

Steel In The News

A compilation of leading news items on Indian steel industry as reported in major national dailies

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A Report by Joint Plant Committee

February 27 – March 04,
2016

RAW MATERIALS

Steel min to ask for lower duty on higher grade iron ore

While the export duty on iron ore with less than 58% Fe content was removed in the Budget, the steel ministry is set to ask the finance ministry to reduce the duty on ore with higher Fe content too. Currently, the export duty on ore with iron content above 58% is a prohibitive 30%. A senior steel ministry official said the proposed duty cut would not only help the miners to clear the mine-head stocks which now stand at an all-time high of around 150 million tonne (mt), but also keep the current momentum of production. Export duty on iron ore, both lumps, or higher grade, and fines, or inferior grade, were nil before the UPA government imposed duties to gradually take them up to 30%, with the aim of preserving the raw material in the country for future use. Coupled with a Supreme Court-imposed export ban, the higher duty led to exports nosediving to just 6.12 mt in 2014-15 from 117.3 mt in 2009-10. India used to export iron ore mostly in the form of fines to China, the highest consuming nation, for want of sufficient consumption within the country. The share of India in iron ore export to China came down to 20% in 2008 to less than 0.5% in 2014. The government, with effect from April last year, had reduced the export duty on ore containing less than 58% iron to 10% from 30% earlier. While the steel ministry's plea to revisit the proposal to reduce duty on higher-grade iron ore exports would cheer domestic miners, the steel industry would not be happy, as it might lead to a price escalation for them. It generally takes 1.6 mt of lump ore to produce each MT of steel.

Source: The Financial Express, 4th March, 2016

EU ends ferroalloy-tariff threat on India, closes probe

The European Union ended a threat to impose tariffs on a ferroalloy from India, the latest in a series of trade measures favouring steel producers in Europe. The European Commission closed a probe into whether Indian

exporters of silicomanganese — used by EU steelmakers such as ArcelorMittal and Salzgitter AG — sold it in the 28-nation bloc below cost, a practice known as dumping. The commission said that while some imports from India were dumped, they weren't necessarily the cause of "material injury" suffered by the European silicomanganese industry. Indian exporters including Modern India Con-Cast Ltd. and Indsil Hydro Power and Manganese Ltd. have a combined 23% to 30% of the EU silicomanganese market, said the commission. The other major foreign suppliers of silicomanganese to the EU are Norway, Ukraine and South Africa, according to the commission. The decision against imposing anti-dumping duties on silicomanganese from India follows EU efforts to curb competition for European steel manufacturers by introducing or threatening to introduce more anti-dumping levies on steel from China.

Source: The Financial Express, 4th March, 2016

PROJECTS

Tata Steel gets green nod for Rs 1,877-cr expansion project

Tata Steel Ltd has received final environment clearance for its Rs 1,877 crore expansion project to be carried out at Jamshedpur Steel Works in Jharkhand. "The Environment Ministry has considered the application based on the recommendations of the Expert Appraisal Committee (Industry-I) and decided to grant environment clearance (EC) to the proposal for expansion of crude steel production at Tata Steel Works," a senior government official said. The EC, which was issued yesterday, has been given to the company subject to strict compliance to specific and general conditions, the official added. As per the proposal, Tata Steel will expand crude steel production from 9.7 million tonnes per annum (MTPA) to 11 MTPA at Jamshedpur Steel Works. The total estimated cost of the project is Rs 1,877 crore and this augmentation project would be taken up within the existing plant of 717 ha and no additional land is required.

Source: Business Line, 3rd March, 2016

POLICY**US imposes 266% duty on imports of steel from India**

Producers in India and six other countries sold cold-rolled steel at unfairly low prices in the US market and will be taxed as much as 266% on the price, the commerce department said in a preliminary decision on Tuesday. The government imposed tariffs so 266% on imports from China, South Korea, Russia, Japan and the UK also subject to duties. Shipments from Brazil will face 39% penalties, and South Korean producers will face taxes of as much as 6.9%. This is the second time since December that the US government has penalised foreign steel producers, including Chinese mills, for selling the metal in the U.S. at unfairly low prices, or dumping. Domestic producers including Nucor and US Steel began filing trade cases accusing some global competitors of unfair subsidies and other illegal trade practices in June.

Source: The Financial Express, 3rd March, 2016

COMPANY NEWS**Tata Steel Launches Tata Digital Health Services**

Tata Steel launched the Tata Digital Health services at Tata Main Hospital, Jamshedpur on Thursday. The initiative, launched in association with Tata Digital Health, is poised to digitise and transform healthcare in Jamshedpur. The initiative will ensure better medical outcomes for the entire population of Jamshedpur, including Tata group employees and non-employees by ensuring delivery of preventive, predictive, primary care through the Tata healthcare facilities.

Source: The Economic Times, 4th March, 2016

