

India on track to become top global steel producer



India's recognition as a formidable steel producer is quite impressive and is destined to become a top global producer, says an industry body.

According to the latest report from BMI Research, demand from construction, automotive and infrastructure industries continues to accelerate.

The report has put down the sector's success to the government's push to raise capacity in order to meet demand from construction, automotive and infra sectors, said the Steel Users Federation of India (SUFI) in a statement recently.

SUFI President Nikunj Turakhia said, "In recent years, the Indian steel industry

has showcased a progressive output trend year over year."

Being recognised as a "bright spot" is highly encouraging as well as a large responsibility at the same time, he said, adding that with the introduction new steel and anti-dumping policies, India is on the path to become one of the top steel producers.

The report highlighted that Indian steel giant such as Steel Authority of India Ltd (SAIL) and Tata Steel as the major drivers of such growth. BMI Research has forecast India's steel output to clock an average annual growth of 8.9% during 2017-21, higher than 2.9% in 2012-16.

India's steel output would grow to 128.6 mt by 2021 from 88.4 million tonnes (mt) in 2017 and the country's share of global steel production will accelerate to 7.7% in 2021 from 5.4% in 2017, it added.

Centre has no plans to cap iron ore prices, may expand output

The ministry of mines said it has no plans to cap the prices of iron ore as there is no shortage of the key steel-making raw material.

It also said the country is looking at expanding the iron ore production and that will take care of market dynamics.

"There is no shortage of iron ore and at present there is no thinking in the mines ministry of capping of iron ore prices," Mines Secretary Arun Kumar said in New Delhi recently.

"Mines of ministry do not have a plan of fixation for iron ore prices. They (Mines Ministry) are the administrative ministry," Kumar said.

NMDC is the country's single-largest iron ore producer.

"It's an open market. Our approach in this whole thing is that we want to expand the iron ore production and that itself will take care of market dynamics," said Piyush

Goyal, the minister of state for power, coal, new and renewable energy and mines said.

Kumar said that the country produced 129 MT of iron ore in 2014-15, 156 MT in 2015-2016 and 192 MT in 2016-17.

"The iron ore production has been going up. We are focusing on that. In the last two-three years we have gone up from 129 million tonnes to 156 MT to 192 MT in the last year (fiscal)," he said.

"Iron ore is growing by 22 per cent and

the steel is growing by 8 per cent. So where is the shortage?," he questioned.

The government had earlier formed a panel under the chairmanship of additional secretary steel on iron pricing.

The panel also has members from ministries like coal and mines.

An official on the conditions of anonymity said that mines ministry has recently given its view to the steel ministry that there was no necessity at this time to control price of iron ore and they have cited reasons for the same.

"We have given our view that there is no necessity at this time (for controlling the prices of iron ore). We have given reasons," the official added.

"There is no need to fix the price of iron ore. It is a free market. It is not a regulated market. We cannot go back to the pre 1990-1991 era," the official added.

