

Budget Impetus: Nurture and Grow the Metals Sector for making India an Alternative Global Manufacturing Destination



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“With an urgent need to put Indian economy on a growth track in 2021 and undo the aftereffects of the pandemic expectations from the upcoming Union Budget are quite high. Recent fiscal measures taken by the Government have been highly praiseworthy. It is now even more important to ensure that specific measures are announced in the upcoming budget which pull the metals sector out of an ongoing challenging phase. 2021 will see global supply chains getting reworked providing India a great opportunity to become a global leader in non-ferrous metals like Aluminium, Copper and Zinc. The metals sector is also fundamental to the revival of the Indian manufacturing ecosystem, realization of the dream of an Aatma Nirbhar Bharat and positioning India as an alternative global manufacturing destination.”

“The correction of inverted duty structure with reduction of import duties on critical raw materials of the Aluminium value chain in the upcoming union budget will go a long way in made in India aluminium bridging the competitive gap it faces with respect to other major global Aluminium producers. With Aluminium production costs in India amongst one of the highest in the world, an immediate support pertaining to rationalization of power cost by reducing high cess on coal to support power intensive industries like aluminium is recommended. Lastly, removal of the long overdue anomaly in differential import duties on primary aluminium and aluminium scrap will help arrest the flooding imports majorly from China, ASEAN and the US”.