Ministry of Steel

Union Minister H.D. Kumaraswamy Launches Third Round (PLI 1.2) of Specialty Steel Incentive Scheme

New Phase to Boost Investment, Innovation, and High-Grade Steel Production in India

Over ₹43,800 Crore Committed: Nearly 31,000 Jobs Generated Under Earlier Rounds

PLI 1.2 to Strengthen India's Role in Global Value Chain, Aid Viksit Bharat 2047 Vision

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The Government of India has launched the Third Round (PLI 1.2) of the Production Linked Incentive (PLI) Scheme for Specialty Steel, furthering its commitment to make India a global leader in advanced steel manufacturing. The announcement was made by Union Minister for Steel and Heavy Industries, Shri H.D. Kumaraswamy, who described the initiative as a major milestone in India's journey toward industrial self-reliance and global competitiveness.

Speaking about the launch, Shri Kumaraswamy said the PLI scheme "stands as a shining pillar of the Atmanirbhar Bharat Abhiyan, a mission to make India self-reliant, globally competitive, and technologically advanced in every sphere of industrial production."

A Transformative Policy for India's Steel Sector

Approved by the Union Cabinet in July 2021, the PLI Scheme for Specialty Steel was introduced with a total outlay of ₹6,322 crore to encourage production of high-value, high-grade steels used in sectors such as defence, aerospace, energy, automobiles, and infrastructure.

Since its inception, the scheme has attracted investment commitments worth ₹43,874 crore, created 30,760 direct jobs, and is expected to add 14.3 million tonnes of new specialty steel capacity in India.

According to the latest data, as of September 2025, companies participating in the first two rounds have already invested ₹22,973 crore and generated 13,284 jobs.

"The response to the first two rounds has been highly encouraging. The success demonstrates the strength of India's reform-oriented and industry-driven policy framework," the Minister said.

PLI 1.2: A Push for Advanced Steel Categories

The newly launched PLI 1.2 round is aimed at attracting fresh investments in advanced and emerging categories such as super alloys, CRGO steel, stainless steel long and flat products, titanium alloys, and coated steels, materials that are essential for next-generation industrial and defence applications.

Union Minister of Steel H.D. Kumaraswamy said the third round will also open up new avenues for MSMEs and existing producers who have expanded or upgraded their capacities following the earlier phases.

“PLI 1.2 is designed to accelerate India’s journey toward becoming a global hub for high-grade steel production,” Shri Kumaraswamy said, adding that the new phase would make Indian steel manufacturers more competitive on the global stage.

Building a Global Manufacturing Hub

With India steadily emerging as one of the world’s top steel producers, the PLI scheme is expected to consolidate the country’s role in the global value chain. The focus will be on export-led growth, technological innovation, and sustainability in production.

“Through this initiative, we aim not just to produce steel for India, but to supply the world from India,” the Minister noted.

The scheme aligns with the government’s broader vision of making India a manufacturing powerhouse while ensuring environmental sustainability through cleaner technologies and higher value addition.

Toward a Viksit Bharat by 2047

Shri Kumaraswamy reiterated that the Government remains committed to building a resilient, self-reliant, and globally competitive steel industry. The PLI 1.2 round, he said, would play a vital role in achieving the goals of Atmanirbhar Bharat, Viksit Bharat by 2047, and India’s Net Zero 2070 target.

He remarked, “The story of Indian steel is the story of India’s progress itself, a journey from aspiration to achievement, guided by the vision of Prime Minister Shri Narendra Modi Ji.”

Officials expect that with continued investment inflows, technology partnerships, and export expansion, India will not only meet its domestic steel demand but also become a global supplier of advanced steel products in the coming years.

With the launch of PLI 1.2, India’s steel sector enters a new phase of growth, innovation, and global competitiveness, a move that promises to strengthen the backbone of a self-reliant and future-ready nation.

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