

Speciality steel

February 12, 2021

In news : Approval of Production Linked Incentive Scheme for specialty steel

Why the PLI scheme for speciality steel?

Although India is a net exporter of steel in terms of quantity, it still remains a net importer of 'specialty steel' owing to limited or nil production capacity for steel grades such as high strength steel, electrogalvanized steel, heat-treated steel, asymmetrical rails, bearing steel, valve steel, tool & die steel etc. In order to incentivize production of such 'specialty steel' grades, the Union Cabinet on 11th Nov 2020 approved the Production Linked Incentive (PLI) Scheme for specialty steel grades.

Benefits of the scheme

- It is envisaged that the PLI scheme shall boost the production of identified specialty steel grades from the current 16 MTPA to over 37MTPA in 5 years, while attracting investments of over Rs 35,000 Cr.
- This would not only result in an overall contribution to achieving the USD 5 Trillion economy, but would directly boost employment in the country owing to the huge multiplier effect of steel.

What is specialty steel?

Specialty steels also referred to as alloy steel contain additional alloyed materials that deliver special properties to the final product. Specialty steels are engineered to provide superior performance under specific conditions. Various stainless steel alloys are included among common specialty steels.

What are the benefits of specialty steels?

The benefits of specialty steels include:

- High corrosion resistance
- Targeted resistance to high and/or low temperatures
- Easily fabricated
- Dimensional stability and strength
- Non-magnetic
- Sterile and hygienic
- Well suited for special applications
- Lighter weight

What is the Production Linked Incentive (PLI) Scheme?

Government of India approved the PLI scheme in November 2020 Scheme in the following 10 key sectors for Enhancing India's Manufacturing Capabilities and Enhancing Exports – Atmanirbhar Bharat.

Sectors	Implementing Ministry/Department
Advance Chemistry Cell (ACC) Battery	NITI Aayog and Department of Heavy Industries
Electronic/Technology Products	Ministry of Electronics and Information Technology
Automobiles & Auto Components	Department of Heavy Industries
Pharmaceuticals drugs	Department of Pharmaceuticals
Telecom & Networking Products	Department of Telecom
Textile Products: MMF segment and technical textiles	Ministry of Textiles
Food Products	Ministry of Food Processing Industries
High Efficiency Solar PV Modules	Ministry of New and Renewable Energy

White Goods (ACs & LED)	Department for Promotion of Industry and Internal Trade
Speciality Steel	Ministry of Steel