

MONTHLY REPORT

STEEL

NOVEMBER 2021

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PORT ANALYSIS

STEEL TRAFFIC AT INDIAN PORTS (Qty in Million Tonnes)

PORT	APRIL -SEPTEMBER 21	APRIL - SEPTEMBER 20	VARIANCE
CHENNAI	0.935	0.091	0.843
COCHIN	0.011	0.000	0.011
DAHEJ	0.089	0.013	0.076
DHAMRA	0.753	0.089	0.664
ENNORE	0.288	0.028	0.260
GANGAVARAM	1.109	0.210	0.899
GOPALPUR	0.220	0.000	0.220
HALDIA	0.478	0.211	0.267
HAZIRA	0.727	0.075	0.652
JNPT	0.010	0.000	0.010
KANDLA	1.866	0.115	1.751
KARAIKAL	0.115	0.019	0.096
KATTUPALLI	0.067	0.000	0.067
KOLKATA	0.017	0.000	0.017
KRISHNAPATNAM	0.099	0.035	0.064
MAGDALLA	0.008	0.000	0.008
MANGALORE	0.091	0.026	0.065
MORMUGAO	0.984	0.129	0.855
MUMBAI	1.539	0.052	1.487
MUNDRA	0.399	0.116	0.283
PARADIP	1.510	0.283	1.228
REVDANDA	0.005	0.000	0.005
TUTICORIN	0.002	0.000	0.002
VISAKHAPATNAM	0.792	0.166	0.626
GRAND TOTAL	12.114	1.658	10.456

Country-wise Steel Imports to India October 2021 (Qty In Million tonnes)

COUNTRY	(QTY IN MILLION TONNES)
COUNTRY	(Qty in Million Tonnes)
SOUTH KOREA	0.046
JAPAN	0.034
UNITED STATES	0.025
EGYPT	0.011
INDONESIA	0.010
CHINA	0.009
U.A.E.	0.001
ITALY	0.000
TURKEY	0.000

Country-wise Steel exports from India October 2021 (Qty In Million tonnes)

COUNTRY	(QTY IN MILLION TONNES)
SINGAPORE	0.189
VIETNAM	0.188
ITALY	0.102
CHINA	0.100
HONG KONG	0.061
UNITED STATES	0.060
SRI LANKA	0.059
SOUTH AFRICA	0.056
U.A.E.	0.051
CANADA	0.037
UNITED KINGDOM	0.030
SOUTH KOREA	0.017
OMAN	0.014
SAUDI ARABIA	0.011
TURKEY	0.007
BANGLADESH	0.007
ISRAEL	0.006

MAJOR STEEL IMPORTERS October 2021 (Qty in Million Tonnes)

IMPORTER	(QTY IN MILLION TONNES)
WELSPUN CORPN. LTD.	0.028
TATA INTL. LTD.	0.025
JSW STEEL LTD.	0.014
JINDAL SAW LTD.	0.014
MARUTI SUZUKI AUTOMOBILES INDIA LTD.	0.009
NIPPON STEEL INDIA PVT. LTD.	0.008
BAOSTEEL INDIA CO. PVT. LTD.	0.006
GLOBAL CORPN. LTD.	0.004
INDIA STEEL SUMMIT PVT. LTD.	0.004
TATA MOTORS LTD.	0.002
APOLLO TYRES LTD.	0.002
ARCELOR MITTAL NIPPON STEEL INDIA LTD.	0.002
METAL ONE CORPN. INDIA PVT. LTD.	0.002
COCHIN SHIPYARD LTD.	0.001
JFE SHOJI STEEL INDIA PVT. LTD.	0.001
SATO SHOJI INDIA PVT. LTD.	0.001
PES ENGG. PVT. LTD.	0.001
MAHINDRA STEEL SERVICE CENTRE LTD.	0.001
MARUICHI KUMA STEEL	0.001
NIPPON STEEL CORPN. LTD.	0.001

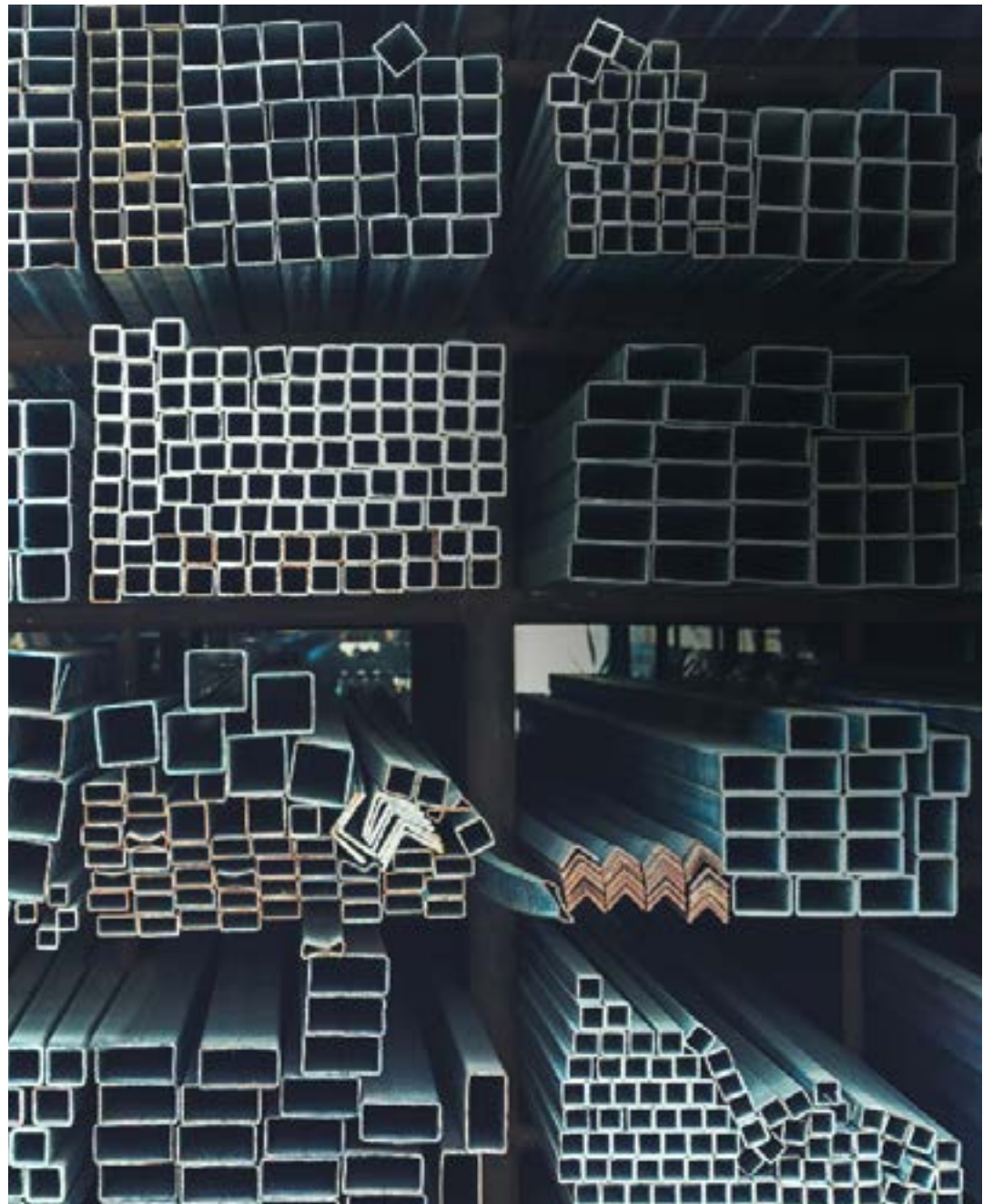
MAJOR STEEL EXPORTERS October 2021 (Qty In Million tonnes)

EXPORTER	(QTY IN MILLION TONNES)
STEEL AUTHORITY OF INDIA LTD.	0.167
TATA STEEL LTD.	0.151
JINDAL STEEL AND POWER LTD.	0.130
JSW STEEL LTD.	0.101
RASHTRIYA ISPAT NIGAM LTD.	0.088
BHUSHAN POWER AND STEEL LTD.	0.063
JINDAL STEEL WORKS LTD.	0.060
VEDANTA ALUMINIUM LTD.	0.054
TATA STEEL BSL LTD.	0.051
ARCELOR MITTAL NIPPON STEEL INDIA LTD.	0.046
WELSPUN CORPN. LTD.	0.046
ORISSA METALIKS PVT. LTD.	0.044
JSW ISPAT STEEL LTD.	0.030
SURYADEV ALLOYDS & STEEL PVT. LTD.	0.028
DUFERCO SA, SWITZERLAND	0.025
POSCO STEEL SERVICE AND SALES	0.017
JSW STEEL COATED PRODUCT LTD.	0.006

TATA STEEL EXPORTS 9,000 TONNES OF LD SLAG TO BANGLADESH MARKET THRU DHAMRA PORT COMPANY



Test and trial of LD slag has already been done in the concerned plant in Bangladesh



Tata Steel BSL has exported 9,000 tonnes of LD slag from its plant at Dhenkanal in Odisha. The shipments were made through the Dhamra Port Company to Bangladesh market. LD (Linz-Donawitz) slag is a by-product in steel making process and Tata Steel BSL at present generates about 1 million tonne of slag per annum. Cemcoa, a Hong Kong-based trade house and an existing customer of Tata Steel BSL, has shown interest in the market development of LD slag in cement-making process in Bangladesh and facilitated the export. Test and trial of LD slag has already been done in the concerned plant in Bangladesh. Tata Steel BSL plans to export one lakh tonne of LD slag per annum.

Sustainable future

Subodh Pandey, Chief Operating Officer, Tata Steel BSL said the company has always looked at operational and market facing innovations by creating value out of its by-products as part of quest to a sustainable future. In collaboration with its customers, the steel major has developed 0-6 mm size slag range, for applications in slag cement, GGBS (Ground Granulated Blast Furnace Slag) and clinker making. As part of its sustainable operations of by-products, Tata Steel BSL has been supplying LD slag to brick makers near the plant for national highway work, hard surfacing and low land area filling, besides to cement companies in Odisha and West Bengal, distributors in coastal Odisha for use in highway and brick work. To take the journey forward, it is also working to develop counterweight for auto and HEMM (heavy earth moving machinery) segments and agriculture. The company has also achieved 100 per cent recycling of fly ash, LD slag and blast furnaces slag produced by it.

Source: The Hindu Business Line

ARCELOR-NIPPON TO INVEST ₹1 TRILLION IN INDIA OVER 10 YEARS



ArcelorMittal and Nippon Steel Corp.'s joint venture steel company in India plans to invest about ₹1 trillion over 10 years to expand its operations in the country, a senior executive said



ArcelorMittal Nippon Steel India Ltd (AMNS India) is owned 60% by the world's biggest steelmaker and the rest by Japan's Nippon Steel. ArcelorMittal acquired Essar Steel India Ltd in December 2019 for ₹42,000 crore in one of the largest stressed-asset deals in the country. It then tied up with Nippon Steel, the world's third-largest steel producer. An integrated flat steel producer, AMNS India is the top steel producer in western India, with its main facility at Hazira, Gujarat. "The expansion plans are progressing well. In Hazira, we plan to take the capacity to 18 million tonnes (mt). And in Odisha, we are looking at setting up an additional 12 mt between Paradeep and Kendrapara. Wherever we can get the clearances earlier, we will start the process of building an integrated steel plant," Dilip Oommen, chief executive of AMNS India, said in an interview. The company has signed an initial pact with the Odisha government to build a 12 mt steel mill. "We are investing upwards of ₹50,000 crore in Hazira and a similar figure in Odisha. All these investments will indeed support India's ambition of growing the national steelmaking capacity to 300 mt," Oommen said. India's current capacity is 143.91 mt, and ramping it up is seen as important to plans for self-sufficiency. Steel demand in the country is set to increase amid a massive push by the government to build infrastructure, including new roads, airports and railway stations. AMNS India is also diversifying into renewable energy, including solar and hybrid power, as part of its sustainability efforts. "Our vision is very clear that we need to set up renewable energy business. We are in discussion with the government to procure land," Oommen said. Renewable energy is a key component of the company's power portfolio in its bid to produce greener steel. This also involves raising energy efficiency, cutting energy consumption and reducing the energy intensity significantly through improved operational efficiency and reusing and recycling by-products of steel. Oommen said AMNS India reduced its CO2 emissions per tonne by 35% since 2015. "We will continue to work hard and draw on the best of technologies that are available in the world to further improve in this." The company is also keen on having its own logistics support by way of jetties. "The investment for steel expansion in Hazira will be dependent on the logistics. We have two jetties right now, which we aim to upgrade and modernize to support the port logistics. For Odisha, we are looking at building our own jetties. We are building one in Paradeep and one in Kendrapara," Oommen said. The company already has a presence in the power sector through the acquisition of

Bhander power plant at Hazira, Gujarat, which was acquired in March 2020 from Edelweiss Asset Reconstruction Co. Bhander is a natural gas-based thermal plant with an installed capacity of 500 megawatts and will be captive to AMNS India's operations at Hazira. This January, it acquired Essar Power Odisha, another captive power plant of Essar Steel. To secure its raw material needs, the company plans to participate in mine auctions. It already has two iron ore mines, Thakurani and Sagasahi in Odisha, to meet its immediate needs. "But at the same time, we are participating in the auctions to ensure that we further securitize our raw material but obviously, taking the mines at the right price and not at a premium. We have seen that in the past, there are merchant miners and others who have taken mines and found it difficult to run operations because of the high premium," he said.

Source: Livemint



JSW STEEL PLANS TO INTRODUCE DIFFERENTIAL PRICING MECHANISM



To levy surcharge on steel products as input cost mounts

Sajjan Jindal-led JSW Steel plans to introduce a differential pricing mechanism that will capture the price fluctuation in coking coal. The steel industry is seeing an exceptional situation with coking coal prices going up by almost \$20 per tonne a day and has moved from \$110 to \$400 a tonne. Steel companies, which sign monthly contracts with original equipment manufacturers, find it difficult to pass on the incremental cost to end consumers. Seshagiri Rao, Joint Managing Director, JSW Steel told BusinessLine that the company has been studying how metal companies are managing similar situation globally and observed that steel prices are generally linked to scrap prices.

Energy surcharge

With the energy prices going up, one of the European steel companies had introduced an energy surcharge of €50 a tonne on its products. Since it is a new concept, JSW Steel is in consultation with customers on how to implement pricing mechanisms including energy surcharge in India. It will be followed till the normalisation in energy cost is restored in the market, Rao said. While retail steel prices are adjusted on a daily basis, JSW Steel is in talks with the OEMs to implement an energy surcharge. The spike in coking coal prices is due to the re-routing of sourcing by China. Earlier, it used to buy directly from Australia but now it is sourcing from US, Canada and Europe while Australia, in turn, is selling it to Europe and US. The concern of rising logistics cost is expected to ease out with large-scale vaccination and relaxation of Covid restrictions. This is expected to bring down the turnaround time of ships and limit further rise in freight cost. "With the demand remaining buoyant, the upward bias of steel prices will remain," Rao added.

Source: The Hindu BUbusiness Line



JSPL TO INVEST RS 18,000 CRORE TO BOOST ITS ANGUL STEEL CAPACITY



The expansion plan for 15mt envisages a 4.25mt blast furnace, 2.7mt direct reduced iron and 6.3mt steel melt shop, replicating the present facilities

Steel producer JSPL plans to invest Rs 18,000 crore to boost its Angul steel capacity to 12 million tonnes (mt) by 2023. “We are investing about Rs 18,000 crore to increase the Angul plant capacity to 12mt and have plans to increase it to 15mt by 2025,” JSPL managing director V.R. Sharma told The Telegraph. He said the expansion would be carried out through internal accruals. The expansion plan for 15mt envisages a 4.25mt blast furnace, 2.7mt direct reduced iron and 6.3mt steel melt shop, replicating the present facilities at Angul. The company will take 30 months (December 2023) to commission the blast furnace, to be followed by the direct reduced iron plant, with commissioning expected in February 2025. These projects along with the related raw material capacities – coke oven, oxygen plant – will account for almost two-thirds of the planned capital expenditure of Rs 18,000 crore. “JSPL becomes the first entity with zero domestic net debt in our Indian steel coverage. Current net debt of Rs 11,200 core can be attributed to foreign operations. With the divestment of Jindal Power, the management looks to become net debt free by 2022-23 – a very likely scenario,” ICICI Securities said in a research note. The country’s finished steel consumption increased 7.57mt in September, 4 per cent lower on an annual basis but 5.4 per cent higher monthly. Steel consumption rose significantly in the first half to 48.95mt against 36.54mt a year ago. While the demand from white and yellow goods industries has weakened over the last few months because of higher steel prices and limited component supplies, an increase in government investments including schemes such as Make in India and government projects have provided growth momentum to the construction and infrastructure sectors. Infrastructure, construction, auto, real estate & pipes account for around 65 per cent of domestic demand. Domestic finished steel consumption in the third quarter is likely to be sequentially higher with the monsoon season being over and improving vaccination rates, India Ratings and Research said. Both flat and long product domestic spreads are likely to correct in the second half because of higher coking coal prices. This will be partially offset by the increase in steel prices over the last month, it added.

Source: Telegraph India



DOMESTIC STEEL DEMAND AND CONSUMPTION INCREASING



Union Steel Minister Ram Chandra Prasad Singh said that the requirement and consumption of steel is increasing in the country with the development in the infrastructure.

Union Steel Minister Ram Chandra Prasad Singh on Sunday said the domestic demand for steel is “very good” and its consumption is also increasing in the country. Singh was speaking at a press meet on the sidelines of the inauguration of the second Vertical Shaft, Chikla Mine and various other facilities of the Manganese Ore India Limited (MOIL) based in Nagpur. Replying to a query on the situation of domestic steel demand in India, Singh said, “The domestic steel demand is very good and the country is at number two in the world. However, our per capita consumption is little less. Our per capita consumption is around 74 kg and 14 to 15 kg in rural area.” He said that the requirement and consumption of steel is increasing in the country with the kind of infrastructure development work going on in the country. To a query on the conflict between tribals and mining industry, Singh said that locals’ interests have to be taken care of when negotiations take place. When mining is done or industry is set up, the locals also get employment and overall development is carried out of that region, he added. “We have to provide better alternatives to them and take their suggestions to create a win-win situation for both,” he said.

Source: Economic Times



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J. M. Baxi & Co. Monthly Agri Products Update

J. M. Baxi & Co. Monthly Automotive Logistics Update

J. M. Baxi & Co. Monthly Cement Update

J. M. Baxi & Co. Monthly Chemical Update

J. M. Baxi & Co. Monthly Coal Update

J. M. Baxi & Co. Monthly Container Update

J. M. Baxi & Co. Monthly Cruise Shipping Update

J. M. Baxi & Co. Monthly Edible Oil and Extractions Update

J. M. Baxi & Co. Monthly Fertilizer Update

J. M. Baxi & Co. Monthly LPG & LNG Update

J. M. Baxi & Co. Monthly Mineral and Metal Update

J. M. Baxi & Co. Monthly Oil and Petroleum Update

J. M. Baxi & Co. Monthly Port Update

J. M. Baxi & Co. Monthly Project Cargo Update

J. M. Baxi & Co. Monthly Seafarers Insights Update

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