

GOVERNMENT OF INDIA
MINISTRY OF STEEL
LOK SABHA
UNSTARRED QUESTION NO.2132
FOR ANSWER ON 02/08/2021

PRODUCTION OF TMT BARS

2132. SHRI P RAVINDHRANATH:

Will the Minister of STEEL be pleased to state:

- (a) the measures taken by the Government to sustain the Steel Industry in the light of the lockdown, followed by the Covid-19 pandemic situation ;
- (b) whether there is any proposal to grant fiscal and other relief to those domestic manufactures of Thermo Mechanically Treated (TMT) bars, particularly used in the construction sector, towards controlling its recent huge upswing in prices; and
- (c) if so, the details thereof?

ANSWER

THE MINISTER OF STEEL

(SHRI RAM CHANDRA PRASAD SINGH)

- (a) The steps taken by the Government include the following:-
 - (i) Ministry of Steel requested all Chief Secretaries of the State Governments, vide D.O Letter dated 24.03.2020, not to impose restriction on the operation of the steel plants (both ISPs as well as secondary steel).
 - (ii) The issues raised by the stakeholders in their meetings during April-May, 2020, were taken up with different Ministries like Ministry of Coal, Department of Commerce, Department of Consumer Affairs, Ministry of Railways, Ministry of Mines, Ministry of Environment Forests and Climate Changes and Ministry of Road Transport and Highways.
 - (iii) Some of the issues raised by the steel sector were addressed through the Government initiatives like reduction of tax burden for vulnerable firms such as SMEs, relaxation of NPA norms, waiver of fixed charges such as electricity charges for small business, extension of validity of licenses/approval/NOC for 6 months to ensure sustained operations, deferred payment of mining dues including royalty, GST credit/rebate for salary paid during lockdown, ASIC/EPF payment relaxation etc.
 - (iv) Announcements of Schemes like National Infrastructure Pipeline (NIP), Housing for all, Jal Jeevan Mission, Bharatmala Project, Sagarmala Project, Construction of dedicated freight corridor and UDAN initiative etc. which will lead to additional demand in coming years.
 - (v) In the budget announcement for FY 2021-22, custom duty on scrap and CRGO has been reduced which will further benefit the steel sector including secondary steel plants.
 - (vi) Government has approved inclusion of 'Specialty Steel' under the Production Linked Incentive (PLI) Scheme with a 5-year financial outlay of ₹ 6322 Crore to promote the manufacturing of 'Specialty Steel' within the country by attracting capital investment and promote technology up-gradation in the steel sector.

(b)&(c): Steel is a deregulated sector where prices are a function of global market conditions, trends in price of raw materials, logistics cost, power and fuel cost etc. In the Union Budget 2021-22, import duty on steel scrap (previously at 2.5%) has been exempted for a period up to 31st March, 2022.
