

Steel sector setting milestone record, India emerges as the 2nd largest global producer

Domestic finished steel production stands at 89.711 million tonnes, witnessing a 14.3% growth

The steel sector has grown tremendously, and India has emerged as a worldwide leader in steel production and the world's second-largest producer of steel. Domestic finished steel output was 89.7 million tonnes in comparison to 78.498 million tonnes in the corresponding period last year (CPLY), a 14.3% increase. The sector witnessed a domestic steel consumption of 87.1 million tonnes, a 14.9% increase over CPLY of 75.8 million tonnes.

Domestic crude steel output was 94.1 million tonnes, a 14.7% increase over the previous year's production of 82.1 million tonnes. Witnessing a growth of 13.4%, during April – November 2023, finished steel imports increased from 3.8 million tonnes last year to 4.3 million tonnes in the current year.

The strategic initiatives of the Government in this regard have taken the Steel sector to new highs. The government has approved the inclusion of 'Specialty Steel' under the Production Linked Incentive (PLI) Scheme, with a 5-year financial outlay of Rs 6322 crore to promote the manufacturing of 'Specialty Steel' within the country by attracting capital investment and promoting technology up-gradation in the steel sector. The Government has formulated the National Steel Policy 2017, which lays down the broad roadmap for encouraging long-term growth for the Indian steel industry, both on demand and supply sides, by 2030-31. The government's push for infrastructure development through the Gati-Shakti Master Plan, the 'Make-in-India' initiative for the manufacturing sector, and other flagship schemes of the Government would provide impetus to the demand and consumption of steel in the country.

The Ministry of Steel has integrated BISAG-N's capabilities into the PM Gati Shakti National Master Plan, uploading geolocations of more than 2000 steel units to gain insights into steel production facilities. During FY 2022-23, Steel Central Public Sector Enterprises (CPSEs) had a target of Rs 11,590.46 crores (RE) against which the CPSEs achieved a CAPEX of Rs 10,525.84 crores. The CAPEX in FY 2022-23 was the highest achieved by Steel CPSEs in the past five years.

The CAPEX target for FY 2023-24 is Rs 10,300.85 crores (BE). Against this BE target, Steel CPSEs

have achieved a CAPEX of Rs 5414.51 crores till November 2023 (52.6%). Procurement of goods and services through GeM by Steel CPSEs has increased over the year with the value of orders during April-November, 2023 being 20.8% higher over CPLY. Total procurement made between April and November 2023 stands at Rs 10,126.90 crore. During the current fiscal year April 2023 to November 2023, 98% of MSMEs payments have been made within 45 days. During the aforesaid period, Steel's CPSEs have made a payment of Rs 4977.82 crore to MSMEs which is approx 5% higher than the payment of Rs 4747.53 crore made during the corresponding period of last year.

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Warm Regards,

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