



India begins probe into stainless steel dumping by China, Korea

NEW DELHI : India has initiated an investigation into alleged dumping of a certain variety of stainless steel by China, Korea and Malaysia following complaint by Jindal Stainless Ltd.

The commerce Ministry's designated authority, the Directorate General of Anti-Dumping and Allied Duties (DGAD), has begun a probe into alleged dumping of "certain Hot-Rolled Flat Products of Stainless Steel 304 series". In a notification, the DGAD has said the applicant has provided sufficient evidence that the normal value of the product in these countries is significantly higher than the net export price. The evidence have prima facie indicated that the product is being dumped from China, Republic of Korea and Malaysia, it said.

"The authority finds sufficient prima facie evidence of dumping of subject goods by the countries, injury to the domestic industry and casual link between the dumping and injury, the authority hereby initiates an investigation—" the notification said. In the probe, the directorate would determine the existence, degree and effect of alleged dumping and will recommend amount of anti-dumping duty, which is levied would be adequate to remove the injury to domestic industry"

The DGAD is the nodal agency under the Commerce Ministry for such investigations. The period of investigation is April 2012 – June 2013. However, for the purpose of analyzing injury, the data of previous three years (2009-2012) would also be considered, the notification added. The country's largest stainless producer Jindal Stainless Ltd. in its submission has said that the "application has been made by or on behalf of Domestic Industry". This particular variety of the steel is used for manufacture of process equipments, re-rolling, reactor vessels, material handling equipments, railways, pipes and tubes, automotive components, building and construction, industrial fabrication and power sector. Unlike safeguard duties, which are levied in a uniform way, anti-dumping duties vary from product-to-product and from country to county.

Countries initiate anti-dumping probes to check if their domestic industries have been hurt because of a surge in cheap imports. As a counter measure, they impose duties within the multilateral regime of the WTO. Anti-dumping measures are taken to ensure fair trade and provide a level playing field to domestic industry. It is not a measure to restrict imports or cause an unjustified increase in the cost of products. source : PTI

Odisha 50:50 Rule on Iron Ore

Industries urge odisha government to formulate a mechanism by June end

Bhubaneswar Following the High Court's endorsement of the 50:50 rule, the Odisha based steel units have the state government to formulate a suitable mechanism for the 50:50 rule by June end. The Odisha High Court on the first week of April has upheld the order of the state government that mandates reservation of half of the iron ore produced.

"The Hon'ble court's order is positive sign for the industry. The court has made it clear that the state has the right of pre-emption, and state has the statutory preferential right to purchase the mined mineral fair market price at the time of preemption, but the court has also asked the government to formulate a proper mechanism within three months of the order i.e. by June 30th 2014 otherwise the order will become invalid. So we have written to the Odisha steel and mines department to formulate a proper mechanism by June 30 so as the local steel industries that are reeling under sever raw material crisis for the last several years, would get raw material regularly and fair market price would be prevailed said Mr. Vishal Agrawal, MD, VISA Steel and chairman, Indian Chamber of Commerce (ICC) Odisha Chapter.

He said, it is unfortunate that while the miners are earning super-normal profit for their Iron Ore, the sate based steel units are starving for raw material. So a suitable mechanism is very much necessary to prevail fair market price and fire distribution of raw material would be facilitated.



It may be noted that, the Odisha high Court on 2nd of April has upheld the Odisha Government on reserving 50% mineral producer by the miners. The court has also ordered the state Government to formulate a proper mechanism within 3 months. However, the state government is yet to start the process to formulate any mechanism.

Mr. P L Kandoi, President of All Odisha Steel Federation has also admitted that through one month has already passed since the high court order no meeting has been convened by the state steel and mines department for deliberation on formulation of the mechanism.

SteelMint in a small survey with approx 18 finish long manufacturers and traders assessed that 10% of them say TMT Re-bar market will go up, 20% say market will go down, while 70% are of the view that market will be range bound.

Most of the market players (70%) believe that TMT market may fluctuate in the range of INR 100-300/MT, whereas few players (20%) are of the view that market will decline and a few (10%) are expecting hike in prices.

Project Sales : “ Project sale is dull from the last 2-3 months due to elections; no improvement has been sent yet. However, co

However, completion of the election may bring new projects which may increase the project sales.”

- TMT manufacturer based in Southern region

“It seems that market may correct by INR 500/MT because of low demand. High prices are not expectable in projects as well as retail demand has also reduced.”

- Trader based at Jalna

Retails Sales : Retail sale is decent in the market, although its volume is low from last 2-3 days owing to correction in raw material prices.

“Demand from nearby states has reduced as in these states local sales volume is low, which is not supporting us.”

We don't see any major changes in the TMT Re-bar market. Although, market is dull from last 2-3 days, it may not sustain for long time. Only marginally corrections may be done as neither we have over stock nor over demand.”

- TMT Manufacturer based at Raipur

Today's TMT Trade: TMT offers slashed by INR 100-300/MT across India except Chennai, where price moved up by INR 300/MT.

Raw material : MS Ingot & Sponge iron offers declined marginally by INR 100-200/MT from previous trade, while it increased by INR 200/MT in Chennai owing to power cut in city.

Indian steel price index on May 2 reflects further gains in long products



The Indian Long Product Price Index ILPPI has inclined by 9 points. whereas Indian Flat Product price index IFPPI has declined by 2 points. The overall Indian Steel Price Index INDSPI has gone up by 3 points.

Class	01/05/14	02/05/14	Change	%
ILPPI	9060	9069	9	0.10%
IFPPI	9122	9120	-2	0.00%
INDSPI	9092	9095	3	0.00%

ILPPI – Long Product Price Index
IFPPI – Flat Product Price Index
INDSPI – Indian Steel Price Index

Long Products

Category	01/05/14	02/05/14	Change	%
PI - TMT	9148	9169	21	0.20%
PI - WRC	9196	9196	0	0.00%
PI - Angle	8664	8664	0	0.00%
PI - Channel	8724	8724	0	0.00%
PI - Joist	8010	8010	0	0.00%

PI – Product Index

Flat Products

Category	01/05/14	02/05/14	Change	%
PI - Narrow Plates	8574	8574	0	0.00%
PI - Wide Plates	8849	8849	0	0.00%
PI - Hot Rolled	8674	8674	0	0.00%
PI - Cold Rolled	9774	9774	0	0.00%
PI - Galvanized	9849	9836	-13	-0.10%

PI – Product Index

These indices have base of 10,000 as on July 1st 2008

To know more about these indices please visit
http://steelprices-india.com/spi_services/spi.html

You can also get ILPPI, IFPPI and INDSPI as SMS alert on mobile by submitting your details at <http://steelprices-india.com/smsalert>

To know more details on steel prices subscribe to services of www.steelprices-india.com by registering or send a mail to admin@steelprices-india.com with contact details Kindly note that this is a paid service.

Source - Steel Price India, Steel Guru - (www.steelguru.com)

Indian steel consumption in April dips by 13pct MoM to 5.8 million tonnes



PTI reported that India's steel consumption grew by 3.4% to 5.8 million tonne in April 2014 over the same month a year ago. It, however, witnessed a sharp 12.9% decline over the preceding month.

Joint Plant Committee said that India's consumption of total finished steel saw a growth of 3.4% in April 2014 over April 2013 and decline by 12.9% over March 2014. Production of crude steel grew by 2.7% to 6.8 million tonne during the month. India is the world's fourth largest steel producer.

Independent Steel Producers such as SAIL, RINL, TATA Steel, Essar Steel, JSW and JSPL together produced 3.7 million tonnes in April, while the remaining came from minor producers.

JPC said that compared to March 2014, overall crude steel production declined by 5.6% in April 2014, led by steep decline of 8.9% in case of ISP producers and 1.3% decline in case of mini and other producers. Imports spurt 14.1% to 0.494 million tonne, while exports saw an increase by 13% to 0.461 million tonne during the month.

India consumed 73.9 million tonne of finished steel during the last fiscal, clocking just a 0.6% growth over the previous fiscal, impacted primarily by the slowdown in the domestic economy and a sharp decline in imports. The production of crude steel increased by 3.8% to 81.3 million tonne in 2013 to 2014.

Source - PTI

www.steelguru.com

Steel imports into India remain a cause for concern

Business Standard reported that agencies making growth forecasts for a sector leave room for periodic revisions, as any major development has a bearing on the outlook.

The World Steel Association found growth in India's steel use in 2013 at a disappointing 1.8%. A report by the steel ministry's joint plant committee paints an even more dismal picture of demand it found Indian steel consumption grew only 0.6% to 73.93 million tonne in the year ended March this year. The JPC says this couldn't have been otherwise, as the base level demand condition continued to be weak.

The economic slowdown took a toll on the construction sector, which accounts for about 60% of steel demand, as also on the automobile sector, which contributes 15% share to steel consumption. Industrial production recorded 1.9% contraction in February, pulled down by a 3.7% decline in manufacturing, which accounts for 75% of the Index of Industrial Production. The manufacturing sector's output contracted 0.7% between April 2013 and February 2014. This had a significant impact on steel demand.

In its short range world steel prospects report, WSA said that due to an improved outlook for the construction and manufacturing sectors and despite lingering high inflation and structural issues, Indian steel demand is expected to grow 3.3% this year. It adds steel demand will rise 4.5% in 2015, provided the new government carries out structural reforms.

Mr CS Verma chairman of Steel Authority of India Limited said that "Steel demand growth is linked to the performance of the infrastructure, housing and manufacturing sectors. We are hoping as the new government is installed, it will ensure quick clearances for infrastructure projects. The target should be to use most of a trillion dollar allocation for infrastructure development in the 12th Plan. Removal of infrastructure deficit and pushing pending reforms will go a long way in improving the country's investment climate."

While new capacity keeps on coming on stream, the poor demand has kept margins of steel companies under pressure. WSA says in March, steel production in India rose 3.9% to 7.25 million tonne, on a YoY basis. No doubt a portion of incremental production resulted from commissioning new capacity. Steelmakers raised prices INR 1,000 to INR 1,500 a tonne in January, hoping long term customers would start buying large quantities in the final quarter in order to claim rebates. But once that phase was over and slackness in demand returned, steel prices were reduced by up to INR 700 a tonne this month.

Source – Business Standard

www.steelguru.com



India starts AD duty probe on stainless steel import from China, Malaysia and Korea

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Source - PTI

www.steelguru.com

International Corrosion Awareness Day celebrated in India

Global experts attending the International Corrosion Awareness Day late last evening jointly organised by FICCI and NACE International Gateway India Section of NACE International stressed on the need of setting up a separate Ministry/Department to tackle the growing menace of Corrosion in the country.

Dr AJV Prasad, Joint Secretary, Chemicals, Department of C&PC, Government of India speaking on the occasion said that India loses more than USD 40 billion a year about 4% of the size of the total economy due to corrosion in infrastructure and industry segments. Better corrosion control is needed at war footing to save expensive infrastructure especially in the coastal areas.

Dr Elaine Bowman, Past President, NACE International, global body fighting Corrosion, said that "Corrosion can cause damage to everything from automobiles, drinking water systems to pipelines, bridges, factories and public buildings etc. It is estimated to impact over 3% of GDP and is a menace adversely impacting various industry sectors including utilities, transportation, oil and gas, steel and infrastructure etc and needs to be tackled in a scientific manner."

He said that "Realizing the problem of Corrosion in various sectors including defense the US government has set up a separate department US Department of Defense Office of Corrosion Policy & Oversight. India also needs a separate department on similar lines."

Mr Yatinder Pal Suri, India head of Outokumpu, the Finnish Stainless Steel company, said that "Better corrosion control is needed through use of proper corrosion free materials. Stainless steel comes first in mind. The demand for corrosion free material is on increase in high-end industries including Oil & Gas, Energy and Shipping, railways and ports. There is a need to find ways and means to save leakages on maintenance costs due to corrosion and offer right solutions to enhance the life of products, plant, machinery and civil structures by using suitable grades of stainless steel."

Mr Suri said that "Stainless steel is the fastest growing segment of the metals industry, its applications are diverse and new applications are being constantly being developed. It has become major part in all of our lives and has truly changed the world. In India demand for stainless steel is on constant increase due to awareness about the product and availability of right grades and sizes. The demand for the corrosion free metal is on increase in high end industries including Oil & Gas, Energy and shipping related industries, railways, ports, infrastructure and automotive where corrosion is a serious issue."

Source - Strategic Research Institute, Steel Guru



www.steelguru.com

Steel Ministry and FICCI organise seminar to promote usage of steel slag

In order to promote awareness and usage of steel slag, which is a by product in steel making, a joint seminar was organised by FICCI and Ministry of Steel.

In the theme address, Mr ACR Das, convener of FICCI, said that "Slag is basically a by product which can be used in many ways. All slag is not bad and hazardous. Steel slag and in particular LD and EAF Slag are being used extensively for various applications in many countries across the world including in USA, the European Union, Brazil, Australia and China.

Mr Das said that "There is general perception in India that slag is not good material but it is not a fact, its just opposite and we can enhance the production base by including it in construction of roads, as rail ballast, in paver blocks and bricks, like it is happening in foreign countries."

While underlining the importance of steel slag, Mr Sudhansu Pathak, VP (Steel Manufacturing) of TATA Steel said that "Many countries have taken measures to use slag and are way ahead. It is not a waste but a valuable thing and it should not be considered as a by product but a co-product as the same is inevitable in steel making."

Source - www.newkerala.com

www.steelguru.com

Indian Iron Ore Mining mess - SGI seeks more time for AP and Karnataka boundary survey

Deccan Herald reported that the Surveyor General of India has sought another month's time from the Supreme Court to complete the task of determining inter state boundary between iron-ore rich areas in Andhra Pradesh and Bellary Hospet region of Karnataka.

In an interim report, SGI Mr Swarna Subba Rao informed the apex court that the field inspection, which was to take place between April 13th and 17th, could not be undertaken as the district officials were awfully busy in view of the parliamentary elections in Karnataka on April 17th.

The apex court's green bench had directed the SGI intervention on the request by both Andhra Pradesh and Karnataka for resolving the boundary dispute, in view of the CBI probe into the illegal mining allegedly by former minister Mr Janardhana Reddy-owned Obulapuram Mining Company and others in Bellary and surrounding areas.

The SGI informed the court that it had already written to the collector at Bellary in Karnataka and Anantpur in Andhra Pradesh to provide necessary security and logistic support to its technical team.

Before initiation of the process, a letter was, however, received from Karnataka's Chief Secretary, requesting the SGI to postpone the field visit and inspection as all revenue and police officers were busy on poll duty.

Source – Deccan Herald

www.steelguru.com



Iron ore shortfall can lead to flare in long prices in India

As iron ore shortage looms large over India after banning mining from deemed lease (after 2007) by Supreme Court.

If the SC decides on a complete ban on mining in Odisha like Karnataka and Goa earlier, it would strike at the very heart of the country's 80 million tonness domestic steel industry. These include mines belonging to steel majors like Tata Steel and SAIL where production could come to a grinding halt.

It would also hit a number of smaller players including pellet manufacturers, sponge iron companies and rolling mills located in and around the mines.

In the emerging scenario it is likely that more rolling mills would switch over from sponge to scrap as input material for manufacturing long products. Presently scrap market is going strong with offers to Indian importers being made at USD 390-395 per tonne CFR , Mumbai (HMS 1&2), shredded scrap is being offered at USD 400-405 per tonne , CFR

In the eventuality of iron ore production getting curtailed after the ban being clamped in Odisha apart from Karnataka and Goa demand for scrap will soar leading to increase in price and input cost. Hiked input cost will lead to increased cost of production for ingot and re-rollers. However finished demand remaining sketchy owing to low demand from construction and infrastructure margin of re-rollers will be squeezed further.

Source – Strategic Research Institute, Steel Guru

www.steelguru.com

Indian steel makers to form association

PTI reported that domestic private and public sector steel makers agreed to form an association to fight common challenges at a meeting in the presence of Steel Secretary Mr G Mohan Kumar.

The decision to set up the association, the brainchild of Mr Saijan Jindal, chairman of JSW Steel, was unanimously approved.

A source said that the association has taken shape and it has been decided that the secretariat would be based out of Delhi. The dos and don'ts of the association have also been put together. He said that the office-bearers are yet to be chosen.

The source said when asked about its role and functions that "The association would not be a copy of ISA. It will be slightly different." He declined to elaborate.

The common platform would be used to take on various challenges together and work with the new government at the Centre to find ways to achieve production of 300 million tonne of steel per annum targeted by 2025 from about 95 million tonne now.

The formation of the group comes after the Indian Steel Alliance dissolved in 2008 as leading members such as TATA Steel and Steel Authority of India opted out. Incorporated in October 2001 as an umbrella body of leading domestic steel makers, ISA's objective was to promote the usage of steel and development of the industry, among other goals.

Source – PTI

www.steelguru.com



Mr Narendra Modi's remarks on manufacturing bring cheers to steel makers

Business Standard reported that when prime ministerial hopeful Mr Narendra Modi asked at an election rally if anyone knew of a country that exported wheat but imported bread, steelmakers joined his followers to cheer.

Mr Modi said at the rally in the steel city of Jamshedpur last month that "The government in Delhi is such that it exports iron ore but imports steel. If you run your business like this, how will the country's steel industry survive?"

One of Modi's main election planks is to crank up manufacturing to create millions of jobs by focusing on exporting steel, not iron ore; textiles not cotton. Results of the five-week election are due on May 16th.

For steel executives, it was just what they wanted to hear: their calls to restrict exports of iron ore further will be met if Modi's Bharatiya Janata Party wins the election.

While the move would mean a captive supply of iron ore for steelmakers, it would further dim the prospect of Indian iron ore returning in a big way to the world market.

Source – Business Standard

www.steelguru.com

Indian sponge iron units pin hope on new infrastructure projects

Business Standard reported that the domestic sponge iron industry, reeling under high input costs and poor demand, hopes that a stable government at the Centre would take up pending infrastructure projects, which would spur growth in the sector.

According to experts, in the last 3 to 4 years, production has come down substantially, as about 50% of sponge iron units are closed. Even in the existing units, the production has come down to half its original capacity.

Industry officials said that only encouraging policy rollout by the new government could help the domestic sponge iron producers. The sponge iron is used by the steel industry and finds application in both flat as well as long steel product segments. It is also used in a big way in infrastructure projects and construction industry. India is one of the largest producers of sponge iron in the world.

According to Sponge Iron Manufacturers Association data, India has a total installed capacity of 37 million tonne.

Mr B L Biyani ED of Mohit Steel Industries said that "We are banking on large long-term projects to be announced by the new government. This will help the sponge iron demand pick up and revive the industry. Goa based Mohit Steel manufactures mild steel ingots, which sources sponge iron from its captive plant in Karnataka. The same sentiments were echoed by other sponge iron producers, too."

A senior official from Kolkata based Jai Balaji Industries said that "Once a stable government comes to power, the sponge iron market is expected to pick up, as the government is expected to initiate policies that will perk up steel demand."

An industry source said that "A lot depends on sale of finished steel in the market. Until the government does not bring in some new policy to push up the demand for finished steel, we cannot see an upward movement."

However, most sponge iron producers were unanimous that once requirement for large long-term construction projects comes in from the new government, the steel industry will prefer domestically produced sponge iron to imported scrap steel.

Source - Business Standard