

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO. 2227
TO BE ANSWERED ON 09/08/2024

STEPS TO INCREASE STEEL PRODUCTION

2227. Shri Digvijaya Singh:
Shri Neeraj Dangi:

Will the Minister of Steel be pleased to state:

- (a) whether Government has set any target for steel production capacity in the country by 2030;
- (b) if so, the details of steps taken to increase steel production in the country;
- (c) the incentives or schemes that have been introduced to encourage the adoption of energy-efficient and innovative technologies in steel production; and
- (d) the manner in which Government is supporting research and development efforts in the steel industry to improve product quality, efficiency, and cost optimization?

ANSWER

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

(a)to(d): Steel is a de-regulated sector. Government acts as a facilitator, by creating a conducive policy environment for the development of the steel sector. The National Steel Policy (NSP) 2017 forecasts the following steel production/ capacity for the year 2030-31:-

Sr. 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

Source: National Steel Policy(NSP) 2017

Government as a facilitator has taken the following measures to create a conducive policy environment for improving production and consumption of steel in the country:-

- i. Implementation of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting 'Made in India' steel for Government procurement.
- ii. Government has launched Production Linked Incentive (PLI) Scheme for Specialty Steel to promote manufacturing of 'Specialty Steel' within the country and reduce imports by attracting capital investments. The anticipated additional investment under PLI Scheme for Specialty Steel is Rs. 29,500 crores and an additional capacity creation of around 25 million tonnes (MT) for specialty steel.

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- iii. For Indian steel to become globally competitive, Basic Customs Duty on Ferro Nickel, a raw material, has been reduced from 2.5 percent to zero, making it duty free, while duty exemption on ferrous scrap has been extended upto 31st March 2026, in the Budget 2024.
- iv. Ministry of Steel has published additional 16 safety guidelines for the Iron and Steel Sector on 25.07.2024. These cover both process and work place based safety. These are expected to minimize accidents and improve productivity by work place safety.
- v. Steel Import Monitoring System (SIMS) has been revamped and SIMS 2.0 was launched on 25.07.2024 for more effective monitoring of imports to address the concerns of domestic steel industry.
- vi. 'Make in India' initiative and PM Gati-shakti National Master Plan are helping enhance steel usage through further engagement with potential users, including from Railways, Defence, Petroleum and Natural Gas, Housing, Civil Aviation, Road Transport and Highways, Agriculture and Rural Development sectors.
- vii. Coordination with Ministries and States, besides other countries, for facilitating the availability of raw material for steel making on more favourable terms.
- viii. Notification of Steel Scrap Recycling Policy to enhance the availability of domestically generated scrap.
- ix. Notified a Quality Control Order for 145 steel products under Indian Standards to ensure availability of quality steel products for the public at large.

Government has taken the following initiatives for the adoption of energy efficient and innovative technologies in steel production:

- i. Ministry of New and Renewable Energy (MNRE) has notified the National Green Hydrogen Mission for green hydrogen production and usage. The steel sector has also been made a stakeholder in the Mission.
- ii. 14 Task Forces had been constituted with engagement of industry, academia, think tanks, S&T bodies, different Ministries and other stakeholders to discuss, deliberate and recommend upon different levers for decarbonisation of the steel sector.
- iii. Japan's New Energy and Industrial Technology Development Corporation (NEDO) Model Projects for Energy Efficiency Improvement have been implemented in steel plants. The following four Model Projects have been implemented to reduce the impact on environment-
 - a. Blast Furnace Hot Stoves Waste Gas Recovery System at Tata Steel Limited.
 - b. Coke Dry Quenching (CDQ) at Tata Steel Limited.
 - c. Sinter Cooler Waste Heat Recovery System at Rashtriya Ispat Nigam Limited.
 - d. Energy Monitoring and Management System in Steel Authority of India Limited.

- iv. Ministry of Steel is implementing a scheme viz. "Promotion of Research & Development in Iron & Steel Sector" for providing financial assistance to reputed Academic Institutions, Research Laboratories and Indian Steel Companies for carrying out research in the Iron and Steel sector for the following thrust areas:-
- a. Improvement in energy efficiency
 - b. Reduction in GHG emission to address climate change issues
 - c. Improvement in quality of steel products
 - d. To address the technological issues faced by the iron & steel industry
 - e. Beneficiation of natural resources like iron ore & coal for improved productivity
 - f. Utilization of wastes
 - g. Development of value added for import substitution.
