



## Integrated steel plant can contribute USD 1.7 bln to topline: NMDC



Public sector mining major NMDC Ltd said that the new integrated steel plant can contribute nearly USD 1.7 bln to topline. The company is also implementing a pipeline project to transport iron ore, according to a media report.

The project will reduce the logistics cost by nearly 55 pct. On the other hand, NMDC is looking to enhance its mining capacity to 64 mln tons per annum from 43 mln tons per annum.

The firm's strategic plan to drive growth includes increasing focus on increasing iron ore mining capacity, value addition and global presence.

NMDC's mining capacity currently is around 43 mln tons per annum and it plans to increase it to 67 mln tons per annum by fiscal 2022. The additional capacity will come from its brownfield and greenfield expansions.

Capacity of NMDC's existing operational mines - Kirandul, Bacheli and DonimalaiKumarswamy will be increased to 52 mln tons per annum from 43 mln tons per annum. Its greenfield mine, that has been formed in a joint-venture with Chhattisgarh Mineral Development Corporation (CMDC), will add 15 mln tons per annum thus taking NMDC's total mining capacity to 64 mln tons per annum.

NMDC's iron ore production in financial year 2019 was around 32 mln tons as against production of over 35 mln tons in financial year 2018, which translates to 18 pct market share.

While Karnataka mines' contribution to the total production slumped to 28 pct from 34 pct, Chhattisgarh mines' share rose to 72 pct from 66 pct.

In Karanataka, NDMC's local offtake has taken a hit due to high import duties. Its offtake in domestic market was 31.21 mln tons in comparison to 33.48 mln tons, while export dropped to 1.18 mln tons from 2.60 mln tons.

While offtake has been low, the average sales realisation increased. Sales of lump in domestic market has increased to USD 62 per ton in 2018-18 (up to December 2018) from USD 50 per ton in 2017-18. Sale of fines has increased to USD 50 per ton from USD 41 per ton. As

far as export concerned, price of lump exports have increased to USD 76 per ton from USD 71 per ton and for fines it has dropped to USD 54 per ton from USD 56 per ton.

As a part of value addition project, NMDC is setting up an integrated steel manufacturing plant at an estimated cost of USD 2.22 bln. The plant is expected to go on stream in the second half of FY2019-20. It will produce flat Products like HR plates, HR Sheets, HR Coils, automotive steel and API Grade Steel to the tune of 2.7 mln tons.

At 100 pct capacity, the steel plant will contribute USD 1.7 bln to the topline of the company with EBITDA of 25 pct. The other value addition project is slurry pipeline at a cost of USD 415 mln, for phase-I. The system is intended for transportation of Pellet Feed Concentrate from Bailadlla to Jagadapur. ■

## RSP registers highest ever ladle life

The Rourkela Steel Plant (RSP) of Steel Authority of India (SAIL) has registered the highest ever Steel Ladle life in Steel Melting Shop-II by clocking 180 heats in Ladle No 25 in a single campaign.

This is highest among all SAIL units as well. Notably, the Steel Ladle was due for slag zone repair March 20 after the suppliers' campaign was over. However, the Refractory Engineering (Services) department after inspecting the Steel Ladle observed that the metal zone condition of the ladle was good for another 35 to 40 heats. Considering the potential of the Ladle, the team decided to continue the ladle in service with in-house repairs.

The team used in-house bricks manufactured at the Lime Dolomite Brick Plant of RSP in the Slag Zone repair. An additional 33 heats were achieved with the in-house repair before the ladle was taken off for service.

RSP is the state-owned integrated steel plant with a 4.2 mln tons of crude steel production capacity. ■