 million tonnes in 2024-25. Comprising predominantly Micro, Small and Medium Enterprises (MSMEs), the sector plays a crucial role in ensuring the availability of affordable steel for infrastructure, construction, engineering, automotive and other downstream industries while generating significant employment and promoting regional industrial development. The Committee further observes that the sector, being largely based on Electric Arc

Furnaces (EAFs), Induction Furnaces and steel scrap, is inherently aligned with the principles of resource efficiency, circular economy and low-carbon steel production, thereby making it an important component of India's strategy to achieve Net Zero emissions. The Committee appreciate the various initiatives undertaken by the Government, including the DMI & SP Policy, the PLI Scheme for Specialty Steel and the Steel Scrap Recycling Policy, to promote domestic steel manufacturing. The Committee are of the view that the secondary steel sector has the potential to produce more efficiently in realising the objective of reaching 300 million tonnes of steel capacity by the year 2030. The Committee desire that the Ministry continue their support for the development of steel sector and also aim at technology upgradation for medium and small-scale producers to adopt modern technologies for production of sustainable steel.

Technology upgradation in Steel Plants

18. The Committee are informed that big steel plants use BF-BOF (Blast Furnace - Basic Oxygen Furnace) are modern and have adopted state of the art technology and also upgraded old units vis- a- vis automation, digital process control, energy efficiency, waste to wealth processes, etc., for which the resources are generated within and through financial institutions and Joint ventures. Where the small and medium steel producers and MSMEs need upgradation, the need of finance for high cost of upgradation can make them economically unviable, unless fully supported or if the finance is made available at a reasonable cost. The Committee, hence urge the Ministry to explore such policies aimed at incentivizing technological upgradation for MSMEs and encourage major, medium and small steel producers including central and State owned units to adopt modern technologies in a practical and affordable manner.

Carbon Measurement and CBAM Preparedness

19. The Committee note that product-level measurement, reporting and verification of embedded carbon emissions are increasingly becoming important for international steel trade. The Committee are informed that domestic producers, particularly MSMEs and secondary steel units, require technical support to measure emissions, improve traceability and demonstrate compliance

with emerging market requirements. The Committee desire the Ministry to explore the feasibility of a Green Steel Measurement, Reporting and Verification Framework, aligned with the national Green Steel Taxonomy and compatible with relevant international reporting requirements, which may also provide common technical-assistance facilities for the MSMEs. The Ministry may coordinate with concerned agencies for Carbon Measurement and CBAM Preparedness while ensuring that domestic emission-reduction efforts and India's developmental goals receive due recognition.

Export Competitiveness of Made in India Steel

20. The Committee observe that, with expanding domestic capacity, a competitive steel sector must be able to reach overseas markets, particularly for value-added and specialty grades. The Committee are informed that Indian steel exporters face high logistics costs, non-tariff barriers, safeguard restrictions and increasingly stringent carbon-related reporting requirements in certain export markets. The Committee suggest that the Ministry, in coordination with concerned agencies may explore a strategy for Export Competitiveness and also explore a diversification strategy to identify priority markets and product segments and facilitate compliance with destination-country quality, traceability and carbon-reporting requirements to encourage export of Made in India Steel.

Steel Research Technology Mission

21. The Committee observe that the transition towards specialty steel, advanced manufacturing, automation, digital process control, green steel, modern recycling and high-quality production requires a workforce equipped with specialised technical skills. Skilled manpower shortages have also been identified as a challenge in implementing high-value specialty-steel projects. The Committee appreciate the efforts being made under the Steel Research Technology Mission of India (SRTMI) for providing a collaborative R&D platform that unites industry, academia, and startups to drive sustainable, self-reliant technological innovation in the Indian steel sector. The Committee are of the view that the Mission may explore the possibility of developing specialized and recognized certification courses in various disciplines related to the steel sector and may also provide focused support to workers, supervisors and

entrepreneurs in MSME steel clusters.

Whole of Government Approach for Steel Sector

22. The Committee recommend that in order to promote Made in India Steel, the Ministry may explore a coordinated action mechanism with concerned Ministries, State Governments, regulatory agencies, financial institutions and industry as a part of Whole of government approach. The Committee are of the view that a formal mechanism will help monitor outcomes and address issues relating to mines, coal, logistics, power, technology, environment, trade and skills in a coordinated manner. The Committee while appreciating the 'Skill GAP Analysis Portal', a specialized tool developed for steel manufacturing units to assess manpower requirements, identify skill gaps, evaluate training needs, and submit data securely, are of the view that the Ministry may also explore a real-time Steel Sector Dashboard covering details regarding grade-wise domestic production, import dependence, PLI outcomes, DMI&SP compliance, mine operationalisation, logistics indicators, scrap availability, export performance, employment, safety and emissions intensity.

**NEW DELHI;
..... July, 2026
....Ashadha, 1948(Saka)**

**ANURAG SINGH THAKUR
Chairperson
Standing Committee on Coal,
Mines and Steel**

**MINUTES OF THE FIFTH SITTING OF THE COMMITTEE ON COAL, MINES AND STEEL
(2025-26) HELD ON 24 NOVEMBER 2025**

The Committee sat on Monday, 24 November 2025 from 1215 hrs. to 1345 hrs.in
Committee Room No.1, Parliament Annexe Extension Building, New Delhi.

PRESENT

Shri Anurag Singh Thakur- Chairperson

Lok Sabha

2. Smt. Roopkumari Choudhary
3. Shri Vijay Kumar Hansdak
4. Smt. Kamlesh Jangde
5. Shri Harish Chandra Meena
6. Dr. Manna Lal Rawat
7. Shri Shatrugan Prasad Sinha
8. Shri S Venkatesan

Rajya Sabha

9. Shri Anil Kumar Yadav Mandadi
10. Shri Deepak Prakash
11. Shri Murli Milind Deora

Secretariat

- | | | |
|------------------------------|---|------------------|
| 1. Smt. Reena Gopalakrishnan | - | Director |
| 2. Smt. Sunanda Chatterjee | - | Deputy Secretary |

WITNESSES

Indian Steel Association

- | | |
|------------------------------|--|
| 1. Shri Alok Sahay-Secretary | -General, Indian Steel Association |
| 2. Shri Amarendu Prakash | -Chairman & Managing Director, SAIL |
| 3. Shri Ranjan Dhar | -Director & Vice President-Sales |
| 4. Shri Ravinder Bhan | -Senior Director, Indian Steel Association |
| 5. Shri Pankaj Kumar Satija | -Executive Vice President, JSW |
| 6. Shri Manish Mishra | -Chief, Corporate Affairs, Tata Steel |
| 7. Shri Sudhir Sharma | -Sr. General Manager ,AMNS India |
| 8. Shri M.R. Gupta | -Director (T,P&RM), SAIL |
| 9. Dr. A.K. Panda | -Director (Finance), SAIL |
| 10. Shri Vinod Gupta | -ED (Commercial), SAIL |
| 11. Shri Arindam Dasgupta | -ED, CMD's Sectt., SAIL |
| 12. Shri Amit Kumar, | -DGM, CMD's Sectt., SAIL |
| 13. Shri Santosh Kumar | -General Manager (HR), SAIL |
| 14. Shri Amit Pratap Singh | -Head, Regulatory Affairs, Tata Steel |
| 15. Shri Prakash Duvvuri, | -AGM, JSW Steel |

At the outset, the Chairperson welcomed the Members and the representatives of the Indian

Steel Association (ISA) to the sitting of the Committee convened to have a discussion on the subject 'Aatmanirbharta in the steel sector and roadmap for 'Made-in-India' steel production'.

The Chairperson outlined in brief the major issues on which the Committee would like to have a discussion and requested the representatives of the ISA to present their points.

2. The representatives of ISA briefed the Committee on global steel sector trends and India's comparative position in terms of production and consumption. They highlighted India's current standing as the world's second-largest steel producer and elaborated on the dynamics of steel imports from the South Asian countries, including the manner in which China channels cheap steel into India through these economies. The Committee was also apprised regarding new varieties of steel, technological upgradation in steel sector and the critical areas which need to be focused to make India the world's leading producer and consumer of steel..

3. Thereafter, the Members of the Committee raised various queries regarding growth challenges of steel sector. The Members pointed out the gaps in the implementation of various Government policies and drew attention to the key areas of the industry that require urgent focus. The Members also asked the representatives of ISA to give their frank opinion on the measures needed to strengthen the steel sector and the specific issues that must be addressed to unlock its full potential.

4. The representatives of ISA responded to some of the queries raised by the Chairperson and the Members. The Chairperson then directed the representatives of the ISA to furnish written replies to the queries which remained unanswered during the sitting of the Committee within fifteen days.

5. Hon'ble Chairperson thanked the Members of the Committee and officials of ISA for their active participation in the sitting of the Committee.

The Committee then adjourned

(The witnesses then withdrew)

A verbatim record of the proceedings has been kept.

MINUTES OF THE NINTH SITTING OF THE COMMITTEE ON COAL, MINES AND STEEL
(2025-26) HELD ON 15 DECEMBER, 2025.

The Committee sat on 15 December, 2025 from 1700hrs to 1800 hrs in Committee Room No. 1, Parliament Annexe Extension Building, New Delhi.

PRESENT

Shri Anurag Singh Thakur-Chairperson

Lok Sabha

2. Shri Sukhdeo Bhagat
3. Smt. Roopkumari Choudhary
4. Shri Vijay Kumar Hansdak
5. Smt. Kamlesh Jangde
6. Smt. Jyotsna Charandas Mahant
7. Shri Harish Chandra Meena
8. Shri Ananta Nayak
9. Smt. Bharti Pardhi
10. Dr. Rajkumar Sangwan
11. Shri Shatrugan Prasad Sinha
12. Smt. Pratibha Suresh Dhanorkar
13. Shri Aditya Yadav

Rajya Sabha

14. Shri Anil Kumar Yadav Mandadi
15. Shri Deepak Prakash
16. Shri Aditya Prasad
17. Shri Devendra Pratap Singh
18. Shri Pradip Kumar Verma
19. Shri Sajjad Ahmad Kichloo

Secretariat

- | | |
|------------------------------|--------------------|
| 1. Shri Harish Chandra Bist | - Joint Secretary |
| 2. Smt. Reena Gopalakrishnan | - Director |
| 3. Smt. Sunanda Chatterjee | - Deputy Secretary |

WITNESSES

AAIFA Sustainable Steel Manufacturers Association

- | | |
|---------------------------|---------------------------|
| 1. Shri Yogesh Mandhani | -President AAIFA |
| 2. Shri Kamal Aggarwal | - Hon. Secretary General |
| 3. Shri Nishant Aggarwal | - National Council Member |
| 4. Shri Mohit Kapoor | - Advisor |
| 5. Shri Rajesh Shrivastav | - Advisor |
| 6. Shri P Mishra | - Sr. Executive Director |
| 7. Shri Sourav Mishra | -Odisha Chairman |

At the outset, the Chairperson welcomed the Members and the representatives of the AAIFA Sustainable Steel Manufacturers Association to the sitting of the Committee convened to have

a discussion on the subject 'Aatmanirbharta in the steel sector and roadmap for 'Made-in-India' steel production'. The Chairperson outlined in brief the major issues on which the Committee would like to have a discussion and requested the representatives of the AIIFA to present their points.

2. The representatives of AIIFA briefed the Committee on critical challenges faced by the Secondary Steel Sector and also highlighted the strategic measures needed to strengthen the domestic steel ecosystem, ensuring raw material security and advance the country's mission for Atmanirbhar Bharat. They highlighted how Secondary Steel Sector forms a critical pillar of India's Steel economy accounting for nearly half of nation's steel capacity comprising a vast network of MSMEs. The representatives recommended various measures needed for Sustainability and growth of Steel sector according to National Steel Policy and the policy initiatives needed to give boost to the sector.

3. Thereafter, the Members of the Committee raised various queries regarding growth challenges of steel sector. The Members pointed out the gaps in the implementation of various Government policies and drew attention to the key areas of the industry that require urgent focus. The Members also asked the representatives of AIIFA to give their frank opinion on the measures needed to strengthen the steel sector and the specific issues that must be addressed to unlock its full potential.

4. The representatives of AIIFA responded to some of the queries raised by the Chairperson and the Members. The Chairperson then directed the representatives of the AIIFA to furnish written replies to the queries which remained unanswered during the sitting of the Committee within fifteen days.

5. Hon'ble Chairperson thanked the Members of the Committee and officials of AIIFA for their active participation in the sitting of the Committee.

The Committee then adjourned

(The witnesses then withdrew)

A verbatim record of the proceedings has been kept.

MINUTES OF THE TENTH SITTING OF THE COMMITTEE ON COAL, MINES AND STEEL
(2025-26) HELD ON 15 DECEMBER, 2025.

The Committee sat on 15 December, 2025 from 1820 hrs to 1900 hrs in Committee Room No. 1, Parliament Annexe Extension Building, New Delhi.

PRESENT

Shri Anurag Singh Thakur-Chairperson

Lok Sabha

2. Shri Sukhdeo Bhagat
3. Smt. Roopkumari Choudhary
4. Shri Vijay Kumar Hansdak
5. Smt. Kamlesh Jangde
6. Smt. Jyotsna Charandas Mahant
7. Shri Harish Chandra Meena
8. Shri Ananta Nayak
9. Smt. Bharti Pardhi
10. Dr. Rajkumar Sangwan
11. Shri Shatrugan Prasad Sinha
12. Smt. Pratibha Suresh Dhanorkar
13. Shri Aditya Yadav

Rajya Sabha

14. Shri Anil Kumar Yadav Mandadi
15. Shri Deepak Prakash
16. Shri Aditya Prasad
17. Shri Devendra Pratap Singh
18. Shri Pradip Kumar Verma
19. Shri Sajjad Ahmad Kichloo

Secretariat

- | | | |
|------------------------------|---|------------------|
| 4. Shri Harish Chandra Bist | - | Joint Secretary |
| 5. Smt. Reena Gopalakrishnan | - | Director |
| 6. Smt. Sunanda Chatterjee | - | Deputy Secretary |

WITNESSES

Ministry of Steel

- | | |
|--------------------------------|------------------------------|
| 1. Shri Ashish Chatterjee | -Additional Secretary and FA |
| 2. Shri Abhijit Narendra | -Joint Secretary |
| 3. Shri Gopal Krishna Ganeshan | -Director |

At the outset, the Chairperson welcomed the Members, the representatives of the Ministry of Steel to the sitting of the Committee convened to take oral evidence on the subject, 'Aatmanirbharta in Steel Sector and Roadmap for 'Made In India', Steel Production.' The Chairperson outlined in brief the major issues on which the Committee would like to have a discussion and requested the representatives of the Ministry to

present their points. The representatives of the Ministry made a PPT on various aspects of the subject like Projected iron and steel demand and production by 2030-31 and various initiatives taken by the Government for growth of Iron and Steel Sector. The representatives of the Ministry briefed the Committee the issues due to which the steel sector is lagging behind in its physical and financial performance. They highlighted new initiatives like PLI scheme, DMI and SP policy of Specialized Steel which have been recently launched by the Ministry . They outlined the steps being taken by the Ministry to make India Aatmanirbhar in the Steel sector.

3. Thereafter , the Chairperson and the Members raised various queries based on the testimonies given by the Ministry. The key issues highlighted relate to several structural and operational constraints that continue to hamper the growth trajectory of PSUs. Big Private Steel Producers as well as MSMEs. Members also noted that various Government assessments and media reports have highlighted several performance gaps in Steel sector growth,

4. The representatives of the Ministry responded to some of the queries raised by the Members. The Chairperson then directed the representatives of the Ministry of Steel to furnish written replies to the queries which remained unanswered during the sitting to the Committee secretariat within fifteen days.

5 . Hon'ble Chairperson thanked the Members of the Committee, officials of the Ministry and SAIL for their active participation in the sitting of the Committee.

The Committee then adjourned

(The witnesses then withdrew)

A verbatim record of the proceedings has been kept.

**MINUTES OF THE TWENTY-SIXTH SITTING OF THE STANDING
COMMITTEE ON COAL, MINES AND STEEL (2025-26) HELD ON 20 JULY,
2026 FROM 1700 HRS TO 1730 HRS IN COMMITTEE ROOM NO. 1,
PARLIAMENT HOUSE ANNEXE EXTENSION BUILDING, NEW DELHI**

PRESENT

Shri Anurag Singh Thakur - Chairperson

Lok Sabha

- 2.Smt. Kamlesh Jangde
- 3.Smt. Jyotsna Charandas Mahant
- 4.Shri Bidyut Baran Mahato
- 5.Shri Ananta Nayak
- 6.Dr. Manna Lal Rawat
- 7.Dr. Rajkumar Sangwan

Rajya Sabha

- 8.Smt. Mahua Maji
- 9.Shri Anil Kumar Yadav Mandadi
- 10.Shri Devendra Pratap Singh

SECRETARIAT

Shri Harish Chandra Bist - Joint Secretary

Smt. Sunanda Chatterjee - Deputy Secretary

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. The Committee, thereafter, considered and adopted the following draft Reports without any amendments:-

(i)'Aatmanirbharta in Steel Sector and Roadmap for 'Made in India' Steel Production' pertaining to the Ministry of Steel;

(ii)Action Taken by the Government on the Observations/ Recommendations

contained in the Eighteenth Report (18th Lok Sabha) on Demands for Grants (2026-2027) pertaining to Ministry of Coal;

(iii) Action Taken by the Government on the Observations/ Recommendations contained in the Nineteenth Report (18th Lok Sabha) on Demands for Grants (2026-2027) pertaining to the Ministry of Mines.

3. The Committee then authorized the Chairperson to finalise the Reports and present the same to both the Houses of Parliament.

The Committee then adjourned.