

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO. 2017
FOR ANSWER ON 11.03.2025

STEEL PRODUCTION

2017. MS KANGNA RANAUT:

Will the Minister of STEEL be pleased to state:

- (a) the manner in which Ministry plan to support India's goal of becoming Aatmanirbhar in steel production;
- (b) the Government would help MSMEs and small steel producers to compete in the global market; and
- (c) the manner in which the green steel and sustainability would play a role in the future roadmap for steel plant?

ANSWER

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

(a)&(b): Steel is a de-regulated sector and the government acts as a facilitator by creating a conducive policy environment for the development of the steel sector. The government has taken the following measures to improve raw material security, enhance R&D activities, reduce import dependence, and cost of production to support India's goal of becoming Aatmanirbhar in steel production and help MSMEs, small steel producers:-

- i. Promotion of 'Made in India' Steel and Expanding Investments:-
 - a. Implementation of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting 'Made in India' steel for Government procurement.
 - b. Launch of the 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. The anticipated additional investment under the PLI Scheme for Specialty Steel is Rs. 27,106 crores, downstream capacity creation of around 24 million tonnes, and a direct employment generation of 14,760.
 - c. A capex of Rs.11,11,111 crore, announced in the Union Budget FY 2024-25, has given thrust to infrastructure expansion which, in turn, has increased steel consumption.

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- ii. Improve Raw Material Availability and Reduce Raw Material Cost:-
 - a. Reduction in the Basic Customs Duty on Ferro Nickel, a raw material from 2.5 percent to zero, making it duty-free.
 - b. Extension of duty exemption on ferrous scrap up to 31st March, 2026, in the Budget 2024.
 - c. Notification of Steel Scrap Recycling Policy to enhance the availability of domestically generated ferrous scrap.
 - iii. Import Monitoring and Quality Control:-
 - a. Revamping of Steel Import Monitoring System (SIMS) for effective monitoring of imports to provide granular details on imports to the domestic steel industry.
 - b. Introduction of Steel Quality Control Orders thereby banning sub-standard/ defective steel products in the domestic market as well as imports to ensure the availability of quality steel to the industry, users, and public at large. As per the Order, it is ensured that only quality steels conforming to the relevant BIS standards are made available to the end users. As of date, 151 Indian Standards are notified under the Quality Control Order covering carbon steel, alloy steel, and stainless steel.
- (c) Ministry of Steel has released a comprehensive 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.
