



BHARAT CHAMBER OF COMMERCE

Press Release

Bharat Chamber Of Commerce Hosts A Session On Outlook Of Indian Steel Industry Addressed By Shri Nagendra Nath Sinha's, IAS, Secretary, Ministry Of Steel, Government Of India

Kolkata, July 27, 2024: A special session was organised by the Bharat Chamber of Commerce titled India's Steel Industry – Present and Future Perspectives that witnessed a gathering of the regional steel sector's eminent representatives who came together to welcome and listen to the Guest-in-Chief, Shri Nagendra Nath Sinha's, IAS, Secretary, Ministry of Steel, Government of India, views on the subject.

In course of his address, Shri Sinha observed that eastern India in general and West Bengal in particular have been specially modeled to be a steel manufacturing hub. In this context, he informed that since 2018, India has consistently ranked as the second largest producer and consumer of steel, after China. "The growth of the steel sector is directly linked to the growth of the economy. For the last few years, India has witnessed an impressive growth trajectory and it can be estimated that the growth of steel production is 1.2x the economic growth", he added.

Speaking on the impetus given to the steel sector in the recent Central Budget 2024, the Steel Secretary observed that the Government has allocated roughly 3.4 per cent of GDP for infrastructure development which is expected to raise demand for steel to great heights. Considering the usage of steel which is mostly consumed by the housing and construction sector (43 per cent) followed by other physical infrastructure (25 per cent), the growth of the steel sector would rise by 10 per cent annually and the envisioned target of reaching 300 million tonnes per annum (MTPA) by 2030-31 would not be difficult, Shri Sinha stated.

Sharing his views on the proposed PLI 2.0 Scheme for steel, Shri Sinha stated that the Government is working on it to ensure adequate raw material supply for the steel sector. In this regard, he requested the steel manufacturers to invest in the production of specialty steel and value added steel for which the Government has already set very high quality control standards. "Diversifying production to this new avenue would enable the manufacturers to be a part of the lower supply value chains. However, clusters should develop common infrastructure including R&D and testing facilities and partner with the academia to obtain best results", he added.

Speaking on the recent developments in the steel sector, the Secretary informed that special emphasis is being given to reduce carbon emission and development of green technologies for the steel sector. "14 task forces were created and based on their reports a Roadmap has been formulated which would be available soon for public discourse", he stated. In addition to this, Shri Sinha requested the steel producers to engage with the National Institute of Secondary Steel Technology (NISST) and provide skill based training to their employees for improved productivity.

In course of the interaction with the representatives of the steel industry, Shri Sinha acknowledged the issues related to shortage of raw materials and the excessive export of low grade iron ore. He assured that appropriate steps would be taken to resolve such issues in a time bound manner.

Earlier in his Welcome Address, Shri N. G. Khaitan, President outlined the challenges of the Indian steel sector which includes shortage of iron ore, dumping of cheap steel in Indian market by China



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and Vietnam and increasing logistic costs. He requested the Steel Secretary to outline the Government of India's policy measures in upgradation of technology in the steel sector.

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