



Parliament Panel Asks Steel Ministry to Resolve Green Clearances

A Parliamentary panel suggested the Steel Ministry to play a "proactive role" in resolving issues like obtaining environmental clearances, a major "roadblock" in projects implementation.

Standing Committee on Coal and Steel, chaired by Rakesh Singh, in its report also recommended the ministry should inform it about the progress of setting up of Special Purpose Vehicles (SPVs).

Although, steel is a deregulated sector since 1991-92, the committee said the government should not absolve itself from the crucial facilitative role it has to play in preparation of a roadmap so that the enhanced target of 300 million tonnes (MT) of production by 2025 is realised.



The present steel production is at 88 MT as against an installed capacity of 108 MT, the Panel added.

"The ministry should also play a proactive role to resolve certain contentious issues especially like obtaining environmental clearances which have become a major roadblock in implementation of many

projects," it said. The committee also asked the Steel Ministry to appraise it from the details of MoUs signed among CPSEs, State Governments and State Public Enterprises for setting up of Special Purpose Vehicles (SPVs) in the States of Odisha, Jharkhand, Karnataka and Chhattisgarh and the progress made therein." Earlier this year, the government had announced that it will set up ultra mega steel plants in four states by forming SPVs in collaboration with PSUs and States.

India Plans Price Curbs to Stem Chinese Steel Import



India plans to step up measures to protect its debt-laden domestic steelmakers by imposing a minimum price on steel imports and studying loan restructuring as the mills struggle under a flood of cheap products from China.

The curbs are necessary to ensure a "level-playing field" for Indian companies after restrictions imposed in September failed to stop a decline in prices, Steel Secretary Aruna Sundararajan, the nation's top bureaucrat for the industry said in New Delhi.

"We cannot have a situation where after so much investment having gone into our local manufacturing, people actually have to sell below their cost," Sundararajan said. India will monitor the quality of steel imported from nations such as China, South Korea and Japan, she said. The measures are expected to be in place by March.

Producers including China and Russia are aggressively selling steel at low prices, forcing governments from India to the U.S. to impose protectionist measures. Faced with a glut of domestic production, surging imports and prices trading around six-year low, Indian steelmakers have sought safeguards against increasingly cheaper imports.

This section is a compilation from various company press releases, business dailies & trade publications.

Car Makers Use Better Quality Steel For Exports



This unfairness is quite alarming. The overall benefit to the automaker to convert the 400 kilogram car body-in-white from cold rolled steel to galvalume is estimated to offset the material and processing cost," D'Souza said. "Car makers in Europe, North America, Korea and Japan have been using galvanised steel for body panels for

decades. Their cars get 12 year anti-corrosion and perforation warranties. While there is no such protection for cars made for Indian consumers.

Here customers have to pay for extra coatings to protect the underbody and teflon and keep spending on maintenance. This also affects the residual value of the car," he said. Galvanizing controlled coating of zinc on steel which offers steel protection from corrosion. This adds to the cost of the car by around R5,000 to R10,000.

A study done by IIT-Mumbai showed that cars that were 5+ years old suffered from imperfections, blistering and surface rust. "More than 60% of the cars in the country have a problem of surface rust which reduced steel strength, affects car safety, causes more emissions and reduce fuel efficiency," says professor A. S Khanna of IIT-Mumbai.

The automobile industry in India is making superior quality cars for the export markets while making humbler cars for the Indian market, which is unfair says Kenneth D'Souza, consultant, International Zinc Association (IZA), Canada.

The car models exported from India use galvanised steel for the car body as the regulations may demand it while the cars in India use coated steel as no such regulatory framework exists here, adds D'Souza.

"For exports, 70% of the body-in-white is galvanised while for domestic models only 3% is galvanised and in some new models it is up to 20% galvanised," D'Souza said. "All car models exported from India are galvanised as per the regulatory norms mandated by US/ Europe, but the same car models are not galvanised for Indian market, which is the 6th largest market in the world.