Many industry experts say that the steel industry will benefit from the infrastructure push that the Budget gives, while some other criticised the Budget for reopening the floodgates for Chinese firms to dump their products in the Indian market.

**IndustrySpeak**

**Indian Steel Association:**
ISA is particularly happy at the proposals related to increased construction of roads and highways as well as the proposed introduction of a Bill to set up a Development Finance Institution for financing infrastructure and development.
Step-up budgetary allocations for railways, metro services, development of more airports, the encouragement to the Jal Jeevan Mission Urban and the rural infrastructure development sector are also very positive developments.

Summit Deb, CMD, NMDC Limited
This Union Budget has given thrust on infrastructure, along with manufacturing. This will drive the demand for steel which in turn will drive the demand for iron ore. NMDC, with its seven operational iron ore mines, is committed to meeting the increased demand for iron ore in the country.

The temporary suspension of the countervailing duties on stainless steel flat products imports has been a big unintentional gift to Chinese companies that will severely hit the domestic stainless-steel industry, says ISSDA President.

Soma Mondal, Chairman, SAIL
The Budget for 2021-22 has put emphasis on accelerating the growth momentum of the country by targeting infrastructural growth, including roads, rails, urban, power, ports, shipping etc.
The National Infrastructure Pipeline (NIP) incorporates 500 more new projects. The creation of the Development Finance Institution will help address the funds requirements of different agencies. The announcement of Production Linked Incentive Scheme, Vehicle Scrap Policy, coverage of one crore more families under Ujjwala Yojana etc. will boost domestic production. All these measures and thrust on infra development will have a major positive impact on the demand for steel in the long run.

**T.V. Narendran,**
CEO & MD, Tata Steel:
Reduction in customs duty on steel products will have no significant impact on the industry as most of the steel imported into the country today comes from countries with whom India has an FTA and hence they enjoy zero import duty. However, the increased capex in the infrastructure sector, including healthcare infrastructure, will have a multiplier effect as it will create demand across product categories, including steel.

**Indian Steel Association:**
ISA is particularly happy at the proposals related to increased construction of roads and highways as well as the proposed introduction of a Bill to set up a Development Finance Institution for financing infrastructure and development.
Step-up budgetary allocations for railways, metro services, development of more airports, the encouragement to the Jal Jeevan Mission Urban and the rural infrastructure development sector are also very positive developments.

We warmly welcome the announcement for removal of anomalies such as the inverted duty structure in GST. Another very positive step has been the announcement of the long-awaited vehicle scrappage policy.

All in all, the Budget bodies well for the steel industry to continue its strong revival. With the focused concentration on infrastructure development, we see the possibility of enhanced job creation which will provide a major boost to the economy.
The temporary suspension of the countervailing duties on stainless steel flat product imports has been a big unintentional gift to Chinese companies that will severely hit the domestic stainless-steel industry, which has been in financial stress for more than a decade.

For Chinese companies in Indonesia, this translates into heavy flooding of Indian markets with duty-free imports under the Asean FTA. Imports from Indonesia skyrocketed from just 8,601 tonnes in FY2017-18 to 76,102 tonnes in FY2018-19 and 280,575 tonnes in FY2019-20. This will not only hamper Indian production but will turn many MSME manufacturers into traders.

The government’s geo-political stand on banning Chinese apps on one hand starkly contrasts the easing of bulk trade on the other hand to favour Chinese producers, especially after unfair trade practices have already been proven. Moreover, this stance on the suspension of duties, albeit temporary, will remain at loggerheads with the Atmanirbhar Bharat mission and the USD 5-trillion economy dream. This has more than offset the positives of the Union Budget in terms of duty exemption on scrap and higher infrastructure spending.

NIP projects to be expanded to 7,400. By March 2022, under Bharatmala, 8,500 km to be awarded and an additional 11,000 km to be completed. MoRTH given outlay of INR 118,101 lakh crore, of which a record INR 108,230 crore is for capital expenditure.

Capital outlay towards key infrastructure segments has been increased significantly. The Central government has also provided a capital support of INR 0.45 lakh crore for the Infrastructure Pipeline, and allocated INR 20,000 crore for a new DFI with the target of lending over INR 5 lakh crore over three years. Allocation towards NIF has also been increased to INR 5,000 crore, while another INR 1,000 crore has been allocated to NIF’s Infrastructure Debt Financing Platform.

Higher budgetary allocation, asset monetisation and raising capital through routes like DFI, NIF, InvITs are positive for the sector and will support financing of the National Infrastructure Pipeline.

Sandep Mathur, Brand Leader, CASE India

Budget 2021-22 has put a lot of focus on reviving the infrastructure sector. The government’s effort towards further enhancing the roads and highways projects to 7,400 new ones is a welcome step which will ensure a better year for the infrastructure sector as well as for the construction equipment industry. The introduction of the Development Finance Institution providing INR 20,000 crore to launch the National Asset Monetization Pipeline to fund new infra projects will strengthen the stability of the sector. Additionally, the multitude of announcements on highway projects in Tamil Nadu, Kerala, West Bengal and Assam will further give a much-needed boost to the sector. The government’s vision of committing INR 1.97 trillion to the manufacturing sector over five years will help the industry immensely. We are confident that all these efforts will play an important role in reviving the sector and bringing back the economy to normalcy.