

Proterial to set up metglas plant in AP under PLI

SAKET KUMAR

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Japanese steel and metal products company Proterial Ltd (formerly Hitachi Metals) said it was planning to set up a 30,000-tonne-per-annum Metglas plant in Andhra Pradesh.

This would be under the government's production-linked incentive (PLI) 1.2 scheme for specialty steel. Once functional, the plant's output could replace around half of India's amorphous electrical steel imports with the potential to eliminate nearly all import dependence in 3-5 years, global president and chief executive officer (CEO) Sean M Stack told Business Standard.

The facility, to be located in Sri City and scheduled to begin operations in October 2026, will be India's first domestic production site for Metglas. Metglas is an amorphous metal material used in

high-efficiency transformers.

The project is being implemented under the PLI 1.2 scheme announced in November 2025 to boost domestic manufacturing of speciality steel.

"At present, all the electrical steel materials used in India, whether grain oriented steel or amorphous, are imported. Ours will be the first locally-produced material, reducing reliance on imports, giving customers greater supply chain confidence," Stack said.

He said that using amorphous material products in electrical transformers reduces output losses and boosts usable power. He added that Metglas can cut standby power loss by around one-third compared with conventional grain-oriented electrical steel. India currently consumes around 60,000-70,000 tonnes of amorphous material annually in the transformer market.

The first phase of the project, to come up at an

investment of ₹680 crore, will comprise two manufacturing lines. They would have a combined capacity of 30,000 tonnes per year and could cut hose imports by half, Stack said.

"With Phase-II, which would effectively double capacity, we could replace nearly the entire import dependence for amorphous material within 3-5 years," he said. The second phase would require an investment of ₹1,300 crore.

India currently imports amorphous material largely from Japan and China. Proterial produces Metglas in the United States and Japan and exports a major chunk from Japan to India. Stack said local production in India would shorten delivery timelines for the company and reduce logistics costs.

The India operations will be housed under Metglas (India) Private Limited. This is a joint venture in which Proterial will hold 74 per cent stake and Shiridi Sai Electricals the remaining 26 per cent.