

National Steel Policy: Vision 2047

Executive Summary

Steel has been a key driver of India's industrial and economic development, supporting infrastructure, manufacturing, transportation, urbanisation and downstream industries. National Steel Policy – Vision 2047 (NSP – Vision 2047) provides long-term policy framework to build a globally competitive, technologically advanced, environmentally sustainable and resource-efficient steel sector aligned with the vision of Viksit Bharat @2047. India's crude steel production has increased from about 89 million tonne (MT) in 2014-15 to 170 MT in 2025-26, while finished steel consumption has risen from 77 MT to 164 MT. India's share of global crude steel production has also grown from 5.2% in 2014 to about 8.9% in 2025, supported by an installed capacity of 220 million tonnes per annum (MTPA). The Policy aims to meet the country's growing steel requirements, while strengthening India's position in the global steel industry.

Manufacturing and infrastructure will remain the primary drivers of steel demand, Construction and infrastructure currently account for about 67% of steel consumption, while automobiles, engineering goods, appliances and packaging contribute another 28%. Demand will also be driven by rapid urbanization, expansion of renewable energy, clean mobility, digital infrastructure and emerging technologies. The Policy projects finished steel demand of 505 MT by 2047, requiring crude steel capacity of 604 MT, per capita consumption of 302 kg and steel exports of 45 MT.

Raw materials account for around 65-70% of steelmaking costs. While India is largely self-sufficient in iron ore, it imports nearly 92% of its coking coal requirement. The Policy seeks to reduce import dependence through domestic mining, washery expansion, asset acquisition, long-term supply arrangements, and AI-based optimization of coal blends. Other raw materials important for steel sector like Manganese, Limestone etc. will also remain in policy focus to ensure long-term resource sustainability. The secondary steel sector, comprising around 2,550 units and nearly 47% of crude steel production capacity, will receive support for improved raw material access, technology improvement, skill development and safety.

Decarbonization is one of the key pillars of the Policy. The steel sector contributes about 10-12% of India's CO₂ emissions, with an average emission intensity of 2.54 tonnes of CO₂ per tonne of crude steel (tCO₂/tcs), significantly above the global average of 1.92 tCO₂/tcs. NSP – Vision 2047 outlines a phased transition towards Net Zero by 2070 through improved energy efficiency, renewable electricity, greater scrap utilization and use of hydrogen.

The Policy also focuses on value-added steel such as stainless steel and specialty steel, addressing their dependence on imported raw materials and technology. It proposes diversification of raw material sourcing, development of a domestic scrap ecosystem, promotion of downstream manufacturing clusters, indigenous technology development, Centres of Excellence and demand aggregation. Steel quality will be strengthened through revised Indian Standards and conformity assessment mechanisms.

Digital transformation is identified as an emerging priority. This includes focus on digital infrastructure, common data standards and Industry 4.0 adoption, migrating latter to Industry 5.0 ecosystem driven by trusted AI and autonomous production systems. Measures to discourage import of sub-standard low-quality steel will continue to be taken including AI supported import monitoring and other trade remedial measures. Export of good quality steel will also be encouraged.

International cooperation in steel sector will become priority area in coming years especially for raw material diversification, steel trade and technology collaboration. India, being the second largest producer and consumer of steel in the world, will collaborate with other countries to take steel sector forward in the right direction.

Recognizing the need for a larger and more skilled workforce, the Policy outlines measures including a Steel Skill Development Working Group, periodic skill-gap assessments and upgrading training institutions into Centres of Excellence. Safety initiatives include establishing a Steel Industry Safety Council and Safety Directorate to standardize audits, reporting, disaster preparedness and digital safety systems, with the objective of achieving zero tolerance for safety violations. Research and innovation will be supported through the Ministry's R&D programmes and SRTMI's challenge and start-up initiatives.

In summary, this policy is a roadmap for Indian steel sector's journey upto Viksit Bharat@2047. The policy covers all important aspects for steel sector and gives concrete action plan to address the challenges and explore the opportunities. It is expected that this policy will become a guiding document for Indian steel sector's phenomenal growth in coming two decades.