

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO. 238
FOR ANSWER ON 22.07.2025

EXPANSION OF STEEL PRODUCTION CAPACITY

238. SHRI P C MOHAN:
SHRI BHARTRUHARI MAHTAB:
SHRI MAHESH KASHYAP:

Will the Minister of STEEL be pleased to state:

(a) the details of the scheme to enhance steel production capacity to 300 million tonnes by 2030 and the corresponding raw material requirements; and

(b) the details of the initiatives to promote circular economy practices in the steel industry to maximise scrap recycling and minimise environmental impact?

ANSWER

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

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

- i. Implementation of Domestically Manufactured Iron & Steel Products (DMI&SP) Policy for promoting 'Made in India' steel for Government procurement.
- ii. 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.
- iii. Thrust in the Union Budget to infrastructure expansion which has contributed to increasing steel consumption.
- iv. Calibration in Basic Customs Duty on Ferro Nickel and ferrous scrap imports to reduce input costs.
- v. Revamping Steel Import Monitoring System (SIMS) for monitoring of imports to provide granular details on imports to the domestic steel industry.
- vi. Introduction of Steel Quality Control Orders thereby banning sub-standard/ defective steel products in the domestic market as well as imports to ensure the availability of quality steel to the industry, users, and public at large.

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(b) The initiatives taken by the Government to promote circular economy practices in the steel industry to maximise scrap recycling and minimise environmental impact are as follows:-

- i. The Steel Scrap Recycling Policy, 2019 provides a coordination framework with various Ministries to facilitate and promote recycling of ferrous scrap generated from various sources.
- ii. The Ministry of Road Transport and Highways (MoRTH) has formulated the Vehicle Scrapping Policy that includes a system of incentives/disincentives for creation of an ecosystem to phase out older, unfit polluting vehicles. Under the policy, MoRTH has issued rules for Registration and Functions of Vehicle Scrapping Facility (RVSF), which provides the procedures and infrastructure facilities required for de-pollution and dismantling of End-of-Life Vehicles (ELVs) for further recovery of metal and other materials under environmental regulations.
- iii. The Government of India has notified the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 to ensure safe handling, storage, recycling, utilisation, treatment and disposal of hazardous and other wastes in an environmentally safe manner.
- iv. Ministry of Environment, Forest & Climate Change has introduced the Environment Protection (End-of-Life Vehicles) Rules, 2025, which establishes a framework for managing End-of-Life Vehicles (ELVs) in an environmentally sound manner and mandates Extended Producer Responsibility (EPR), requiring vehicle producers to meet annual scrapping targets based on the type of vehicle and materials recovered.
- v. Recycling of Ships Act, 2019 has been notified by Ministry of Shipping, Ports and Waterways with aims to regulate and promote the safe and environmentally sound recycling of ships.
