

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO. 631
TO BE ANSWERED ON 29/11/2024

INITIATIVES FOR BOOSTING STEEL SECTOR

631. Shri Brij Lal:
Dr. Dinesh Sharma

Will the Minister of Steel be pleased to state:

- (a) the targets set under the National Steel Policy and other expected outcome thereof;
- (b) the steps taken towards expanding the scope of quality control orders on steel; and
- (c) the other major initiatives implemented by Government till date for boosting the steel sector?

ANSWER

MINISTER OF STEEL

(SHRI H.D.KUMARASWAMY)

(a) National Steel Policy (NSP), 2017 envisages the following steel production/capacity for the year 2030-31: -

S. No.	Parameter	Projections (2030 – 31) (in Million Tons)
i.	Total crude steel capacity	300
ii.	Total crude steel production	255
iii.	Total finished steel production	230
iv.	Sponge iron demand/production	80
v.	Pig iron demand/ production	17
vi.	Per Capita Finished Steel Consumption in kg	158

Source: NSP, 2017

(b) Government has expanded steel Quality Control Orders (QCO) by which the products covered under QCOs require BIS license. This prevents use of 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. As on date, 151 Indian Standards are notified under the Quality Control Order covering carbon steel, alloy steel and stainless steel.

(c) Steel is a de-regulated sector and the government acts as a facilitator by creating a conducive policy environment for the development of steel sector. Government has taken

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the following measures to create a conducive policy environment for boosting the steel sector in the country: -

- 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 Union Budget FY 2024-25, has given thrust to infrastructure expansion which, in turn, has increased steel consumption.
- 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 upto 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 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 on date, 151 Indian Standards are notified under the Quality Control Order covering carbon steel, alloy steel and stainless steel.
- iv. Other measures: -
 - a. Coordination with Ministries and States for expeditious statutory clearances and other countries for facilitating the availability of raw material for steel making on more favourable terms.
