

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO. 1382
FOR ANSWER ON 28.07.2026

CHALLENGES FACED BY THE STEEL SECTOR

1382. DR. T SUMATHY ALIAS THAMIZHACHI THANGAPANDIAN:

Will the Minister of STEEL be pleased to state:

- (a) whether the Government has assessed the challenges faced by the steel sector in increasing production while reducing carbon and pollutant emissions and if so, the details thereof;
- (b) the manner in which the Government is aligning the steel sector's production growth strategy with decarbonisation measures, including energy efficiency, green steel, hydrogen-based technologies and cleaner production processes and the outcomes achieved so far;
- (c) the details of steps being taken to ensure compliance with the European Union's Carbon Border Adjustment Mechanism including preparedness of domestic steel producers, reporting mechanisms and support provided during the last five years; and
- (d) the manner in which the Ministry is coordinating with other concerned Ministries to mitigate adverse trade and competitiveness effects arising from carbon-related border measures?

ANSWER

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

(a)&(b): Ministry of Steel released a report titled "Greening the Steel Sector in India: Roadmap and Action Plan" on the basis of the recommendations of the 14 Task Forces constituted by this Ministry for this purpose which provides the details of challenges being faced by the steel sector for green transition, roadmap for green steel and sustainability, towards net-zero target by 2070. The report is available on Ministry of Steel's website.

(c)&(d): The Government has undertaken the following initiatives for green transition of the steel sector:

(i) Ministry of Steel released the Taxonomy for Green Steel for defining and categorizing the low emission steel. Green Steel Taxonomy provides a framework for production of green steel, creation of market for green steel and seeking financial support. During Financial Year 2025-26, 90 steel units have been awarded green steel certification under the notified Green Steel Taxonomy Framework, accounting for a total green steel production of 12.4 million tonnes.

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(ii) Four pilot projects have been awarded for implementation of pilot projects for use of hydrogen in steel sector under National Green Hydrogen Mission launched by Ministry of New & Renewable Energy.

(iii) National Solar Mission launched by Ministry of New and Renewable Energy in January, 2010 promotes the use of solar energy and also helps to reduce the emission of steel industry.

(iv) Ministry of Power has notified Carbon Credit Trading Scheme (CCTS) on 28.06.2023 for regulating Indian Carbon Market across various industrial sectors, which is also applicable to steel plants.

Ministry of Steel works in close coordination with the Ministries/Departments concerned to address the trade effects arising from carbon-related border measures.
