

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO. 5095
FOR ANSWER ON 24.03.2026

DOMESTICALLY MANUFACTURED IRON AND STEEL PRODUCTS POLICY

5095. SHRI VIJAY KUMAR DUBEY:
SHRI JASHUBHAI BHILUBHAI RATHVA:

Will the Minister of STEEL be pleased to state:

- (a) the definition and methodology prescribed for calculating 'minimum local content' under the Domestically Manufactured Iron and Steel Products (DMI&SP) Policy;
- (b) the manner in which mandatory procurement of steel manufactured in the country likely to be ensured through monitoring and enforcement across various Ministries and PSUs;
- (c) the revised list of capital goods permitted for import and the rationale behind such exemptions along with the details thereof;
- (d) the manner in which the policy addresses concerns regarding potential cost escalation in Government procurement arising from the requirement to procure from domestic sources; and
- (e) whether the entry barriers have been relaxed to ensure participation of indigenous technology providers in commissioning tenders of steel plants and if so, the details thereof?

ANSWER

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

(a)to(e): The details of definition and methodology for calculating 'minimum local content', revised list of capital goods permitted for import by Central Public Sector Enterprises (CPSEs), relaxation of entry barriers to support participation of indigenous technology providers in steel CPSE tenders are specified in the Domestically Manufactured Iron and Steel Products (DMI&SP) Policy, published on the website of the Ministry of Steel.

DMI&SP Policy mandates the use of domestically manufactured steel in projects funded by the Government and its agencies. All Ministries, Departments and CPSEs are covered in the policy. Compliance is ensured through incorporation of policy provisions in tender conditions, certification requirements for local content, and monitoring by the concerned procuring entities and the Ministry.

Import of capital goods and equipment by steel CPSEs is permitted in cases where such equipment is not available domestically or where import is necessary for adoption of advanced and efficient technologies, so as to avoid delays in project implementation. Further, entry barriers of prior experience and eligibility conditions in technology procurement tenders of steel CPSEs have been relaxed in order to facilitate participation of indigenous technology providers and promote development of domestic capabilities in steel plant equipment and processes.
