

GOVERNMENT OF INDIA
MINISTRY OF STEEL

LOK SABHA
UNSTARRED QUESTION NO.4368
FOR ANSWER ON 22/03/2021

IMPACT OF COVID-19 ON STEEL SECTOR IN KERALA

4368. DR. SHASHI THAROOR:

Will the Minister of STEEL be pleased to state:

- (a) whether the Government is aware that the impact of COVID- 19 on 25 steel mills in the State of Kerala has been stronger owing to the fact that construction projects in the State are mainly carried out during the January - May period before the rainy season;
- (b) if so, the steps taken by the Government in this regard;
- (c) if not, the reasons therefor; and
- (d) the measures, if any, taken to reduce impacts of the pandemic, both short-term and long-term, on the Indian steel industry?

ANSWER

THE MINISTER OF STEEL

(SHRI DHARMENDRA PRADHAN)

(a) The details of crude steel capacity, production and capacity utilisation in respect of various states including Kerala during April, 2020 -January, 2021 and April, 2019 -January, 2020 are enclosed as **Annexure**.

(b)to(d): The measures taken by the Government to boost the domestic steel production, availability and consumption, in the light of COVID-19 pandemic, are as following:-

(i) Ministry of Steel has held several rounds of consultations during the lockdown period with various stakeholders including industry associations and leaders of domestic steel industry to address their issues including those arising due to lockdown by taking up the same with the concerned Ministries/Departments of the Central Government and State Governments. Guidelines issued by the Ministry of Home Affairs from time to time have facilitated speedy resumption of steel production. The Ministry of Steel has also organized the following Webinars with relevant stakeholders to enhance the overall demand for steel in the country:

- (a) Oil and Gas Sector, 16th June, 2020.
- (b) Ispati Irada, Enhancing Steel Usage, 30th June, 2020.
- (c) Housing and Civil Aviation Sector, 18th August, 2020.
- (d) Agriculture, Rural Development, Dairying and Food Processing Sectors, 20th October, 2020.

Contd.....2/-

(ii) Domestically Manufactured Iron & Steel Products (DMI&SP) Policy, has been suitably amended vide notification dated 31st December, 2020, in order to align it with the revised Public Procurement (Preference to Make in India) Order 2017. The minimum value addition has been enhanced from 15% to 20% and the policy is now applicable to all procurement above Rupees 5 lakhs and includes EPC contracts among other changes.

(iii) Inclusion of 'specialty steel' under the Production Linked Incentive (PLI) Scheme recently announced by the Government to help attract capital investment and production of specialty steel in the country

(iv) The Government, vide Notification dated 01st October, 2020, has allowed domestic steel producers to provide steel under four product categories (Hot Rolled Coil, Cold Rolled Coil, Wire Rods and Alloy Steel Bars) to MSME members of EEPIC at an export parity price.

Annexure

Crude Steel: No. of Units, Capacity, Production and Capacity Utilisation

State	No. of Units	April 2019- January 2020			April 2020- January 2021*		
		Capacity ('000 tonnes)	Production ('000 tonnes)	Capacity Utilisation** (%)	Capacity ('000 tonnes)	Production ('000 tonnes)	Capacity Utilisation** (%)
Andhra Pradesh	27	8391	5356	77	8391	4513	65
Arunachal Pradesh	3	125	28	27	125	0	0
Assam	6	131	63	58	131	45	41
Bihar	15	803	470	70	803	370	55
Chhattisgarh	79	18785	11285	72	18785	10624	68
Dadra and Nagar Haveli	19	296	246	100	296	115	47
Daman and Diu	3	46	38	99	46	31	80
Delhi	2	16	11	79	16	8	58
Goa	12	481	361	90	481	328	82
Gujarat	59	12754	7343	69	12754	6863	65
Haryana	10	953	588	74	953	570	72
Himachal Pradesh	25	1139	759	80	1139	593	62
Jammu and Kashmir	8	189	97	61	189	95	60
Jharkhand	45	19707	14287	87	19707	12676	77
Karnataka	29	15149	10689	85	15149	9548	76
Kerala	29	480	264	66	480	195	49
Madhya Pradesh	9	553	367	80	553	293	64
Maharashtra	55	11961	6877	69	11961	6333	64
Meghalaya	5	181	87	58	181	25	17
Odisha	53	25370	16814	80	25370	17398	82
Puducherry	10	340	179	63	340	145	51
Punjab	119	4924	2850	69	4924	2301	56
Rajasthan	36	1176	653	67	1176	471	48
Tamil Nadu	99	3766	2165	69	3766	1675	53
Telangana	26	1443	979	81	1443	960	80
Tripura	1	30	11	44	30	6	24
Uttar Pradesh	46	1617	1038	77	1617	795	59
Uttarakhand	42	1559	938	72	1559	756	58
West Bengal	42	9935	6762	82	9935	5577	67
Total	914	142299	91604	77	142299	83307	70

Source: Joint Plant Committee (JPC); *provisional; **capacity utilization calculated on pro-rata basis.
