

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO. 484
FOR ANSWER ON 03.02.2026

PROMOTION OF STEEL-BASED MSME CLUSTERS IN DHARMAPURI

484. SHRI MANI A:

Will the Minister of STEEL be pleased to state:

- a) whether the Government has considered promoting downstream steel-based MSME clusters in districts like Dharmapuri to generate local employment, if so, the details thereof;
- (b) whether any Central scheme support has been extended for fabrication, auto components, or construction material units in the district, if so, the details thereof;
- (c) whether lack of affordable steel supply is affecting small manufacturing units, if so, the details thereof;
- (d) the infrastructure support proposed for MSME steel users; and
- (e) the steps being taken to link industrial policy with employment generation in backward regions?

ANSWER

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

(a)to(e): Steel is a deregulated sector and the Government acts as a facilitator by creating a conducive policy environment in the country, including in Dharmapuri district of Tamil Nadu, for MSMEs and steel sector in general. Prices are market determined. Decisions such as setting up companies, investment, capacity expansion, modernization, employment, export etc. are dependent on the market conditions and techno-commercial analysis of individual companies. Production of crude steel has shown a growth of over 11% till December 2025, as compared to the previous year.

Government has taken various steps for the promotion and development of the MSME steel users. Some of these are detailed below:-

- i. Implementation of Micro and Small Enterprises - Cluster Development Programme (MSE-CDP) scheme by extending financial assistance to establish Common Facility Canters (CFCs) in the existing clusters and establish/upgrade infrastructural facilities in new/existing industrial estates/areas/flatted factory complexes.
- ii. Launch of Udyam Registration for MSMEs, for Ease of Doing Business.
- iii. Enhancement of maximum project cost under Prime Minister's Employment Generation Programme (PMEGP).
- iv. Launch of revamped Credit Guarantee Scheme.
- v. Setting up of Self Reliant India (SRI) Fund.
