



Voice of Small and Medium, Enterprises Not Heard

- Ramesh Agrawal

How is the current status of iron and Steel Industry in Chhattisgarh ?

- At present, Iron steel industry in Chhattisgarh is operating below its installed capacity due to various reasons which includes non-availability of iron ore, coal, logistical hurdles, high cost of power and lack of demand of the final products. There are almost negligible expansions in this sector over the years. Only those having captive mines of coal, iron ore are able to go for expansion.

How do you see the future of Iron and Steel Industry in Chhattisgarh ?

- In future, it is going to be difficult for the stand alone units in Steel sector. Only plants having maximum integration could survive because of the rising cost of the inputs and utilities. The groups having captive power plants and mines will have better chance to go for expansion. Looking at the vision of government of India which is to double the capacity of this sector, it requires more proactive action specially to retain small and medium sectors.

What are activities of Chhattisgarh Steel Chamber and future plans ?

- Chhattisgarh Steel Chamber is a parent body of seven individual Associations operating in the state (Chhattisgarh) in their respective fields like sponge iron, mini steel plants, rolling mills, traders and brokers. The chamber is mainly doing policy advocacy with State and Central government. Also maintains model code of conduct among all members in order to avoid disputes in day to day transactions. It also runs a dispute settlement committee which protects the interest of its members and at the same time, also gives safety to vendors dealing with our members through a proper judicial mechanism.

Chhattisgarh Steel Chamber is a parent body of seven Associations related to Steel Business. More than 800 iron & steel sector business houses are part of this Chamber. Chhattisgarh Steel Chamber was established in the year 2008 with an objective to spread steel business of state based steel business houses across India and even overseas. The Chamber provides solutions to the problems of the steel fraternity and represents steel industry of Chhattisgarh in various state government, central government and local forums. The Chamber has been fighting for steel industry for over several years. Chhattisgarh Steel Industry provides major momentum to the growing economy of the state and also to other Industry sectors like housing, engineering etc.

Ramesh Agrawal is the chairman of the Chhattisgarh Steel Chamber who incidentally also owns diversified group called GR Group in Chhattisgarh. Under his chairmanship the chamber has recently organised a Chhattisgarh Steel Conclave at Raipur where various issues were discussed pertaining to the industry.

"Voice of small and medium industries across all over India is not very well accepted at the level of union Ministry of Steel. Iron and Steel industry has suffered very badly after many fold (almost 20 times) increases in the rate of royalty on Iron Ore.

The Govt. also introduced Excise Duty on coal besides increase in royalty on the same product. There is no road map decided yet for implementing of GST", says Ramesh Agrawal Industrial Veteran in an exclusive interview with

Steelworld. Excerpts

What points were discussed in the recently concluded Chhattisgarh Steel Conclave which was organized by the chamber?

- The Chamber has first time organized such conclave for the benefit of its Members the theme was kept as "Survival Strategies in prevailing market condition" In this conference, we have invited speakers / experts from the field of sponge iron, mini steel plant, rerolling mills and also from beneficiation and pelletization sectors. We have tried to share their experience in the field of better operation and maintenance of plants, improvement of yield and possibility of reduction in production cost. We also shared best practice in various fields to enable members to adopt them in order to reduce their cost of production and to sustain and maximize their production. We also discussed about the norms and legalities with regard to Pollution, how to maintain safety and health of their employees etc. A motivational speech on the subject "How to use power thinking to make your organization powerful" was also delivered by the famous International Speaker, Dr. Ujjawal Patni.

What is the role of the state government in the development of Iron and Steel Industry in the state and also what are your expectations from them?

- Since inception of separate state of Chhattisgarh, the iron and steel sector has grown many fold because of the various proactive action taken by state government. The State is also very rich in terms of availability of resources like iron ore, coal, power etc. The industrial work force of Chhattisgarh is also very hard working and supportive for the growth of the sector in the State. Chhattisgarh government has been very receptive and proactive about the policies with respect to Commercial Tax and Entry Tax and rules have been modified as per our expectations. We expect from the State Govt. to continue their proactive action to support iron and steel industry and to keep the cost of power under strict control to save the stand alone units operating on state utility and also to improve the overall infrastructure to



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facilitate the industry to move their goods at a reasonable cost and also this will generate demand for the final product in the sector within the state.

What are your expectations from Central Govt. or Ministry of Steel in the development of iron and steel industry in the state?

- We observe that the voice of small and medium industries staggered all over India is not very well accepted at the level of Ministry of Steel. Iron and Steel industry has suffered very badly after many fold (20 times) increases in the rate of Royalty on Iron Ore. The Govt. also introduced Excise Duty on coal besides increase in Royalty on the same product. There is no road map decided yet for implementing of GST. The higher rate of interest and higher cost of inputs, like iron ore, coal are not allowing the iron and steel sector to be able to compete with the Global players. We expect that a consolidate approach should be adopted by consulting all stake holders to achieve targeted capacity of production in iron and steel Sector.

Your comments on Quality order by Ministry of Steel which was recently implemented on the industry.

- As you are aware that the final implementing of Quality Control order has been deferred by six months. We have been continuously pointing out that considering the availability of Indian raw material and charge mix used by Induction Furnaces it is impossible to control the chemistry as per the BIS norms. If the Govt. forcefully implements the Quality Control order, it will result into closure of small and medium size furnace and rolling mills. The Ministry of Steel itself knows and acknowledges that we do not have any process developed so far to be able to reduce sulphur and phosphorous inherited in the basic raw material. So unless we are able to evolve a technoeconomically viable process, this order should not be implemented. It may also be noted that the Customers who requires a BIS certified material can easily get it and even the generally manufactured steel is also not of a bad quality for use in general purpose