



JSW Steel got Partial Relief in Forest Development Tax Case

The Sajjan Jindal-led JSW Steel said the Karnataka High Court on December 3 gave the steel maker a partial relief in the Forest Development Tax case.

The company through a filing to the stock exchange informed judgement comes in response to a petition filed by mine owners and iron ore purchasers including JSW Steel against FDT levy.

The notification also said parties who have filed the petition are entitled to appeal to the Supreme Court within 90-day stipulated period.

The company is closely monitoring developments and will keep the exchange informed of any material developments



affecting the company. Over an above the basic iron ore price, steel mills in Karnataka have also to pay royalty and FDT to Karnataka government which is a cost that is usually borne by the miners in other parts of the country.

JSW Steel has no captive iron ore mines and relies on e-auctioned and sometimes

imported iron ore to meet its requirement for its 10-million tonne steel capacity in Karnataka. For a 10-million tonne capacity plant, a company would normally need about 17-18 million tonne of ore.

"There would be a one-time gain for the company due to this partial relief of FDT, but it is difficult to quantify the benefit the company would get as the exact percentage of relief is not known. Plus, it is also not clear as to how much JSW Steel has already paid to the state government," said an analyst with a local brokerage.

JSW Steel has a combined capacity of steel making is 14.3 million tonne and it operates other two steel plants at Dolvi in Maharashtra and Salem in Tamil Nadu.

Stainless Steel Producers want Import Duty Hike of 15%



A leading body of stainless steel producers has urged the government to raise basic customs import duty on stainless steel flat products to 15% in

the forthcoming budget from the present 7.5% to curb growing imports.

The Indian Stainless Steel Development Association (ISSDA), which has top manufacturers of stainless steel flat and long products as its members, has said considering the fact that imports occupy 45% -50% market share, there is a crying need for increasing the import duty on stainless steel flat products.

"In order to protect and revive the domestic ailing stainless steel sector govt. must enhance basic customs duty on Stainless Steel Flat products from the existing level of 7.5% to 15% in the budget," ISSDA said in a pre- budget statement. ISSDA has also urged the government to initiate investigation in anti circumvention petition (on width >1250 mm) at the earliest to check unwarranted imports. It also said, duty on critical raw materials like pure nickel, ferro nickel, SS Scrap and MS Scrap also needs to be reduced to NIL from the existing level of 2.5% in order to create a level playing field with China and other countries.

Reliance Steel Announces Completion of Tubular Steel Acquisition



Courtesy : BFN Business Finance News

Reliance Steel & Aluminum Co. has announced that, effective January 1, 2016, it acquired all of the outstanding capital stock of Tubular Steel, Inc. ("TSI"), a distributor and processor of carbon, alloy and stainless steel pipe, tubing and bar products. Headquartered in St. Louis, Missouri and founded in 1953, TSI stocks over 60,000 tons and ships over two million custom-cut lengths of pipe, tubing and bar products annually from its seven service center locations across the United States.

TSI also has a fabrication business located in the St. Louis area that supports its diverse customer base. For the year ended December 31, 2014, TSI's net sales were approximately \$200 million. TSI will operate as a wholly-owned subsidiary of Reliance Steel & Aluminum Co. and current

management will remain in place. The terms of the transaction were not disclosed.

"Tubular Steel is a strong company with a respected position in the market and we are very excited for TSI to join the Reliance family of companies," commented Gregg Mollins, President and Chief Executive Officer of Reliance.

"The addition of Tubular Steel, with specialty, high margin products, fits our growth strategy of investing in higher returning businesses, while expanding our product breadth and end market diversification. Energy is an important end market for Tubular Steel. Although current activity levels are lower than normal in this area, we are confident in the long term strength of the energy market and Tubular Steel's ability to benefit during the recovery."