VITAL INDUSTRY UPDATES - 17/08/2015

Anti-dumping duty on potassium carbonate imports from Taiwan, South Korea

There is also likelihood of recurring of dumping and injury from South Korea, the Authority said.

However, it concluded that there is no likelihood of recurrence of dumping and injury from China and European Union.

Potassium Carbonate is a white inorganic compound - available in powder and granules form - soluble in water and insoluble in alcohol.

It is primarily used in the manufacture of TV picture tubes, GLS Lamps, Ophthalmic glasses.

Potassium Carbonate also finds application in fertilizer industry, rubber industry, drugs and pharmaceuticals and Dyes and Potassium based chemical industries.

Gujarat Alkalies & Chemicals Ltd had filed the petition seeking review of the anti-dumping duty imposed on Potassium Carbonate imports from Taiwan, South Korea, China and the European Union.

The revenue department has now imposed anti-dumping duty of $ 153 per tonne on Potassium Carbonate imports from Taiwan.

In the case of South Korea, an anti-dumping duty of $ 9.45 per tonne has been imposed on Potassium Carbonate exported by UNID Co Ltd.

For all other exporters from South Korea, the revenue department has imposed anti-dumping duty of $ 123.86 per tonne.

The anti-dumping duty will be valid for period of five years, unless revoked earlier.

Blasts hamper Tianjin port's operations

Some delays and disruptions are expected to continue at China's Tianjin port following the deadly blasts, reportedly at a hazardous cargo warehouse, last week, it is learnt.

Vessels carrying crude and hazardous goods are not being allowed in, according to reports.

It would take some time for the situation to normalise, say port users.

Tianjin is the 10th busiest container port globally as well as a key gateway for ore, coal, automobiles and oil into China.

Poland likely to invest in food processing tech in Punjab

Poland proposes to invest in food processing technologies and farm machinery in Punjab as a step towards doubling bilateral trade with India to $5 billion by 2018, sources said.

The Punjab Deputy CM, Mr Sukhbir Singh Badal, during his visit to Poland, had invited Polish companies to set up small food and fruit processing units in the state.

The Polish Deputy PM and Minister of Economy, Mr Janusz Piechocinski, after delegation-level talks with Mr Badal, announced that Poland will be a partner country for the 'Progressive Punjab Investors Summit' to be held in October in Mohali, it is learnt.

MOIL gets green nod for opening new mine

State-run MOILBSE 0.40 % Ltd today said it has got green clearance for opening a new mine in Nagpur, Maharashtra.

"Company had applied for mining lease over 53.75 Ha. land in Parsoda village, Tehsil Ramtek, Dist. Nagpur for opening a new mine," Moil Ltd said in a regulatory filing.
"In this regard, it is to inform that... Ministry of Environment, Forest and Climate Change (MoEF &CC) vide their letter dated July 31, 2015 have granted environmental clearance for the above area," the company said.

The said area is about 45 km from Nagpur and is very near to existing Munsar mine of the company, it said.

Further, production of about 40,000 tonnes per annum is expected from this area, it added.

"The anticipated life of the mine based on the available proved and probable resources is 10 years. However, the same will increase after subsequent exploration during the ensuing mining plan period," it added.

At present, MOIL operates 10 mines, six located in the Nagpur and Bhandara districts of Maharashtra and four in the Balaghat district of Madhya Pradesh, according to the company's .

Jaypee Cement wins Majra coal block in Maharashtra for Rs 1,230 per tonne

Jaypee Cement has won the Majra coal block in Maharashtra with a bid of Rs 1,230 per tonne.

ACC LtdBSE 0.12 %, Crest Steel and Power, Emami Cement, Grace Industries and JK Lakshmi CementBSE 1.09 % were in the race for the block, which has total extractable reserves of 14.92 million tonne (mt).

The coal block was previously owned by Gondwana Ispat.

On Tuesday, Crest Steel had won the Bhaskarapara coal block in Chhattisgarh at a price of Rs 755 per tonne, pipping Jindal SteelBSE -0.42 % & Power and Godavari Natural. The block, which was earlier owned by UltratechBSE -0.34 % Cement, has about 24 mt of coal reserves.

Topworth Urja and Metals had won Marki Mangli-I coal block in Maharashtra at a price of Rs 715 per tonne on the same day. The block has about 10 mt of extractable reserves and was being eyed by Grace Industries and Lloyd Urja. It was earlier owned by B S Ispat.

Steel companies may miss target of 300 million tonne production by 2025

Low domestic demand and cheap imports could force Indian steelmakers to go slow on output, a move that can cloud India's target of producing 300 million tonnes of the alloy by 2025.

With China devaluing its currency twice this week, the domestic steel industry appears less confident about its prospects. Steelmakers ET spoke with did not want to go on record and question the sustainability of the country's production target. But internal debates are getting louder and worry lines deepening across the sector, as it becomes clearer that without stringent policy measures, flow of cheap imports will continue hurting the sector.

"We have set a target of 300 MT by 2025, but we need to have safeguard duty of 25-30% to protect the native industry from imports. China already has an advantage in terms of transport infrastructure, low cost of funds and energy, etc," said Ravi Uppal, managing director and CEO of Jindal Steel and Power Ltd, a leading steelmaker.

In the first five months of 2015, India has become the third largest steel producer and is on track to emerge as the secnd largest soon . Last fiscal, the country was at No. 4 with output at 88.25 MT.

Also, per capita steel consumption in India is about 60 kg compared with the world average of 216 kg, which also supports estimates about the sector's growth potential. However, the bigger question is whether this level of production is sustainable.

"None of the large steel projects like Posco have come up. Also, 'Make in India' is still at a concept stage, and industry is yet to feel its impact on the ground.

The government will have to take a concerted approach to realize this target of 300 MT by attacking the demand side and tackling the supply side as well," said R Muralidharan, senior director, Deloitte in India.

"To check imports, we will need to have anti-dumping and safeguard duties in place. To generate steel demand at home, massive investment is required in infrastructure over the next few years."

Industry watchers say that not enough is being done to create demand—be it in terms of infrastructure creation in new ports, bridges, airports, roadways, etc. In addition, the flood of cheap imports in the last 1-2 years threatens to upset the gameplan of steel companies. This is already leading to lower capacity utilization across the sector. In fact utilization rates in 10-12 industrial sectors are wallowing at 5-year lows and this is thwarting capital investment, particularly private sector investment which is estimated to go down by 8% this fiscal, according to a report by Crisil.

China's strategy to export its nearly 360 MT of surplus steel will affect every global steel player. For Indian companies, the incentive to export appears to be shrinking.

"Despite increasing global presence, Indian players have faced fall in realizations as domestic prices are derived on the basis of landed cost parity, shrinking export markets, as Indian steel has to compete with cheaper Chinese products and higher imports affecting domestic sales volume of the Indian steel industry, ..