



# BUILDERS' ASSOCIATION OF INDIA

(All India Association of Engineering Construction Contractors and Builders)  
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Ref: 84/M/2021-2022 dated 8<sup>th</sup> May, 2021

**Shri Narendra Modi Ji**  
**Hon'ble Prime Minister**  
Government of India  
Prime Minister's Office  
South Block,  
New Delhi-110001

**Resected Sir**

**Sub: Anormal Delay- Highway projects, Central Vista Projects and other Prestigious  
Infrastructure projects under direct monitoring of PMO.- Non availability of TMT (steel)**

**Ref: Our Letter with No. 362/ D/ 2020-21 dated 10 Dec 2020.**

At the outset, we would like to place our great appreciation on the positive and concrete steps taken by your good self to combat the raging Covid-19 pandemic. We are with you in these testing times

Vide our above referred letter we have apprised you that **The Builders Association of India (BAI)** is the apex All-India body of engineering construction contractors and real estate companies founded in the year 1941 with more than 20,000 business entities as its members through nearly 200 chapters across the country. The association is a registered body established with the objective of encouraging trade, industry and profession of construction works and all other ancillary and allied trades and industries amongst others.

**Further in this letter we have brought to your kind attention that due to non-availability / inordinate delay in supply of TMT bars (Steel) and very abnormal increase in the prices of TMT bars (Steel) is causing a delay in the highway projects, central vista projects and other infrastructure projects under direct monitoring of PMO.**

As you are already aware, unhappy over delayed 888 highway projects which amount to Rs 3.15 lakh crore, a parliamentary panel has asked Ministry of Road Transport and Highways to prioritise their completion instead of announcing new projects. This committee has further noted that Delays in completion of ongoing road projects causes a huge loss of time and greater consumption of fuel to countless number of road users across the country, besides the putting a stress on the budget of the government.

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## **B.A.I. Centres at:**

Adilabad, Agra, Agra Cantt, Ahmedabad, Ahmednagar, Aligarh, Allahabad, Alleppy, Aluva, Amravati, Amaravathi, Andaman & Nicobar, Angamali, Aurangabad, Avadi, Baghpat, Bangalore, Baramati, Bareilly, Baroda, Bharuch, Bhopal, Bilaspur, Bhubari, Calicut, Chandigarh, Changanacherry, Chengai, Chennai, Chettinadu, Chitradurga, Coimbatore, Delhi, Delhi East, Shahadra, Delhi North, Delhi South, Delhi West, Dhanbad, Dharapuram, Dhule, Dindigul, Durgapur, Durg-Bhullai, Erode, Ettumanoor, Faridabad, Gautam Buddha Nagar, Gandhinagar, Ghaziabad, Goa, Greater Hyderabad, Greater Jaipur, Greater Noida, Guntur, Gurgaon, Guwahati, Haldia, Hapur, Hasan, Hyderabad, Ichalkaranji, Indore, Jabalpur, Jagdalpur, Jaipur, Jalgaon, Jaisalmer, Jamshedpur, Jodhpur, Kalpakam, Kallakurichi, Kamareddy, Kanchipuram, Kanker, Kannur, Kanpur, Kanpur-South, Kanyakumari, Karaikal, Karimnagar, Karnal, Karnavati, Khammam, Kochi, Kodaikanal, Kodungallur, Kolhapur, Kolkata, Kollam, Kottayam, Kumbakonam, Kundli, Latur, Loni, Lucknow, Madhuranthakam, Madurai, Mahaboonagar, Malegaon, Mandya, Mangalore, Mayiladuthurai, Medachal, Medak, Meerut, Meerut Cantt, Modinagar, Moradabad, Moradabad Nor. Rly., Mumbai, Murvattupuzha, Muzaffarnagar, Mysore, Nagapattanam, Nagpur, Nalgonda, Namakkal, Nanded, Nandurbar, Nasik, Nellore, Neyveli, Nilgiri, Nizamabad, Ongole, Panipat, Parbhani, Patna, Perambalur, Phaltan, Pink City Jaipur, Pondicherry, Ponnuri, Poonamallee, Por-Ramangandi, Pudukkottai, Pune, Raichur, Raigad, Raipur, Rajahmundry, Rajkot, Ramanathapuram, Ranchi, Ranga Reddy, Ravulapalem, Salem, Sangamner, Sangli, Satara, Shahda, Shimoga, Silchar, Sitapur, Solapur, Surat, Tambaram, Tanuku, Tenkasi, Tezpur, Thanjavur, Theni, Thiruporur, Thiruthurai, Thiruvalla, Thiruvannamalai, Thiruvannur, Thirupurithura, Thirissur, Tiruchirappalli, Tirunelveli, Tirupur, Tiruvallur, Thiruvananthapuram, Tuticorin, Udumalpet, Ulhasnagar, Vellore, Vijayawada, Vikarabad, Villupuram, Visakhapatnam, Vizag Steel City, Wai, Warananagar, Western IIP Electrical, Yadadri

One of the major reason of this delay is the abnormal increase in prices of TMT bars (Steel) which is being attributable to the formation of an unhealthy and illegal cartel among the major steel producers.

The increase in prices is not all logical and difficult to understand as every major steel company has its own iron ore mines & there has been no increase in labour & power costs.

With this increase in prices of steel as explained above, these said projects are getting delayed. Because of delay in the project, project cost indices are increasing thus increasing the cost of the project. This increase in the project cost has to be borne by the government thus impacting all the stakeholders.

**Why should greed and aim to personally profit by illegal means by these steel producing companies affect the development of the nation is the moot issue right now.**

We are aware that you leading an above board, transparent and very capable administration and you will not tolerate such dis honest means by these steel companies.

In various areas and industries you have already taken key measures to reduce price gaps between wholesalers and retailers, have eliminated the exploitation in the market and have eliminated stockpiling and speculation, as well as making the monitoring system more efficient.

We expect the same towards our sincere plea. Due to your kind involvement, **some actions like the Competition Commission of India (CCI) launching a probe against steel companies for forming a cartel to increase prices consistently over the last 7-8 months have already been taken but the measures are too slow and have not yielded the expected result.**

**Therefore more strict and suitable measures are to be taken to control this abnormal price increase. We once again request your kind intervention so that things can be corrected urgently. We also request you to look into appointment of a regulator for cement and steel sector.**

We also seek an audience with your kind good self to explain more on the issues faced by the construction industry as such and also as how we can be of assistance in this difficult time of Covid 19 pandemic.

Looking forward to a positive step towards our sincere request.

Yours faithfully,



**R.N Gupta  
President  
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