

Secondary steel makers urge intervention of government for supply of industrial gas

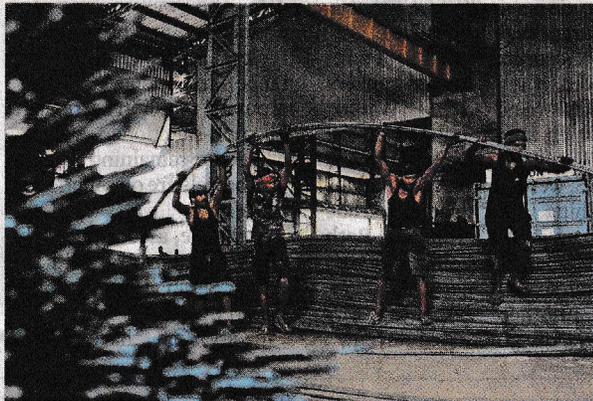
Press Trust of India

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The secondary steel industry has sought government intervention to address issues in the supply of industrial gases, warning that disruptions could lead to the closure of hundreds of units.

India's steel industry uses liquefied natural gas (LNG) and liquefied petroleum gas (LPG) as cleaner fuel alternatives for heating, reheating furnaces, cutting and other high-temperature processes in steel production.

"We wish to draw urgent attention to the serious crisis arising from the constrained and irregular supply of industrial gases, which is significantly affecting the day-to-day operations of secondary steel units," said industry body AIIFA Sustainable Steel Manufacturers Association (AIIFA) in a let-



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ter to the Ministry of Steel.

SEVERE DISRUPTION

In recent weeks, many member units have reported severe difficulties due to disruptions and uncertainties in the supply of industrial gases.

These gases are critical inputs for several operational

processes, including cutting, heating, and other metallurgical activities required for smooth plant functioning, the body said.

The shortage and irregular availability have resulted in operational disruptions, reduced production capacities, rising operational costs, and delays in fulfilling supply

commitments, it said, requesting the Ministry's intervention to address this pressing issue at the earliest.

Given that the majority of the secondary steel units operate within the MSME framework, prolonged disruptions in gas supply may adversely impact their financial sustainability and could potentially lead to production slowdowns or temporary shutdowns.

Such developments may also affect the broader supply chain of the steel industry and hinder the sector's contribution towards India's infrastructure growth and manufacturing expansion.

AIIFA said: "If suitable policy support and coordination with the concerned authorities could be facilitated to ensure a stable, adequate, and uninterrupted supply of industrial gases to the secondary steel sector."