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London Metal Exchange : Friday 01, March 2019

	Pr. Sell (1)	Morning Session Buy	Morning Session Sell * (2)	Afternoon Session Buy	Afternoon Session Sell	Kerb	Change (2) - (1)	Stk(tns) change	MMR Landed Prices	Value
	$/ton									Rs/ton
Copper Grade A										
Spot	6536.00	6570.00	**6572.00**	6527.00	6528.00	6525.00	**36.0**	126,100	MMR LP	497,693
3-mth	6494.00	6523.50	**6524.00**	6481.00	6482.00	6478.00	**30.0**	-2375	14-D MA	484,147
Average	10-days -6440.55		20-days -6301.93	30-days -6198.28					PP (HCL)	474,575
Tin High Grade										
Spot	21775.00	21750.00	**21800.00**	21690.00	21695.00	21710.00	**25.0**	1,325	--	--
3-mth	21725.00	21605.00	**21610.00**	21595.00	21600.00	21620.00	**-115.0**	-25	--	--
Average	10-days -21584.00		20-days -21316.50	30-days -21159.67					--	--
Lead										
Spot	2154.00	2152.00	**2152.50**	2158.00	2159.50	2130.50	**-1.5**	76,875	MMR LP	170,173
3-mth	2163.00	2164.00	**2165.00**	2166.00	2167.00	2143.00	**2.0**	-175	14-D MA	164,179
Average	10-days -2071.60		20-days -2065.05	30-days -2062.03					PP (HZL)	178,200
Zinc Special High Grade										
Spot	2794.00	2839.00	**2839.50**	2814.00	2815.00	2821.50	**45.5**	64,550	MMR LP	226,656
3-mth	2759.00	2793.00	**2794.00**	2776.00	2777.00	2785.00	**35.0**	-550	14-D MA	217,552
Average	10-days -2731.45		20-days -3608.18	30-days -3289.60					PP (HZL)	226,400
Aluminium										
Spot	1893.00	1890.00	**1890.50**	1878.00	1879.50	1896.75	**-2.5**	1,232,950	MMR LP	156,154
3-mth	1916.00	1910.00	**1910.50**	1899.00	1900.00	1918.00	**-5.5**	13250	14-D MA	154,458
Average	10-days -1867.15		20-days -1860.40	30-days-1861.67					PP (Nalco)	162,150
Aluminium Alloy										
Spot	1470.00	1455.00	**1475.00**	NA	NA	NA	**5.0**	8,780		
3-mth	1490.00	1475.00	**1495.00**	NA	NA	NA	**5.0**	0		
Average	10-days -1470.50		20-days -1480.70	30-days -1469.98						
Nickel									Copper	01-Jan
Spot	13040.00	13155.00	**13160.00**	13065.00	13070.00	13114.50	**120.0**	196,782	Aluminium	23-Feb
3-mth	13140.00	13225.00	**13245.00**	13145.00	13150.00	13195.00	**105.0**	-150	Zinc	28-Feb
Average	10-days -12796.00		20-days -12684.75	30-days -12422.17					Lead	28-Feb

Note: 1. MMR LP = MMR Landed Prices, excluding excise duty. 2. PP = Producer Prices ex-smelter, excl. excise

Minor Metals ($/LB)

Antimony	Cadmium	Cobalt HG	Moly.oxide	Selenium	Silicon	Tungsten	Fe Si Mangnesium
99.65%	99.95%	99.80%					
8,000	143.00	17.95	12.40	10.30	1940.00	270.00	153

Week ended Avg of Steel Prices : 01/03/2019 (Excl. GST)

Mandi Gobindgarh - Punjab					Mumbai	Kolkata	Delhi	Chennai		Mumbai	Bhiwadi	Kanpur
Sponge Iron	26,600	**HMS OLD**	28,300	**HMS**	28,000	29,800	30,200	25,000	**MS Ingots**	37,000	38,000	38,200
Pig Iron	35,600	**HMS Fresh**	32,100	**CRP(LSLP)**	34,000	-	-	34,000				

Alum. Alloy : Basic prices excl. CST/VAT		**ADC 12**		**AlSi 9 Cu3**		**LM6**	
	Mumbai Mkt rates in kgs : **28/2/2019**		129		11		158
	Ex. Delhi Mkt rates in kgs : **28/2/2019**		129.5		-		-

Indicative Domestic Market Rates (Rs./kg)

	Mumbai 01-Mar	Mumbai Prev	Delhi 01-Mar	Delhi Prev	Chennai 01-Mar	Chennai Prev
Virgin Metals					-	-
Copper Pat	--	--	**442.0**	442.0	-	-
Copper W/Bar	**476.0**	476.0	-	-	-	-
Alum Ingot	**152.0**	155.0	**153.0**	154.0	**159.0**	159.0
Zinc Slab	**222.0**	220.0	**244.0**	240.0	-	-
Lead Ingot	**156.0**	156.0	**158.0**	158.0	-	-
Tin Slab	**1,690.0**	1,700.0	**1,825.0**	1,820.0	-	-
Nickel (4x4)	**970.0**	950.0	**1,005.0**	977.0	-	-
Scrap					-	-
Copper Heavy	**451.0**	449.0	--	--	-	-
Copper Uten.	**420.0**	418.0	--	--	-	-
Copper Mixed	--	--	**422.0**	422.0	-	-
Brass Utensil	**335.0**	335.0	--	--	-	-
Brass Huny	**325.0**	325.0	**340.0**	341.0	-	-
Brass Sheet	**349.0**	349.0	-	-	-	-
Alum Utensil	**124.0**	124.0	**132.0**	132.0	-	-

Comex Copper (cents/lb) / Comex Al (cents/lb)

	Copper Rate	Copper Change	Al Rate	Al Change
Jan'19	**293.35**	-1.1	-	-
Feb'19	**293.30**	-1.9	-	-
Mar'19	**293.20**	-1.1	-	-

Precious Metals : Indicative Rates

Metal	Market	Unit	01-Mar	Prev
Gold Std	Mumbai	Rs/10g	**32,945**	33,280
Silver	Mumbai	Rs/kg	**39,285**	39,805
Gold	London	$/tr.oz.	**1,311.95**	1,319.15
Silver	London	$/tr.oz.	**15.56**	15.81
Gold	Comex	$/tr.oz.	**1,296.40**	1,312.20
Silver	Comex	$/tr.oz.	**15.16**	15.55

Forex: March, 01, 2019 (Rs/Unit Currency)

	USD	GBP		YEN
Buy	70.96	93.82		0.6346
Sell	70.88	93.73	---	0.6338
	EURO	**SGD**	**AUD**	**SFR**
Buy	80.76	52.48	50.49	71.11
Sell	80.69	52.40	50.44	71.00

Customs Notified Rates : Feb 22th 2019 [Rs.(Imp/Exp)]: US$ 74.60/72.90;Pound Sterling 97.00/93.65;Euro 86.15/83.10

US stocks closed higher Friday, with the S&P 500 finishing above 2,800 for the first time since Nov. 8, on news that trade negotiations between the US and China may conclude as soon as in two weeks. However, the latest data on US manufacturing disappointed, tempering investors' optimism.

The Dow Jones Industrial Average DJIA gained 110.32 points, or 0.4%, to 26,026.32, while the S&P 500 index SPX rose 19.20 points, or 0.7%, to 2,803.69. The Nasdaq Composite Index COMP advanced 62.82 points, or 0.8%, to 7,595.35.

For the week, the S&P 500 gained 0.4% and the Nasdaq added 0.9% while the Dow shed about 0.1% to snap its nine-week winning streak, the longest since May 1995. Hope of an imminent conclusion to Sino-American trade negotiations in the next couple of weeks was among the factors sparking buying interest.

According to Bloomberg News, US officials were preparing for a summit between President Donald Trump and Chinese leader Xi Jinping at which a 150-page agreement could be signed. However, during a news conference while abroad this week, Trump emphasized his willingness to walk away if a favorable trade deal couldn't be struck.

Earlier this week, top negotiator Robert Lighthizer said that tariffs on $200 billion in Chinese goods set to increase to $25% from 10% at 12:01 a.m. March 2, wouldn't go into effect.

In the UK, the opposition Labour Party has confirmed it would support a second referendum on membership of the European Union, while Prime Minister Theresa May has agreed to allow Parliament to delay Brexit, which many analysts say raises the chances that the nation's withdrawal from the bloc will be put off past the March deadline.

The Institute for Supply Management's manufacturing index fell to 54.2% in February, below economists' expectations of 55.5%, according to a MarketWatch poll. It also marked the slowest pace of growth since the election of President Trump in November 2016

Markit's manufacturing PMI also disappointed, coming in at 53.0 in February, after hitting 53.7 in January.

The Commerce Department reported that the PCE inflation index rose 0.1% in December, compared with the 0.4% increase in November, above economists estimates of a 0.4% decline, according to a MarketWatch poll. The 12-month change in prices remained steady at 1.9%.

Consumer sentiment came in below economists' expectations, with the University of Michigan's index came in at 93.8, versus expectations of 95.6, per a MarketWatch survey of economists.

Meanwhile, Atlanta Fed President Raphael Bostic, speaking at the National Association for Business Economics conference in Washington, D.C., said he still expects the central bank to raise interest rates once this year as inflation picks up.

"Both of the US manufacturing PMIs dramatically undershot expectations," Connor Campbell, financial analyst with SpreadEx, wrote in a note. "Granted, these numbers are a lot better than what was posted by the UK, China and the eurozone — the latter 2 regions saw their respective manufacturing sectors stuck in contraction territory — earlier in the day, but they are nevertheless cause for concern," he added.

It was these disappointing figures that helped put pressure on stocks earlier, causing them to fall "well off the 170 point rise suggested by the futures before the PMIs were released," he wrote.

David Madden, a market analyst at CMC Markets UK, credited Friday's gains to fading trade worries. The bilateral trade agreement is not a certainty, he said, but investor know that the US and China are headed in the right direction.

Shares of Gap Inc. GPS jumped 16% after the giant clothing retailer said it was splitting into two publicly trade companies and closing some 200 stores.

Foot Locker Inc. FL shares rallied 6% after the sporting goods and apparel retailer blew past earnings estimates for its fiscal fourth quarter.

Shares of Immunogen Inc. IMGN sank 47% after the company said a phase 3 trial of its ovarian cancer treatment, mirvetuximab soravtansine, failed to meet its primary endpoint of progression free survival.

Shares of Tesla Inc. TSLA skidded 7.8% after the electric-car manufacturer announced Thursday evening that it is likely to report a loss in the fourth quarter, contrary to previous predictions. Tesla also announced that it would offer its Model 3 for $35,000, while saying it would lay off employees to cut costs.

Dentsply Sirona Inc. XRAY shares surged 18% after the maker of dental products and technologies beat analyst estimates for fourth-quarter earnings and sales. Dow component Walgreens Boots Alliance Inc. WBA dropped 6.4% after the drugstore chain said it continues to face reimbursement headwinds, as well as pressure from falling prices for generic drugs.

Stocks in Asia rose on trade optimism with Japan's Nikkei 225 JP:NIK Hong Kong's Hang Seng Index HK:HSI and China's Shanghai Composite Index CN:SHCOMP all finishing higher.

In Europe, stocks closed higher with the Stoxx Europe 600 XX:SXXP rising 0.4%.

In commodities markets, the price of oil CLJ9 fell, while gold prices GCJ9 settled weaker and the U.S. dollar DXY rose against its peers.

Currency Market

The U.S. dollar flirted with session highs against a basket of major currencies Friday, shrugging off mostly downbeat U.S. data that pointed to signs of an economic slowdown.

The U.S. dollar index, which measures the greenback's strength against a trade-weighted basket of six major currencies, rose 0.35% to 96.37, just below session highs of 96.44.

The dollar remained somewhat resilient in the wake of a slew of data on manufacturing, inflation and consumption that did little to quash the narrative of a slowing U.S. economy.

The Federal Reserve's preferred inflation measure, the personal consumption expenditures (PCE) price index excluding food and energy, rose 1.9% in the 12 months through December, in line with economists' forecast.

ISM manufacturing data for February showed a downtick to 54.2, missing expectations of 55.5. A reading above 50 in the ISM index indicates an expansion in manufacturing, which accounts for about 12% of the U.S. economy.

Consumer spending, which accounts for more than two-thirds of U.S. economic activity, fell 0.5% in December, the Commerce Department said on Friday. That missed expectations for a 0.2% decline.

The fall in personal spending represented "the biggest decline since 2009 and serves to give more credence to the abysmal retail sales figure released a couple weeks ago," BMO said in a note.

The consumer exhibiting "significant trepidation" going into year-end is more than sufficient to keep the Federal Reserve on the sidelines for the time being, the bank added.

The weaker data come just days after Federal Reserve Chairman Jerome Powell praised the strength of the U.S. economy, though he did flag some headwinds, or "crosscurrents" to growth, including a weaker backdrop for the global economy. The greenback was also boosted by a slip in the pound as traders took profits in the latter following sharp gains during the week amid growing expectations the UK will seek to delay Brexit.

GBP/USD fell 0.40% to $1.3208, while EUR/USD was flat $1.1370.

USD/JPY rose 0.53% to Y111.97, hitting 10-week highs as risk sentiment continues to ride high on hopes the U.S. and China will reach a deal to end their bitter trade dispute.

USD/CAD surged 0.87% as the loonie was pressured by gloomy data showing Canada's economy is close to stalling.

Precious Metals

The dollar is pulling the rug from under gold on China fears, sending the yellow metal below the $1,300 line gold bugs had defended the past five weeks.

Reversing course from a late-February pummeling, the greenback is back in control of its narrative as the best hedge to the unresolved U.S-China trade war. Any run-up in the dollar tends to take shine off gold, its direct rival.

Gold futures for April delivery settled down $16.90, or 1.3%, at $1,299.20 per ounce on the Comex division of the NY Mercantile Exchange, easing for a fifth-straight day. It was the first time gold had lost its $1,300 perch since Jan. 20.

Spot gold, reflective of trades in physical bullion, slid by $20.18, or 1.5%, to $1,293.01 per ounce by 2:20 PM ET (19:20 GMT).

The dollar index, which measures the greenback against a basket of six currencies, was up 0.4% at 96.458, after scaling 96.403 earlier, a peak since Feb. 25.

While investors have been using gold as a hedge toward the US-China negotiations, the dollar has proven to be a more effective safe-haven play for this, gaining traction at the expense of gold after US Trade Representative Robert Lighthizer admitted the Trump administration was having problems reaching closure in its tariff war with Beijing.

Some professed surprise over gold's collapse on Friday despite recent aggressive buying of bullion by central banks on worsening worries over Brexit and other global economic developments.

"I think this selloff is overdone and I expect the selloff to run out of gas and the price to recover," said Walter Pehowich, executive vice president at Dillon Gage Metals in Addison, Texas.

"For the gold bugs who use dollar cost averaging to play in the gold market, this pullback is just another opportunity to take advantage of a product that still has upside potential," Pehowich said. "Significant global debt, trade disputes, a pause on rate hikes and a slowing economy should help the price in the long run."

Prices of palladium, meanwhile, rose for a second-straight day, maintaining the auto-catalyst metal's standing as the world's most valuable traded metal.

Base Metals

Zinc rose on Friday on concern about shortages after inventories slid, but some other industrial metals were softer after factory activity in top metals consumer China contracted.

Zinc mines have been ramping up, but smelters have not been able to keep up, so shortages of refined metal have persisted.

“Most if not all Western smelters are probably working flat out, but in China, with the environmental scrutiny clampdown, capacity is being cut and new capacity has been delayed,” said Robin Bhar, head of metals research at Societe Generale in London.

“The deficit in the refined market is being met by the drawdown in stocks, so that’s lending a lot of support to the zinc price.”

On-warrant zinc inventories in warehouses registered with the London Metal Exchange, material that is not earmarked for delivery, fell to 46,000 tonnes this week, LME data showed. That was the lowest since at least 1998, having more than halved so far this year.

Benchmark LME zinc rose 0.2 % to $2,784.50 a tonne in closing open outcry activity after climbing 13 % so far this year.

Some metals were pressured after China's factory activity contracted for a third straight month in February albeit at a slower pace, helped by improvements in domestic manufacturing, a private survey showed on Friday.

"There's still a lot of caution because of trade tensions, China slowing and physical premiums are tracking sideways," Bhar said. Three-month LME copper shed 0.5 % to end at $6,478 a tonne.

Earlier this week, available LME copper stocks fell to 21,600 tonnes, their lowest since 2005.

"The fact that spreads are not insanely backwardated at these levels of stocks tells you that there is some metal around but it isn't necessarily on the LME," said Guy Wolf, head of global market analytics at Marex Spectron.

The backwardation – the premium of cash copper over the three-month LME contract was at $44 a tonne on Friday, compared to a discount of $23.25 a month ago, but far from a peak premium of $149 seen in 2012.

China's Yangshan copper import premium fell to as low as $48 a tonne, the lowest since April 2017, suggesting weak physical demand. LME nickel, used to make stainless steel, finished up 1.1 % at $13,195 a tonne after touching a six-month peak of $13,400, tracking the surging Chinese ferrous complex.

Aluminium added 0.4 % to close at $1,918 a tonne, lead fell 0.4 % to $2,143 and tin dipped 0.1 % to $21,620.

Energy Market

Oil futures finished sharply lower on Friday, with US and global benchmark prices down roughly 3% for the week as traders focused on a backdrop of weak US economic data and record domestic production.

Data showing a drop in OPEC output to its lowest in four years failed to support prices. Members of the Organization of the Petroleum Exporting Countries pumped 30.68 million barrels a day in February, down 300,000 barrels a day from a month earlier and the lowest since 2015, according to a survey from Reuters released Friday.

"The market has priced in OPEC to extend their production cuts until year end and markets may need a new catalyst to take crude higher," said Edward Moya, senior market analyst at Oanda.

On Friday, April West Texas Intermediate crude CLJ9 fell $1.42, or 2.5%, to settle at $55.80 a barrel on the New York Mercantile Exchange. The contract lost about 2.6% for the week. Based on the front-month contracts, prices climbed 6.4% for the month of February, according to Dow Jones Market Data.

Global benchmark May Brent UK:LCOK9 settled at $65.07, down $1.24, or 1.9%, on ICE Futures Europe. Prices based on the front-month contract saw a weekly loss of 3.2% after rising 6.7% for February.

The decline in oil prices likely caught "traders off guard," said Scott Gecas, chief market strategist at Walsh Trading, particularly given the news on OPEC output. Still, "one could make the case for a lower price based on the ISM headline."

Weaker-than-expected data on U.S. manufacturing and consumer sentiment, on the heels of a fall in Chinese factory activity to its lowest in three years, raised worries about energy demand.

News Report & Analysis

Domestic steel sector progressing towards quality control regime: Minister

Indian steel sector is progressing towards a quality control regime with India becoming

the second top global producer, Union Minister Chaudhary Birender Singh said Friday.

Singh said the sector is steadily and firmly moving towards attaining 300 million tonne (MT) steel production target by 2030-31.

Addressing an event here for presenting awards to best performing steel plants for 2016-17, the minister said the government has taken a slew of steps to promote the growth of the sector.

"Let us take pride in the fact that India is now the 2nd largest producer of steel in the world... Ministry of Steel has taken several steps to promote growth of domestic steel sector.

"The preference being given to domestic manufacturers through Domestically Manufactured Iron & Steel Products (DMI&SP) policy will lead to sustainable growth of Indian steel industry," Singh said.

To ensure production of quality steel in the country, the ministry has come out with a Quality Control Order and is committed to moving towards 100 % quality control regime, he said.

"We are aware of challenges being faced by few consumers and suppliers. However, we are confident that in the long-term, the move will be highly beneficial as steel goes for various critical applications such as infrastructure, where concerns related to safety and health of consumers are very important," he said. The minister said Indian economy is now the sixth largest economy in the world and is expected to grow at a faster rate than other big economies.

"Our aim is to be a USD 10 trillion economy in the coming years. To meet the aspirations and requirements of our growing economy, we have set an ambitious target of 300 MT of crude steel output by 2030-31. We are steadily and firmly moving forward in the direction of attaining these levels," he said.

He stressed that a lot of work also needs to be done to improve the sustainability of the steel industry as it has to reduce carbon dioxide gas emission intensity in steel production in a time-bound manner.

"We must also try to quickly find out ways to use our steel melting slag which is generated in large quantities during the process of production of steel," he said adding the country must strive to become the world's number one in production of high-grade quality steel.

Emphasising on the safety of the people working in steel sector, the minister said human life is precious and all resources should be used to ensure that accidents are minimised.

"To ensure safe working conditions in our steel industry, we will be soon operationalising a Safety Directorate in the steel ministry," he said.

Tata Steel-Jamshedpur Works bagged the PM's Trophy for the best overall performance along with a cash prize of Rs 2 cr in the event.

Tata Steel was able to set new benchmarks in productivity, techno economics, innovation & R&D in 2016-17 for the domestic steel industry and its performance is close to international benchmarks in some select areas, a statement said. The Steel Minister's Trophy along with a cash prize of Rs 1 crore was awarded to JSW Steel - Vijayanagar Works.

JSW Steel -Dolvi Works was given a certificate of appreciation along with a cash prize of Rs 25 lakh. SAIL's Rourkela plant also won a certificate of appreciation along with Jindal Steel & Power-Raigarh Works.

Ministry junks proposal for Minimum Import Price on steel as prices firm up

The Steel Ministry has junked a proposal to levy Minimum Import Price on steel as domestic prices of the commodity have recovered. Steel Minister, Birender Singh, told BusinessLine : "If you see in the last three months there was a Rs. 10,000 a tonne to Rs. 12,000 a tonne reduction in prices, so there is no situation of prices going up as being said…My personal view is that the general consumer should not feel that there is any pinch. We are very much aware of that."

Singh said the steel industry has recovered from the situation that had come about over the past three-four years. "I would say that we are on the correct path and if the industry will need more support to be competitive, we are ready for that."

He also said, "Some of the representations are with us, and a small group of industry people have suggested this to us. I don't think there is any urgent or immediate need for that. There is no MIP…when there is nothing visible, you can use the word shelved," he added. Commenting on the firming up of domestic steel prices and the inventory status of Indian steel producers, Managing Director of Tata Steel TV Narendran, said, "Steel inventories went up in November-December. They went up a little bit in January also, but since then things have changed, international prices have gone up by about $50 a tonne in the last few weeks, and so as a consequence, Indian producers are also exporting more. That is helping bring down the inventory in the country."

"The demand in the country is also growing. I think the auto industry is struggling a little bit. But, the other sectors are growing, the infrastructure spends continue to be quite strong and the rural markets we see are also continuing to pick up steam. So, demand is continuing to improve and this is probably the best time of the year for steel production from January to June…The inventories have already dropped in February and we expect them to drop further in March," Narendran added.

Ferrous & non-ferrous metal exports drop over protectionist policies in EU, Tuticorin copper

Protectionist policies in EU for import of steel products from India and other markets along with shut down of the Tuticorin plant of Sterlite Copper are among the major reasons for a sharp drop in exports of ferrous and non-ferrous metal exports, the EEPC India said, cautioning the declining trend in export of the key metals may continue. Exports of primary steel fell by 10.7% in January 2019 and 14% in the first ten months of the current fiscal. Exports of copper and copper products dropped by 76.6% in January 2019 and 69.6% in the first ten months.

Likewise, outward shipments of zinc and products declined by 17.6% in January 2019 and 29.7% in the first ten months, according to EEPC India analysis. Despatches of tin and products: fell by 54.8% in January 2019 and 17.4% in the cumulative months of the current fiscal, said EEPC which would be organising its flagship International Engineering Sourcing Show (IESS) from March 14 and 16 at Chennai over 300 companies from India and abroad would be participating in the IESS with Malaysia being the Partner Country.

" The cumulative impact of the fall in these four product lines is USD 3.542 billion for the first ten months (without any growth). Had this figure been added to the USD 65 billion for the April-January period of the current fiscal, our exports growth would have been shot up to over 11.2% than the current growth rate of over 5.5%," said EEPC India chairman Mr Ravi Sehgal.

For these metals, there was a fall in the exports by 10.73 % ($ 817.82 million) in January 2019 vis-à-vis January 2018. Cumulatively, the decline was 13.93% (around $8022.3 million) in first 10 months (April-January 2019) vis-à-vis same period last year.

The domestic price realization is far better than external prices. Further, global price trends also indicate that the Chinese have dropped steel prices between 10% and 15% in various categories and this has further impacted our steel exports negatively.

Decline in growth has been observed in Belgium (-17.83%), Indonesia (-27.88%), South Korea (-17.57%), Malaysia (-28.83%), USA (-57.54%)."It is clear from these facts that the protectionist policies adopted by EU, US are also responsible for the decline in exports of steel".

Besides, Indian domestic refined copper production has fallen significantly during the first half of 2018-19 mainly due to the shutdown of the 400 KT, Tuticorin smelter of Sterlite which accounted for 40% of the country's smelting capacity. "Recently Supreme Court refused to allow Vedanta plan to reopen Sterlite Copper's Tuticorin plant. Therefore, in this context, EEPC India feels that the trend in exports of copper will continue.

"Domestic industry rely heavily on imports of copper concentrate from far off countries, particularly from South Africa in a big way. This really increases the cost of production. The duty on the copper concentrate is presently 2.5% finished goods coming at zero duty, there is a situation of inverted duty structure. Government could consider removal of this duty in order to help the industry becoming globally competitive," EEPC India said.

High Court admits Vedanta's petition to reopen Sterlite plant

The Madras High Court on Friday admitted a petition filed by the Vedanta Group for reopening the Sterlite copper smelter facility in Thoothukudi, but declined to grant an interim order to the company to gain access to the plant for carrying out maintenance work.

The petition was filed on February 27 following the Supreme Court's suggestion to approach the Madas High Court against the closure order of the plant by the State.

The Bench, comprising Justices M Sathyanarayanan and Nirmal Kumar, issued notices to the Tamil Nadu government and Tamil Nadu Pollution Control Board (TNPCB), and posted the matter to March 27. The Court also permitted local residents to file impleading petitions to oppose the plea.

Vedanta, in its petition, challenged the May 23, 2018 orders of the TNPCB declining to provide renewal of consent to operate the plant and also on the permanent closure. The

company claimed that the orders were illegal, unconstitutional and ultra vires .

The State government ordered the plant's permanent closure following anti-Sterlite protests that turned violent, leading to the death of 13 people in a police firing on May 22. The protest was against alleged environmental pollution caused by the plant.

Hearing a petition filed by the company, the National Green Tribunal (NGT) on December 15 allowed Sterlite to reopen the plant. However, the Supreme Court on February 18 set aside the NGT order on the grounds of maintainability, saying the NGT has no jurisdiction to order the re-opening of the plant, and suggested that Vedanta approach the Madras High Court against the closure order.

Severe impact: In its petition with the Madras High Court, Vedanta said that due to the closure of the plant, the company is losing Rs. 5 crore every day. The closure has also affected ancillary industries facing a shortage of copper, it added.

Sterlite has already suffered a leakage from its sulphuric acid tank. There are many other such tanks apart from other materials that could turn hazardous, if not properly maintained. Lack of proper and essential care and maintenance and preservation would eventually lead to corrosion and damage beyond repair, leading to total structure collapse and complete failure of certain sections of its plant and assets, the company said in the petition.

Irrespective of the outcome of the present appeal, the company should be be permitted to take care of the plant and assets and maintain them to use them in the likelihood of operation in future, the petition added.

Counsel for Vedanta told the court today that the company did not want to run the Sterlite copper plant for the present but asked that it be allowed to undertake maintenance work.

Vedanta was represented by senior counsels Aryama Sundaram, PS Raman and ARL Sundaresan, the State government by Advocate General Vijay Narayan, and the TNPCB by CS Vaidyanathan.

Senior counsels also represented the people of Thoothukudi and some of the political parties opposing the plant's reopening.

Neelachal Ispat Nigam starts production of special grade steel billet

Neelachal Ispat Nigam (NINL) has started production of special grade steel billet for structures of electrical power transmission towers. The Kalinganagar-based integrated steel plant produces steel billets at its Steel Melting Shop (SMS), which became operational in December. With this milestone, NINL, the largest producer and exporter of pig iron in the country, has set a target for a major share in the special grade steel billet supply for the power transmission and distribution segment, which is growing in accelerated pace in the country. The company is also planning to market its own brand of TMT, wire rods and structures through conversion agents.

Tata Steel bets big on downstream after Bhushan Steel, Usha Martin takeover

Buoyed by the recent acquisitions of Bhushan Steel and Usha Martin, Tata Steel has set targets to achieve at least 30 per cent volume sales from downstream products by 2025. Stepping up downstream sales is part of Tata Steel's deft strategy to counter the vagaries of a cyclical steel business. By 2025, Tata Steel is looking to ramp up its India crude steel capacity to 30 million tonnes per annum (mtpa), from 18.6 mtpa currently. The steel maker has been diversifying its portfolio with differentiated product and service offerings. Close to 70 per cent of its product mix (as on September 30, 2018) was made up of enriched and value added products.

Besides Bhushan Steel and Usha Martin's speciality steel plants, Tata Steel's brownfield expansion at Kalinganagar will see the commissioning of a cold-rolled complex with a thrust on servicing downstream industries, especially automotive. In the second phase, the rated capacity of the Kalinganagar mill in Odisha is being scaled up to eight mtpa with an investment of Rs 23,500 crore.

"One of our focus areas is capital deployment in value-added downstream assets and ventures. The takeover of Bhushan Steel plant has brought in downstream integration and value addition with a complementary product mix", said a source in the know.

Currently, Tata Steel commands 85 % of the carbon steel market. Nearly half its domestic sales come from the construction sector. The automotive sector has 28 % share in the sales pie, followed by general engineering (13 %) and Railways (7 %).

Acquisition of a controlling stake in Bhushan Steel Ltd (BSL) has given Tata Steel rich exposure in downstream business. More than 45 per cent capacity of the Bhushan Steel plant at Meramandali near Angul (Odisha) is devoted to downstream products. BSL is the first Indian steel plant to supply skin panels to auto makers, and is the market leader in colour-coated supplies to the appliance segment. Besides, the BSL plant has a wide range of tubes and pipes.

Apart from downstream, Tata Steel is banking on services and solutions- a segment that will add 20 per cent to its revenues by 2025.

NCLT rejects insolvency plea against Bhushan Steel

The National Company Law Tribunal (NCLT) has dismissed a petition seeking to once again drag Bhushan Steel, which Tata Steel took over last year, to the insolvency court to recover unpaid dues of about Rs.18 crore.

The NCLT principal bench said the petition filed by Vistrat Real Estate, an entity operated by Neeraj Singal, was non-maintainable.

Vistrat is a related party of Bhushan Steel and its former promoters Brijbhushan Singal and Neeraj Singal, who were also "time and again authorised to act on behalf of the company" even though they were not on the board of directors, it said.

"It can be safely concluded that the corporate debtor has substantive control in the petitioner's company," the bench observed in the order reviewed by ET. "Such transactions are liable to be gone into during the resolution process and deemed to be a preferential transaction."

The bench said that in any case, the petitioner's claim of a default is the subject matter of serious dispute.

Vistrat claimed the default on Rs.17.97 crore took place in June last year, arising out of a property leased to Bhushan Steel in 2015 for Rs.6 crore every month.

The rental was subsequently found to be higher than the market value by the Bhushan Steel resolution professional, who paid Vistrat Rs.5.6 crore and terminated the agreement after Tata Steel took over the company in May. The premises were vacated in September last year. This was not disclosed by Vistrat, much to the "displeasure" of the bench, which slapped a fine of Rs.50,000 on the company along with the dismissal of the petition.

Vedanta's daily losses since smelter shutdown total nearly $200 million

Vedanta Ltd told an Indian court it has been losing 50 million rupees ($706,000) a day ever since the closure of one of its copper smelters in

May, after police fired on protesters against the plant and killed 13 people.

The government of Tamil Nadu state ordered the smelter shut permanently on May 28 last year after bloody protests at the plant in the city of Thoothukudi culminated in police opening fire on demonstrators.

The "unit has been and is continuing to suffer a daily loss of about Rs 5 crores (50 million rupees)," Vedanta said in a petition to the Madras High Court reviewed by Reuters.

That translates to a loss of about 13.8 billion rupees ($195 million) since the plant was shut nine months ago. Vedanta Group Chairman Anil Agarwal had said in July the company could lose $100 million if the plant was shut for a year.

A Vedanta spokesman did not respond to a request for comment. The case, in which the company is seeking to reopen the smelter, is due to open in the Madras High Court on Friday.

Vedanta won a favourable judgment in December from India's Natural Green Tribunal (NGT), clearing the way to reopen the smelter, but India's Supreme Court ruled in February that the NGT did not have the jurisdiction to grant relief.

In addition to a potentially long legal battle, reopening the smelter could face further complications with federal elections due in May. The two main political parties in Tamil Nadu are against reopening the smelter, increasing the likelihood that the shutdown will continue.

Vedanta is also seeking to gain access to its plant, which has been maintained by the government since the shutdown, and said it would need tens of millions of rupees to restore it.

The company "would be subjected to irreparable harm and hardship, not capable of being compensated in monetary terms if the interim reliefs (for access) ... are not granted," Vedanta said in its petition.

Chairman Agarwal is betting big on India despite the troubles over its Tamil Nadu smelter, and plans to invest $8.4 billion in the country over the next three years.