News and Views...

March 25, 2022

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Covid-19 pandemic Omicron variant live updates: India's active cases further decline to 23,913

India on Tuesday reported 1,581 new Covid-19 cases and 33 deaths in last 24 hours, according to health ministry's updated data at 9 am. Meanwhile, the active cases in the country have declined to 23,913. The government is considering allowing booster dose of Covid vaccine for all those above 18 years in view of a surge in infections in parts of the world and ease difficulties faced during international travel. Stay with TOI for all updates.

-Times of India

Business travel takes wing as India Inc unlocks

Business travel is taking off again, as Covid-19 cases are at a two-year low and companies are gradually reopening offices, but India Inc is still playing it safe.

ITC, the RPG Group, KPMG, Mphasis, Panasonic, Dabur, UpGrad and Mercedes-Benz India among many companies have resumed business travel, but only when it is essential and with strict safety protocols in place.

-Economic Times

Singapore Airlines to expand vaccinated travel lane network to India, 26 other countries

Singapore Airlines and its low-cost carrier Scoot will expand its Vaccinated Travel Lane (VTL) network from March 16 to connect to 66 cities in 27 countries, including India, a media report said on Tuesday.

VTL allows quarantine-free travel to Singapore for fully vaccinated travellers.
"New VTL services will be added progressively to selected cities in Southeast Asia and India, as well as Athens, from March 16, 2022," a Channel News Asia report quoted the airlines' parent company SIA Group as saying.

It said more non-VTL flights will also be converted to VTL flights for certain destinations and a total of 66 cities in 27 countries will be added. Reporting its operating results for February, SIA Group said passenger capacity fell slightly to 44 per cent of pre-COVID-19 levels. This is 2 per cent lower than in January, "attributable to February being a shorter month", the report said. Passenger capacity is expected to reach around 57 per cent of what it was pre-COVID-19 by April this year.

The group passenger load factor was 39.1 per cent in February, a 0.9 per cent drop from the month before. The figure is a 29.4 per cent rise from the same time last year.
VTL ticket sales remained subjected to a 50 per cent reduction in arrival quotas in the first half of February.

"On February 16, 2022, Singapore announced that it would remove the 50 per cent cap, and progressively increase the VTL quota for daily arrivals from 5,000 to 15,000, by March 4, 2022," said SIA Group.

Cargo operations registered a cargo load factor of 69 per cent in February, 25.6 per cent lower year-on-year; this was "in line with seasonal fluctuations", it added.

Cargo capacity was up 50.4 per cent in February as a result of the progressive resumption of passenger flights.

But cargo loads rose just 9.8 per cent as overall air cargo demand eased during the Chinese New Year holiday period and more bellyhold space was allocated for carriage of passenger bags as passenger load factor improved, the SIA Group said.

As at the end of February, Singapore Airlines served 63 destinations, with Scoot flying to 37 destinations, according to the Channel report.

-Economic Times

TOP NEWS

Indian steel industry may get support due to war, exports increased by 76 percent

Due to increase in steel exports and increase in global prices, prices have started increasing at the domestic level as well. Last week, steel companies increased the prices of different steel products by Rs 5000-8000 per tonne.
Globally, steel becoming costlier will help in increasing exports.
The changing market equations amid the war Indian steel industry (Indian Steel Industry) can create new opportunities. India is the second largest steel producer in the world, but its share in the export market is very low. On the other hand Russia and Ukraine are smaller steel producers than India, but the steel export market (Steel Export Market) their contribution is more than that of India. Both countries export steel to Europe and the Middle East, but Russia and Ukraine (Russian Ukraine WarThere is a possibility of export disruption due to war).

Broking and research company Motilal Oswal estimates that Russia and Ukraine export 44-45 million tonnes of steel annually, with Russia alone exporting 14-15 million tonnes to Europe, but economic sanctions on Russia and instability in Ukraine Due to this, 12 percent of the global steel trade is expected to be affected. It has also been said in the report that even after the war is over, it may take 6-8 months for the steel supply to return to the same situation as before.

Steel prices increased by more than 15%
For this reason, the prices of steel have started rising since then. Ever since the war broke out between the two countries. In the foreign market, the price has increased by more than 27 percent within 15 days. On February 18, the benchmark hot rolled coil steel price in the overseas market was $947 per tonne. On March 4, the price reached above $ 1205 per ton. Many companies of Europe have started increasing the price of steel and this increased price has brought export opportunity for Indian steel companies.
The Managing Director of the country's largest steel company Jindal Steel & Power told in an interview to a newspaper that Indian companies can easily send steel to Europe at a cost of $ 1150 per tonne, which is about $100 less than the price running in Europe. Is. He said that at present the Indian steel industry is exporting steel around $ 1000 per tonne.

76 percent jump in steel exports
In any case, the demand for Indian steel from Europe is increasing, due to which there has been a jump of more than 76 percent in the export of finished steel during February. According to the Joint Plant Committee data, 11.57 lakh tonnes of finished steel has been exported from the country during February, compared to 6.55 lakh tonnes in February last year.
However, due to increase in steel exports and increase in global prices, prices have started rising at domestic level as well. Last week, steel companies increased the prices of different steel products by Rs 5000-8000 per tonne. There is also the apprehension that the price may increase further. That is, due to the cost of steel at the global level, it will help in increasing exports, but will also be empty on the pockets of domestic consumers.

-Newsncr.com

INDUSTRY NEWS

Reprocessing scrap will boost India's steel production: Minister Ram Singh

Union Steel Minister Ram Chandra Prasad Singh on Saturday said production of steel in India will increase in the years to come as it expands scale of reprocessing scrap materials. Speaking to PTI here, Singh said as part of the India-UAE Comprehensive Economic Partnership Agreement (CEPA) it will be easier for India to import scrap from the gulf kingdom, which will be recycled for precious industrial metals.
"With the signing of this CEPA agreement, there will be further cooperation and collaboration between steel manufacturers of both countries and this will be a win-win (situation) for both," he said.

Singh said India was producing over 118 million tonnes of steel and by 2030 it is planning to produce 300 million tonnes of steel.

"We should produce enough (steel) to become self-sufficient, as well as export to other parts of the world," he said.

He said earlier India was importing a specific type of steel. "Now, we have introduced a PLI (Production Linked Incentives) scheme, for which this budget has provided about Rs 6,322 crore," Singh said.

Singh said the ministry expects investments worth Rs 40,000 crore and there will be export potential of Rs 23,000 crore and a saving of almost Rs 17,000 crore on import bills.

"This will create 5.25 lakh jobs and out of that 68,000 will be direct jobs. Very good situation for us and we will be producing quality steel in India," he said.

Addressing the perception of cartelisation in the steel industry, the minister said steel is a deregulated sector in which as of now 86 per cent was in the private sector and only 14 per cent in the government sector.

"The private sector is contributing towards 65 million tonnes altogether," the minister said, adding that eventually prices depend on demand and supply.

He added that the production was affected because of the COVID-19 outbreak. "There was less mining, so the prices of minerals have gone up. Even today, the prices of coking coal is hitting the roof, touching almost (per metric tonne) USD 600 (Rs 46,055)," he said,

He said these high prices were effecting small-scale industries and according measures have been taken.

-Economic Times

India's Jindal Steel expects Europe exports boost due to Ukraine

India's Jindal Steel and Power Ltd (JSPL) expects demand created by cuts to supply from Russia and Ukraine to boost its exports to up to 40% of sales from 25% currently as it looks to take advantage of record high steel prices.

We used to export about 25%, in 2-3 months time we will be exporting about 35-40% so that we can take a share of higher prices," JSPL managing director V R Sharma told Reuters.

JSPL was India's fifth largest crude steel producer in 2021, and competes with Tata Steel, JSW Steel, state-run SAIL and ArcelorMittal Nippon Steel India (AMNS India).

"We are already booked till April 30 and we will be booking orders for the next one month till the 30th of May," Sharma said.

Industry experts expect Indian and Chinese steel mills to ramp up shipments to Europe to make up for supply shortages from Russia and Ukraine.

India exported 20.63 million tonnes in 2021, according to Indian research and analysis firm Steelmint, mainly to Italy, Belgium, Nepal and Vietnam.
"The opportunity for Indian mills is that they can supply a big quantity and that will add to their profit lines substantially," Sharma said in an interview.

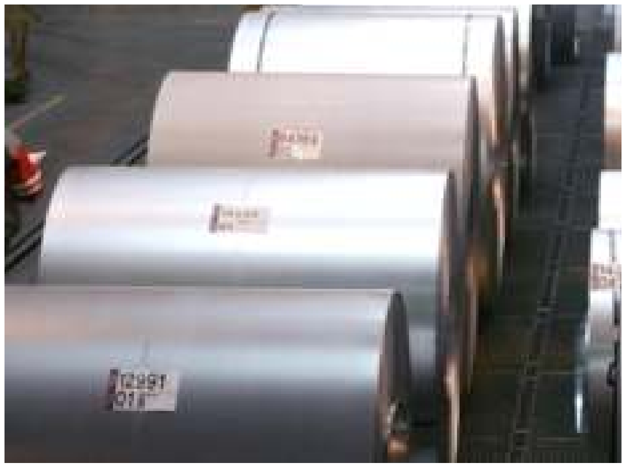
However, AMNS India's director of sales Alain Legrix de La Salle told an industry conference on Monday he expects China to be "much more present on the export market because of their low domestic demand".
La Salle said he expected AMNS's ratio of domestic sales to exports to remain steady as the company was taking a long-term view, adding that he expected most of the company's exports to go to the Middle East.

-Economic Times

Goodluck India exports Rs 1,000-cr goods during ongoing fiscal

Homegrown steel products maker Goodluck India on Tuesday said it exported goods worth Rs 1,000 crore during the ongoing financial year, mainly to its customers in Europe and North America, registering a 100 per cent.
The New Delhi-based company had made exports valuing Rs 475 crore in the entire 2020-21 financial year.

"During the April-February period of 2021-22 fiscal year, the company has achieved an export of Rs 1,005.45 crore as against Rs 475 crore in the entire financial year 2020-21. Europe and North America were major export destinations for the company," Goodluck India said in a statement.
Goodluck India Chairman M C Garg said: "Crossing the Rs 1,000-crore mark is a huge achievement for us as times have been tough and we have faced numerous challenges in the past few years."



However, Garg added, the focus on product development, growing portfolio and the desire to achieve higher quality enabled the company to achieve this milestone.
BSE-listed Goodluck India has manufacturing plants at Sikandrabad (Uttar Pradesh) and Kutch (Gujarat) with a total installed capacity of 3,26,000 tonnes per annum.
The company manufactures a wide range of engineered steel structures, precision/auto tubes, forging for defence and aerospace, CR (cold rolled) products and GI (galvanised iron pipes) pipes. These products are used by automobile manufacturers, infrastructure, engineering industries, and oil & gas industries, among others.

-Economic Times

Research to use plastic waste in steel making being done by various companies: Steel minister

Union Steel Minister Ram Chandra Prasad Singh on Friday said research to use plastic waste in steel making is being done by various companies. Singh also emphasised on Prime Minister Narendra Modi's vision of creating wealth from waste.

He was speaking during a two-day Conference of Ministers of Mines and Industries from States.

Reiterating the importance of effective rehabilitation and resettlement, he said only those companies that can leverage social capital positively and are ready to give back to the local population will be able to gain in the long run.

Similarly, India can thrive only if a level-playing field is available for all players in the sector. A policy to encourage the secondary steel players is necessary to give direction to this vision.

Deliberations on the issues pertaining to mining, specific to steel sector, were conducted on the issues put forth by central and state governments leading to fruitful discussions that were welcomed by participating delegates, the steel ministry said in a statement.

Highlighting the issues related to mining and steel making, officials from the Ministry of Steel mentioned the policy support that is being extended by the Centre.

They also detailed the support required from state governments to facilitate business.

-Economic Times

Bihar seeks investment in Indian steel sector

A delegation led by Union Minister of Steel Ram Chandra Prasad (RCP) Singh met potential investors and Bihari NRIs in Dubai on Sunday to attract investment in the Indian steel sector and also showcased a roadmap for investments in Bihar.

Inviting the businessmen, investors and NRIs to visit Bihar, RCP Singh said that India can meet entire supply demand of UAE for steel as India's private steel manufacturers are ramping up production and also looking to forge mutually beneficial partnership deals with UAE's steel manufacturers.

"India has a target to produce 300 million tonnes of steel by 2030. And for that, we need investment," said RCP Singh.

Ravi S Chand, a well know social activist, NRI from Bihar and founder of AmbedkarGobal.com, said recently concluded Comprehensive Economic Partnership Agreement (CEPA) between India and UAE will offer UAE easier access to India's metal, minerals and petroleum products.

"About 90 per cent of India's goods exports to the UAE are likely to be covered by the FTA. It will help create about a million jobs in India," he said.

"This meet is our endeavour to drive more business and investment opportunities to India. An enabler of confidence building among the business community to come forward and also invest in Bihar, I am hopeful that this meeting will prove beneficial for both the countries, added Mr Chand while addressing the gathering," he said.

The India Pavilion at EXPO 2020, Dubai, is hosting 'Steel Week' from March 11 to 17, 2022. The weeklong event will highlight the expertise of the domestic steel sector and showcase an array of opportunities available in the sector. A special session on the Rs6,322 crore production Linked Incentive (PLI) scheme for speciality steel has also been scheduled during the ongoing 'Steel Week'.

-Khaleejtimes.com

Sectoral panel pitches for $150 billion local defence production by 2047

India should aim at raising domestic defence production to $150 billion and bring in $30 billion in exports per year by 2047, a key group of top bureaucrats has recommended, even as the Ukraine crisis has sparked a debate on India's huge dependency on Russia in the sector.

In a presentation made to the Union cabinet secretary in late February, a sectoral group of secretaries (SGOS) identified defence manufacturing as a key category to capitalise on India's potential and develop it as a manufacturing hub by 2047 with a 25% share in the GDP.

Defence manufacturing, pharmaceuticals and biotechnology, semiconductors, capital goods, and machine tools are among the top categories identified by the SGOS for a major

ramp-up over the next 25 years.
Prime Minister Narendra Modi had recently said India must aim for new defence-related innovations developed domestically to truly surprise the adversary. The wheels for greater 'atmanirbharta' in the defence sector have got moving.

In 2020-21, 64% of India's budgetary outlay for defence went towards indigenous options. A 68% target has been identified for next year with service-wise action plans to reduce the import dependency. India also recently inked a $375-million deal with the Philippines for export of the Brahmos missile system.

SGOS - comprising top officials from the ministries of external affairs, commerce, heavy industries, steel, textiles, MSME, labour and employment, tourism, pharmaceuticals, and chemicals and petrochemicals, besides the Department for Promotion of Industry and Internal Trade and the Central Board of Indirect Taxes & Customs - has identified 25 year targets for India's commerce and industry growth.

While it has set a target of $150 billion for defence manufacturing by 2047, the group has proposed that pharma and biotech grow to a $500-billion industry by then. Indian manufacturing sector's share in GDP is estimated at 13% against a global average of 16% and China's 26%. The aim is to finalise the 2047 plan by May this year.

-Economic Times

CEO SPEAKS

Russia-Ukraine war: Steel exports to EU and MENA countries to increase, says Jindal Steel MD

There will be a marginal margin expansion increase in terms of spot market international prices. As I said, the difference in between spot market international prices and the domestic prices is about $200 to $250 as of now. So, the more the exports, the more the profit. That will definitely set off some of the losses from sales to the domestic customers especially to MSMEs," says **VR Sharma**, MD, **JSPL**.

What has been the repercussions of the ongoing conflict between Ukraine and Russia on the steel industry? What would it really mean for prices on one hand and exports on the other for the larger steel industry as such?
There are two effects of this Ukraine Russia war; one is opportunity and the others are threats. The opportunity for the Indian steel industry is to export more and more to the European Union and also the Middle East and North African (MENA) countries. This market has opened in a big way for the Indian steel producers. So, this is the positive factor, the opportunity in this particular war.

The threat or the challenges are the energy prices. The energy prices, going up from $90 to $100 to over $120 now are the pain points. Some of the reports say that it may reach $150 or in times to come, maybe $180 per barrel. So this is a very huge and steep increase. So, why the energy prices are increasing is yet to be understood but there is a ray of hope if the Rouble Rupee trade starts. Then India can sign a deal with Russia at a 25-30lower rate of oil per barrel. If we get a 25% or 30% discount per barrel on oil from Russia, that will be the best deal for India.
Once such kind of deals are in place with Russia via Rosneft, then this will impact the world energy prices in terms of bringing down the oil prices worldwide, because if such a deal happens with India in Rouble Rupee trade, then a similar deal may happen with China. China already has RMB to Rouble trade for so many years. These two countries – China and India – can bring down or pull down the international energy prices.

When it comes to steel prices, Russia currently has about 4% share in the global steel production. Where do you see global steel prices headed because of the supply vacuum which has been created and is it going to lead to a further push for steel exports from India?

For sure, the steel exports from India will increase because this is a good market today as far as the spot market is concerned. Perhaps all the Indian mills must be taking a share of the total pie. Yes, the steel prices have gone up by Rs 5,000 a ton in the last three weeks; the reason being coking coal prices have gone up by $545-550 a ton and the oil prices have also gone up.
Internationally, higher Brent crude prices have also led to increase in the prices of the international freights. The Supramax used to be at about $18,000- 20,000 a day for daily hire and now it has reached about $28,000-30,000 a day. That has impacted ocean freight rates. So, the prices of ferroalloys, the speciality alloys like Nickel and manganese and many more alloys like niobium and titanium have gone up and similarly, the coking coal prices and iron ore prices have gone up in the international market.

So, the cost of production has gone up by Rs 5,000 a ton. That has an impact on the domestic consumers but when we export to Europe or to the Middle East, then these increased input costs can be set off easily because the prices in Europe are much higher than the prices in India. Today for example, hot rolled coil prices in Europe are about $1,200-1,250 a ton whereas in India it is about $950 dollars a ton and that is the major difference. So the spot market prices are good, steel industry will definitely benefit out of it.

Can we see margin expansion clubbed with an increase in your volumes?
Yes, there will be a marginal margin expansion increase in terms of spot market international prices. As I said, the difference in between spot market international prices and the domestic prices is about $200 to $250 as of now. So, the more the exports, the more the profit. That will definitely set off some of the losses from sales to the domestic customers especially to MSMEs. So that will give a setting off or say trade off business and we can earn more in exports and we can earn little less in domestic but yes the average increase in EBITDA is likely to be there in the last month of this particular quarter.

Given that 35% of the revenue comes from the export market and you already have a presence in over 30 countries you spoke about the export opportunity. Have you already started seeing higher export orders because it seems to be a very time sensitive opportunity if Indian players do not grab it as of now?
Yes, we are already booking orders up to 35% to 40% of our total produce and this we will continue. We have orders up to April supplies and down the line we will be booking orders up to May also.

Where are our steel prices headed? What kind of price hikes are inevitable? All of this has a cascading impact on infrastructure contracts. Will cost escalation clauses need to be invoked?

It is very difficult to predict steel prices. As of now, we are waiting for the day ceasefire is declared then I am sure the prices will start stabilising. And the energy prices – including coking coal prices, domestic steam coal prices – everything have gone up and this can only be arrested by stopping this war.

Also, the different governments will have to act very swiftly to control the energy prices. Otherwise, these prices will keep on rising and we do not know where the prices will reach unless people start buying less. But it is very difficult because across all commodities, the prices are going up.

So it is not only steel but also aluminium, copper, nickel – everywhere the prices are up. This kind of situation is unpredictable as of now but today, whatever the prices are – the metal industry, the steel industry are getting a reasonable amount of profit and I would say additional profit from exports. This will continue till this war ends.

-Economic Times

Commodities would remain in momentum in 2022: Siddhartha Khemka

If the war does not get resolved quickly and we see elongated periods of high commodity prices, that poses the single biggest risk to earnings estimates which have so far been the single reason for the Indian markets to remain so strong. For nine months, Nifty earnings grew at almost 45%; for the full year we are expecting 30-35% growth. If that gets under pressure, then there could be some downside pressure to the overall market," says **Siddhartha Khemka**, *Head of Retail Research, **MOFSL.***

What is your take on the metal index because that index has managed to hold its ground so far? We have seen that outperformance over the past many days and the likes of Hindalco, Tata Steel, Vedanta, JSW Steel have had a pretty terrific run over the last five trading sessions. How can one capitalise on this move?

While we were all expecting the war not to have a big impact on the markets per se, Russia and Ukraine being rich in minerals and Russia forming a significant part of the global commodity exports, prices have risen over the last couple of days and with the sanctions on the non-energy exports, the supply constraints are only just getting aggravated. Already the global supply chain was being strangled because of the issues out of China, the coal supply from Australia and the likes. From here, the issue can't be expected to settle in the near future. So, definitely commodity prices are likely to sustain at higher levels. The benefit of this would go to some of these commodity companies in the metal space.

For example, aluminium prices globally are at an almost eight-year high. Same is the case with some of the other commodities like steel. Some of these stocks have already run up and hence fresh entry can only be suggested for short-term traders. For investors, any sharp cooloff or correction could be a good entry opportunity. Nonetheless for the year 2022, commodities as a sector would continue to remain in momentum.

How are you looking at the entire underperformance of the banking sector? Do you think this is just sectoral churn that we are seeing globally because in Europe also, bank stocks have slid between 10% and 20% on account of Russian exposure. Is this just a sentiment downtick and is likely to recover? Any specific names that you would like to bet on?

Quarterly results show that private banks showed some momentum in terms of the credit growth picking up. On the asset quality front also, things were looking pretty good. But one of the biggest challenges in this current environment has been where FIIs have been relentlessly selling in the secondary market.
For the last couple of months since October, banking and financials are FII heavy holding and that had a negative impact on these stocks and sectors. Globally the rise in inflation as well as the interest rates and the impact of war on the bond yields globally have all had a negative impact on some of these banks. But this is one sector which is not directly impacted by what is happening in Russia-Ukraine. The commodity price is not directly impacting the earnings expectation of the banking or the financial sector.
Once the bond yields settle down, banking is a sector which has seen a good correction, should see flows coming back. There is some kind of rotation out of banking space into some other commodity sectors, but as commodity prices and bond yields stabilise, banking as a sector will come back in vogue. Some of the preferred picks for us in the banking space are large banks like ICICI Bank within the private banking space and SBI among PSU banks. SBI among PSU banks. SBI and ICICI would be the stocks to bet on in the current banking fall for long-term investors.
Coming to geopolitical issues, earlier markets tended to rebound but right now, markets are worried how long the issues will persist, what will happen and what will be the extent of damage. Are these fears keeping the investors on sidelines?

This time we are not seeing a regular war and this can get elongated. We do not know how long this will persist, The market is not yet certain about the extent of the sanctions that can come in. If one were to factor in the worst case scenario and even the energy products exports from Russia gets sanctioned, then that will be a big negative for the global economy, especially countries like India which are import dependent for their energy requirement.

We had a good Budget but economic estimates that we saw were based on certain lower crude oil prices but if these prices were to sustain, the balance sheet numbers will change and that is not good for a country like India. Also, a lot of sectors that are dependent on crude and crude derivatives. here, margin pressure can be really big. For example, the cement sector reacted negatively on Thursday. Demand has remained tepid for a lot of these sectors, pricing power is not there; plus rising raw material and logistics costs are impacting on margins.

So all in all there is a risk. If the war does not get resolved quickly and we see elongated periods of high commodity prices, that poses the single biggest risk to earnings estimates which have so far been the single reason for the Indian markets to remain so strong. For the nine months, we have seen the Nifty earnings growing at almost 45%; for the full year we are expecting about 30-35% kind of growth. If that gets under pressure, definitely then there could be some downside pressure to the overall market.

-Economic Times

FEATURE ARTICLE

‘Steel Week’ – Know all about the Indian Steel Industry

The industrial revolution saw an exponential demand in metals and to meet that demand, the metal industry flourished explosively. And the demand is ever-growing. One metal that has changed the industry is Steel and as of October 2021, India was the world's second-largest producer of crude steel, with an output of 9.8 Metric tons (MT). In FY21, the production of crude steel and finished steel stood at 102.49 MT and 94.66 MT, respectively.

On a similar line, the India Pavilion at EXPO 2020, Dubai is all set to host 'Steel Week' from 11th March 2022. The Pavilion will highlight the expertise of the Steel sector in India and showcase an array of opportunities as well as business potential in India's steel sector. Let us dig deep into the Steel industry of India and how it is contributing to the nation's growth.

The rising demand for Steel

The rising demand for Steel in the world has predicted that in FY22 crude steel production in India is estimated to increase by 18%, to reach 120 million tonnes. The growth in the Indian steel sector has been driven by the domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Indian steel industry is modern with state-of-the-art steel mills. The nation has continuous modered old plants and upgraded them to higher energy efficiency levels. To put things in perceptive, the Indian steel industry is classified into three categories – major producers, main producers and secondary producers.

Market Size of the Indian Steel industry

The market size of Steel in India is huge. According to available data, the production of crude steel and finished steel in FY21 stood a 102.49 MT and 94.66 MT, respectively. According to CARE Ratings (Credit Analysis & Research Ltd), crude steel production is expected to reach 112-114 MT (million tonne), an increase of 8-9% YoY in FY22. The consumption of finished steel stood at 93.43 MT in FY21. Between April 2021 and September 2021, finished steel consumption stood at 49.11 MT. In May 2021, finished steel production stood at 7.8 MT and in June 2021, SAIL's crude steel production stood at 1.30 MT and saleable steel production was 1.27 MT.

The Exports and imports of finished steel stood at 7.75 MT and 2.37 MT, respectively, in FY22 (until September 2021). In April 2021, India's export rose by 121.6% YoY, compared with 2020. In FY20, India exported 8.24 MT of finished steel.

Government Initiatives in Indian Steel Industry

The central government's call for Aatmanirbar Bharat has given a whole new dimension to the nation. Similarly, in the Steel sector, the government has worked tirelessly to support MSMEs and large producers of Steel. Some of the recent Government initiatives in the Steel Industry are as follows:

In October 2021, the government announced guidelines for the approved speciality steel production-linked incentive (PLI) scheme. In the same month, India and Russia signed an MoU to carry out R&D in the steel sector and produce coking coal (used in steelmaking).

In July 2021, the Union Cabinet approved the production-linked incentive (PLI) scheme for speciality steel. The scheme is expected to attract investment worth ~Rs. 400 billion (US$ 5.37 billion) and expand speciality steel capacity by 25 million tonnes (MT), to 42 MT in FY27, from 18 MT in FY21.

In June 2021, Former Minister of Steel & Petroleum & Natural Gas, Dharmendra Pradhan addressed the webinar on 'Making Eastern India a manufacturing hub with respect to metallurgical industries', organised by the Indian Institute of Metals.

In 2020, 'Mission Purvodaya' was launched to accelerate the development of the eastern states of India (Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh) through the establishment of an integrated steel hub in Kolkata, West Bengal. Eastern India has the potential to add >75% of the country's incremental steel capacity. It is expected that of the 300 MT capacity by 2030-31, >200 MT can come from this region alone.

In June 2021, JSW Steel, CSIR-National Chemical Lab (NCL), Scottish Development International (SDI) and India H2 Alliance (IH2A) joined forces to commercialise hydrogen in the steel and cement sectors.

Under the Union Budget 2020-21, the government allocated Rs. 39.25 crore (US$ 5.4 million) to the Ministry of Steel. The budget's focus is on creating infrastructure and manufacturing to propel the economy. In addition, enhanced outlays for key sectors such as defence services, railways, and roads, transport and highways would provide impetus to steel consumption.

In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India–Japan Steel Dialogue.

The Union Cabinet, approved the National Steel Policy (NSP) 2017, as it intends to create a globally competitive steel industry in India. NSP 2017 envisage 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.

The Ministry of Steel is facilitating the setting up of an industry-driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs. 200 crores.

The Government of India raised import duty on most steel items twice, each time by 2.5% and imposed measures including anti-dumping and safeguard duties on iron and steel items.

Road ahead

The National Steel Policy, 2017 envisages 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31. As per Indian Steel Association (ISA), steel demand will grow by 7.2% in 2019-20 and 2020-21. The road ahead for the Indian Steel industry is full of opportunity, with a huge scope of employment generations and growth of the nation.

-Newsonair.com

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A Sneak Preview

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- **Three-day Open Seminar on**
  > Minerals, Metals and Metallurgy Industry
  > Power Tools, Cutting and Welding Tools, Machine Tools and Technologies
- Various New Launches by exhibitors.

Business Connect Program

- Market News & Views, a weekly e news alert program covering Industry Updates ,Launch of New Technologies , Partnership Opportunities , Industry Views, CSR activities
- International Business Networking Program (IBNP) a monthly webinar covering key industry across Indian as well as some neighboring countries including China, Taiwan, Bangladesh, etc
- Open Seminars during the event, a unique opportunity to have face to face interaction with industry leader and knowledge transfer

Contact Us

Hyve India Private Limited
(CIN. U92490DL2004PTC124343)
Innov8, 2nd Floor, 44, Regal Building
Outer Circle, Connaught Place, New Delhi-110001, INDIA
Email: ed.india@hyve.group
Website: india.hyve.group, www.hyve.group

PARTNERSHIP OPPORTUNITIES

Partnership gives an excellent opportunity to stand out from the crowd, reinforce, enhance and establish corporate visibility amongst the targeted audience. Partnership is a great way to reinforce your brand message with benefits including:

- Enhance your leadership status
- Educate and inspire a targeted audience with your products and services
- Raise brand awareness and create preference to a targeted audience
- Build leadership status in the industry
- Create positive PR and raise awareness of the organization as a whole
- Build brand positioning through associative imagery
- Create internal emotional commitment to the brand
- Provide innovative solutions to the industry
- Provide revenue generating ideas

Some Leading Brands at the Show

...and many more

ANDRITZ Metals | AEX | ASIAN NATIONAL | CMD | DUTTASON ENGINEERS | KonFluid Engineers | EROS ENVIROTECH PRIVATE LTD.

ARB BEARINGS | ELECTROTHERM | ENCON | FOR HEALTHY ENVIRONMENT ENVIROPOL | GALAXY SIVTEK | A.R. Group of Industries | EROS

Gita Refractories PVT. LTD. | HARSCO ENVIRONMENTAL | IR TECH | INDROX GLOBAL | JAYPEE CARDAN SHAFTS | transwelle A SYMBOL OF TECHNICAL EXCELLENCE | ELECTROSTEEL

ENGINEERING YOUR SPRAY SOLUTION LECHLER | megatherm | MGM VARVEL | MRL GROUP | NORD DRIVESYSTEMS | elementar EXCELLENCE IN ELEMENTS | ELECTROSTEEL

OOM Oorja on Move | POWER BUILD PVT LTD | RAGHAV PRODUCTIVITY ENHANCERS LTD. (Formerly - Raghav Ramming Mass Ltd.) | ROLLCON | Rossi | Spraying Systems Co. Experts in Spray Technology | Electro Magnetic Industries An ISO 9001:2000 Certified Company

RULMECA | SCHAEFFLER | Shanthi Gears | SINOSTEEL | METATECH THERMAL SPRAY PVT. | KYK BEARINGS OSAKA, JAPAN | Balaji Impex

एन एम डी सी NMDC | LORD | FML Fibrotemp Metatek India LLP | MANGLAM ELECTRICALS Components Distribution | JINDAL STEEL & POWER | GEOLOGICAL SURVEY OF INDIA | MANGLAM ELECTRICALS

DMG MORI AKTIENGESELLSCHAFT | EUROWELD | Cayley Aerospace Inc | COTMAC Efficient Always | CK Airtech ...finest air filtering solutions

...and many more

Thank You

COMBATING COVID-19

Basic Protective Measures

USE FACE MASK

CLEAN AND DISINFECT

WASH YOUR HANDS FREQUENTLY

KEEP DISTANCE FROM OTHERS

AVOID TOUCHING EYES, NOSE OR MOUTH

STAY AT HOME WHEN YOU ARE SICK