

Mining & Metal

Current Scenario:

Steel production increased by 4.9% in June 2015. Its cumulative index during April to June 2015-16 increased by 2.8% over the corresponding period of previous year.

The index for Minerals group rose by 3.0 percent to 255.9 (provisional) from 248.5 (provisional) for the previous month due to higher price of zinc concentrate (9%), crude petroleum (8%), magnesite (3%) and chromite (2%). However, the price of sillimanite and copper ore (5% each), manganese ore (3%) and iron ore (2%) declined.

Wholesale Price Index of Minerals

Month/Year	Feb	March	April	May	June	July
2015	247.7	243.3	246.6	247.7	248.5	255.9

Future Scenario:

India has already obtained third place in the world in production of steel. As per Ministry assertion, India is moving in the direction of becoming the second largest producer by 2020. According to same sources, by March 2016, SAIL's capacity should become 23 million tonnes (MT) per annum, RINL's capacity has also increased to 6.3 million tonnes per annum, which shall be further enhanced in coming years. SAIL's capacity would also be enhanced to 50 MT by 2025.

Policy Level Changes:

Geological Survey of India signs MOU with its counterpart Geo Science Australia

GSI signed an MOU with Geo Science Australia for capacity building and technology transfer on the sideline of the Asia Pacific International Mining Exhibition (AIMEX) 2015 held in Sydney. The MOU eyes 'Cooperation to develop short term and medium term roadmap for GSI in technology infusion, capacity building and efficiency improvement'. Under the signed collaboration, GSA will work closely with GSI to help it attain global benchmarks in exploration work. Acting CEO of GSA Dr James Johnson and Director-General of GSI Mr Harbans Singh exchanged the MoU document in the presence of Shri Narendra Singh Tomar, Hon'ble Union Minister for Mines & Steel.

Rehabilitation Schemes for Mining Areas

Union Steel & Mines Minister assures to meet all the small and secondary steel producers to understand and mitigate their concerns. Besides, Govt of India is also working on enhancing the capacity through green field projects in 4 states. In this regard, MOUs have already been signed for the states of Chhattisgarh and Jharkhand. Under this plan,

using Special Purpose Vehicle (SPV) route, a steel plant of 3 million tonne annual capacity would be created initially, which would later be enhanced to 6 MT in each of the four states. Thus a capacity of 24 MT would be added through this route.