



Mines Ministry Proposes Cutting Iron Ore Export Duty



India's mines ministry wrote to the finance ministry proposing cutting the export duty on high-grade

iron ore to 10 percent from 30 per cent, mines secretary Balvinder Kumar said, as shipments tank amid a crash in prices.

"Exports have fallen drastically and there are stocks of 126 million tonnes in three states," Kumar said. "Prices are so low now that exports are not viable." Earlier in February, state-run KIOCL said it was

considering building an iron ore pellet complex in Iran at a cost of about \$59 million and is in talks to sell more than 2 million tonnes of the steelmaking raw material to the Gulf country now free from trade sanctions.

The potential Indian investment could offer cheaper supplies of processed iron ore to Iranian steel mills that, like most companies around the world, have to contend with cut-price steel from an oversupplied China. Companies such as KIOCL and aluminium maker NALCO, which is considering setting up a \$2 billion smelter complex in Iran, hope that India's long-held ties with the Middle Eastern country would help them seal new deals.

Domestic Steel Market to Grow at 6-8% for Few Years : SBI Research

With increasing demand from automobiles, railways, defence and highway sectors, domestic steel sector is likely to see a growth of 6-8 percent in the coming few years, says a report.

"On the back of strong growth expected in Architectural, Building and Construction (ABC) segment and Automobiles, Railways and Transport (ART), defence, highway segment, we expect demand growth in the country to remain steady at 6-8 per cent CAGR during next few years," SBI Research said in its Ecowrap report.

The global steel market is expected to grow at a moderate pace in medium term 3 years at a compounded annual growth rate (CAGR) of 2.5-2.7 per cent and mainly driven by the automotive, infrastructure and construction, mechanical machinery, electrical equipment and appliances industries, it said.

China has recently announced to trim the size of its loss-making steel industry and will close between 100 million and 150 million metric tonnes from its existing capacity of 1,200 MT of annual crude steel production.

"This will act as a positive enabler for domestic manufacturers," the report said.

Keeping in view the present macroeconomic conditions, performance of the sector financials, integrated steel producers are somehow better placed than secondary producers and intermediaries, it said.

Earlier this month, the government had imposed a minimum import price (MIP) for 173 HS codes iron and steel products between USD 341 to USD 752 per tonne for six months.

"With the introduction of MIP, large integrated steel players will be benefited by way of increase in price but what is also cause of concern is the formation of strict mechanism to check over invoicing to counter the MIP," it noted.

The report further noted that government should look into the possibility of setting up a funding agency for the steel sector, as well, on the same lines as PFC or REC for the power sector. The industry will be requiring more than Rs 10 lakh crore to raise its capacity to 300 MTPA by 2025.

Korean Delegation Calls on Tomar



Shri Tomar met a delegation from Republic of Korea led by Mayor of Pohang, Mr. Lee Kang-deok at Udyog Bhawan, New Delhi.

Shri Tomar welcomed the delegation and expressed happiness over the fact that they would visit the 'Make in India week' programme at Mumbai. He highlighted the initiatives like Make in India and Digital India, taken by Government of India under the leadership of Prime Minister and invited South Korea to invest in India and also partner by knowledge exchange and technology transfer. The Minister explained in detail how government of India is improving ease of doing business in India by simplification of procedures, bringing transparency and systemic improvements like MMDR Amendment Act.

Mayor Lee shared how his perception of India is shaped by the writings of Tagore and Gandhi. He also expressed joy over the

response to India's Republic Day celebrations at steel city of Pohang this year. He expressed gratitude to government of India for continued support to Korean companies in India and sought same level of co-operation in future also.

Other issues that came up for discussion included status of Finex based integrated steel plant proposed to be set up by POSCO and SAIL, collaboration in R&D and energy efficient, environment friendly green technologies and waste utilization, supply of iron ore by NMDC from its mines to the steel mills in the Republic of Korea, developing value added products/ special steels with collaborative arrangements from steel majors in Korea and design of Slag Granulation Plant (SGP) to introduce the technology in existing steel plants in India.

Senior officials from the Ministry of Steel, Ministry of Mines and PSUs were present during the meeting.