

## Centre receives 10 applications in PLI scheme for specialty steel, last date likely to be extended



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There has been lackluster interest under the PLI Scheme for specialty steel as it has received just 10 applications so far despite the Centre extending the deadline for submission of interest under the scheme twice. It is now expected that the Centre may extend the due date for the third date.

A senior government official told PTI that the last date to submit applications under the PLI Scheme for specialty steel is expected to be extended again for the third time.

The last date to submit interest under the [PLI scheme](#) for specialty steel was initially set on March 29, however, that was extended to April 30 and further to May 31, 2022.

When asked about the number of applicants who applied under the scheme, the official told that 10 applications and 58 registrations have been received so far by players.

On the rationale for extending the last date once again, the official told that the ministry is yet to come out with the modified scheme.

As per the report, certain steel markets have earlier raised concerns over the scheme due to which the government has begun the process to modify the scheme.

The official highlighted that the Centre is working on a uniform incentive for the production of speciality steel. More grades, especially those used in the defence sector, will be added to the scheme. Also, for secondary players - a cap on minimum investment and setting up minimum capacity is likely to be removed.

Last year, in July, the Union Cabinet approved the Production Linked Incentive (PLI) Scheme for specialty steel with a budgetary outlay of ₹6,322 crore. The scheme is expected to bring in investment of approximately ₹40,000 crore and a capacity addition of 25 MT for speciality steel.

Also, the scheme is expected to give employment to about 5,25,000 people of which 68,000 will be direct employment.

The government chose speciality scheme as the target segment because out of the production of 102 million tonnes of steel in India in 2020-21, only 18 million tonnes of value-added steel/speciality steel was produced in the country. Also, in the same year, out of 6.7 million tonnes of imports in the same year, approx. 4 million tonnes of import was of specialty steel alone resulting in FOREX outgo of Approx. ₹30,000 crores.

As part of its self-reliance vision, India aims to move up the steel value chain and come at par with advanced steel-making countries like Korea and Japan.

The five categories of specialty steel which have been chosen in the PLI Scheme are - Coated/Plated Steel Products, High Strength/Wear-resistant Steel, Specialty Rails, Alloy Steel Products, and Steel wires, and Electrical Steel.

The government expects speciality steel production to become 42 million tonnes by the end of 2026-27.