

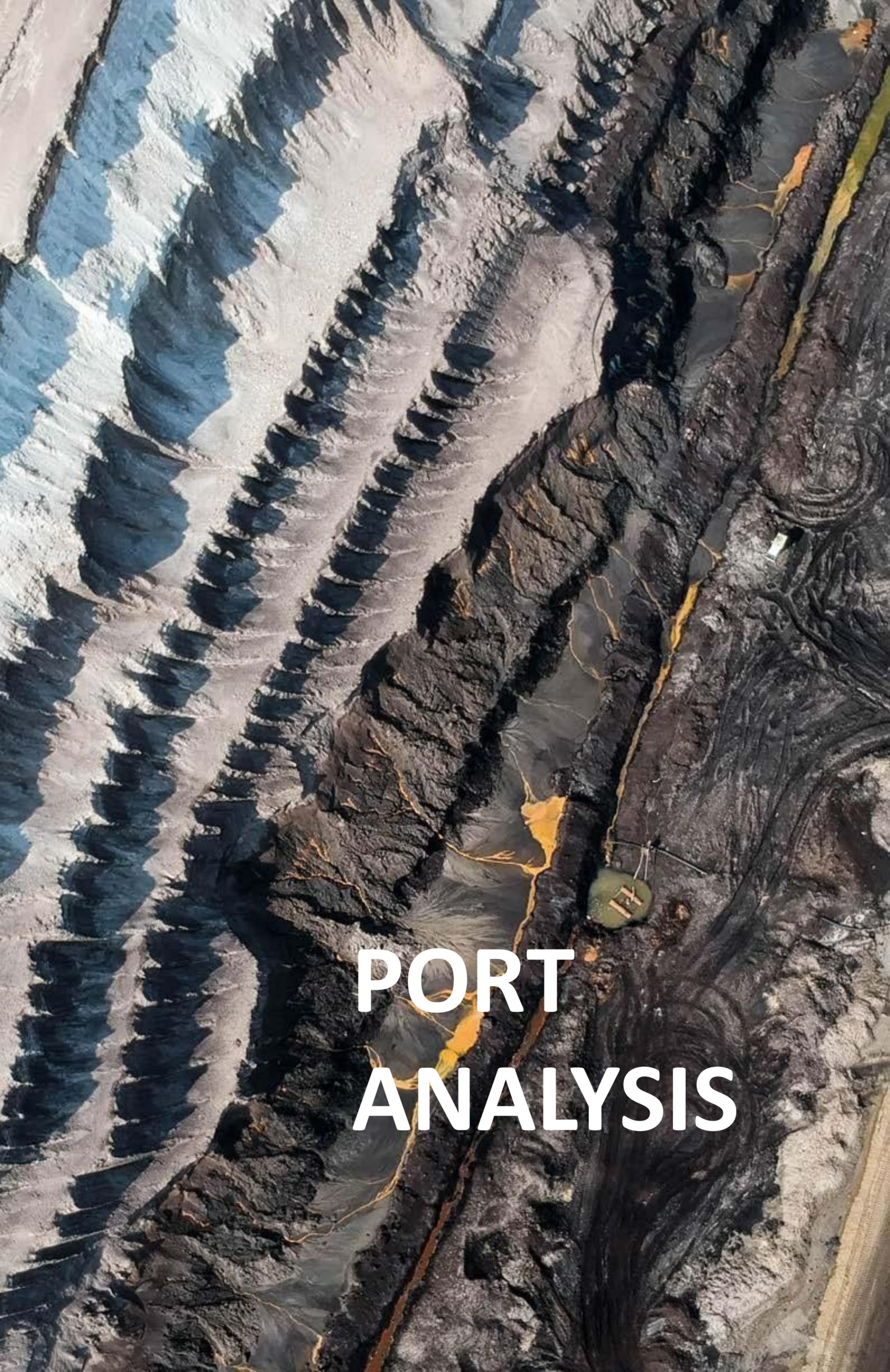


Since 1916



# **MINERAL AND METALS UPDATE**

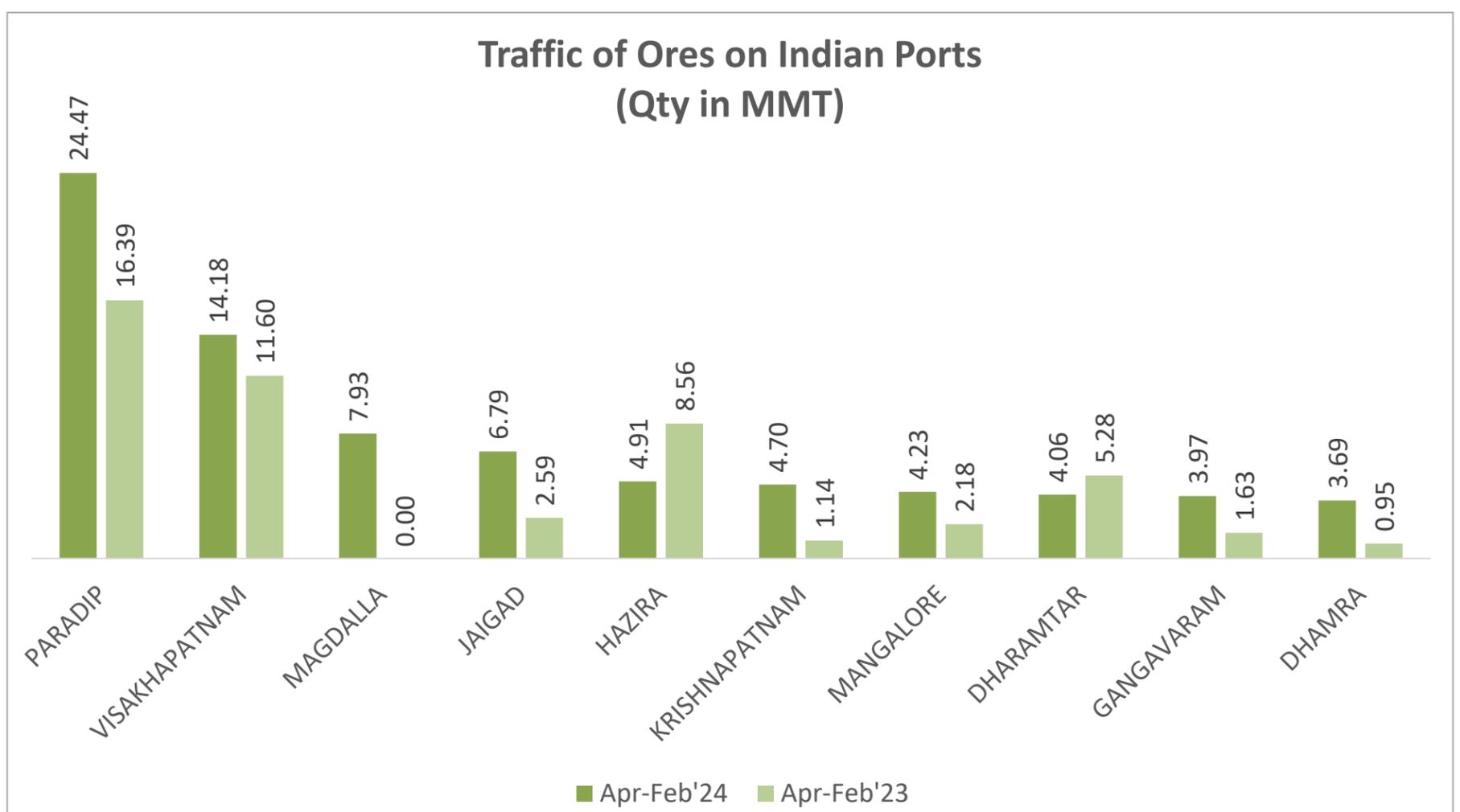
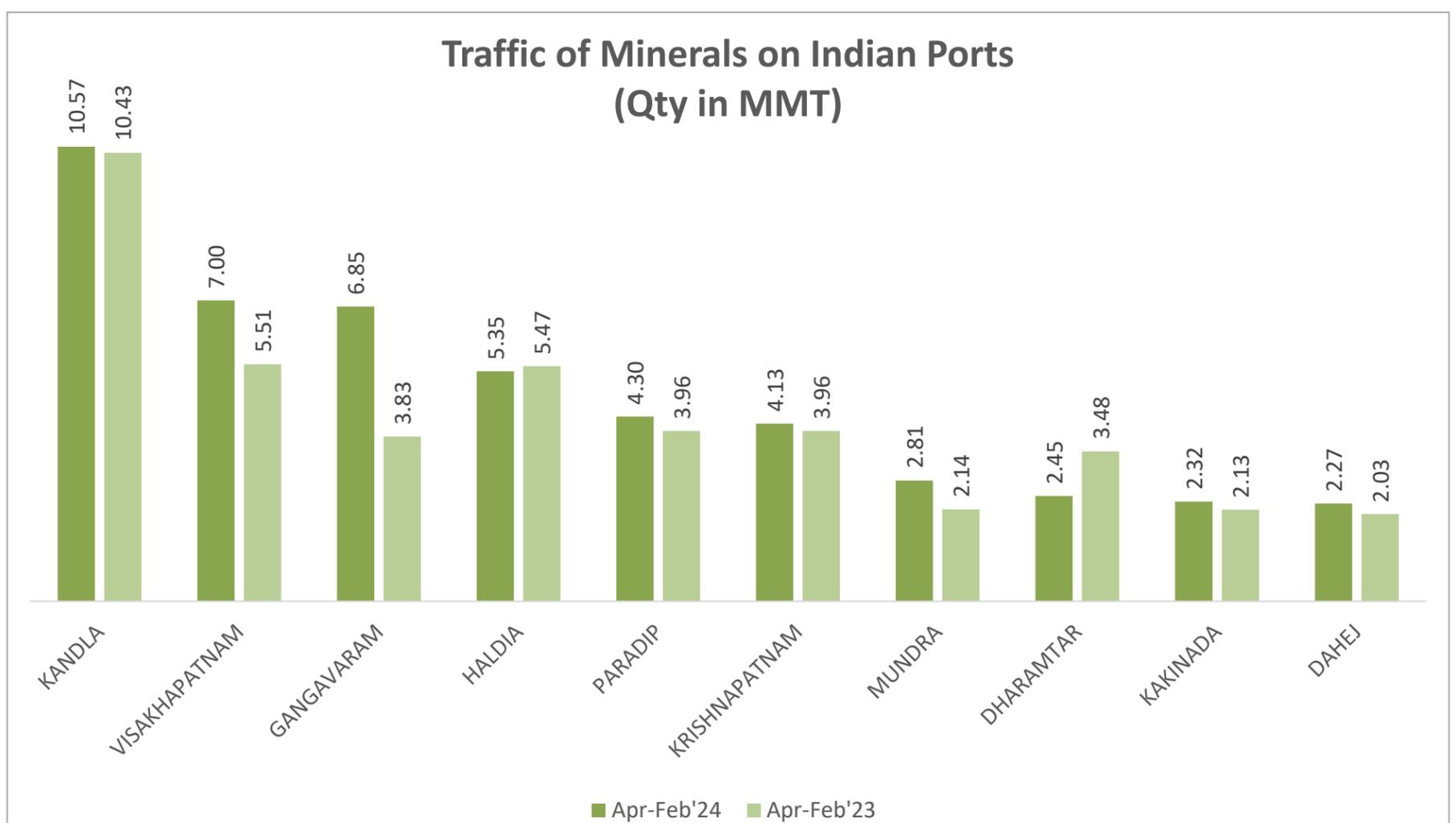
**MARCH 2024**



# PORT ANALYSIS

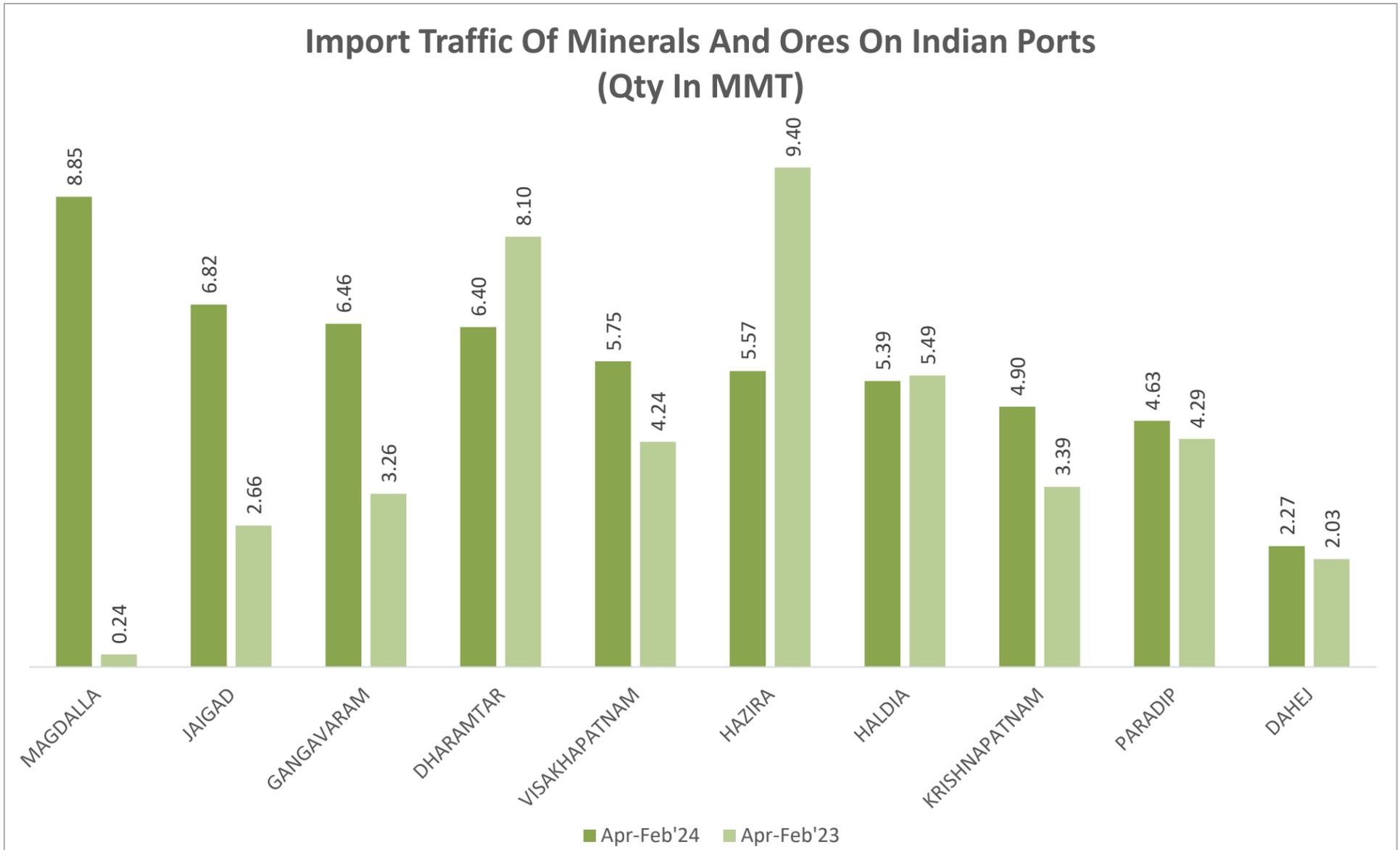
## Traffic of Minerals & Ore at Indian Ports

- Port traffic for minerals and ore increased by 26.07% for Apr'23-Feb'24 at 158.05 MMT as compared to 116.84 MMT of the same period last fiscal. Traffic increase was seen in Feb'24 at 14.63 MMT by 14.66% as compared to that of 12.48 MMT in Feb'23.
- Paradip port saw the highest traffic for minerals and ores at 28.77 MMT for the period of Apr'23-Feb'24.
- Traffic of Minerals inclined by 6.36% at 66.30 MMT in Apr'23-Feb'24 compared to the same period Apr'22-Feb'23. Similarly, traffic of minerals increased by 10.71% in Feb'24. Kandla port saw the highest traffic at 10.57 MMT.
- Traffic of Ore increased by 45.11% at 99.75 MMT in Apr'23-Feb'24 compared to Apr'22-Feb'23. Similarly, in Feb'24 traffic increased by 17.29% as compared to that in Feb'23. Paradip port saw the highest traffic of Ores at 24.47 MMT.



## Port-wise Import of Minerals & Ores

- For the period of Apr'23-Feb'24, the imports of minerals increased by 13.15% at 47.85 MMT as compared to the same period in the previous fiscal. During Feb'24, imports incremented by 23.22% as compared to that of Feb'23.
- The imports of Ore during Apr'23-Feb'24 increased by 35.77% at 31.98 MMT as compared to the same period of the previous fiscal. During Feb'24, imports increased by 32.27% at 2.97 MMT as compared to that of Feb'23.



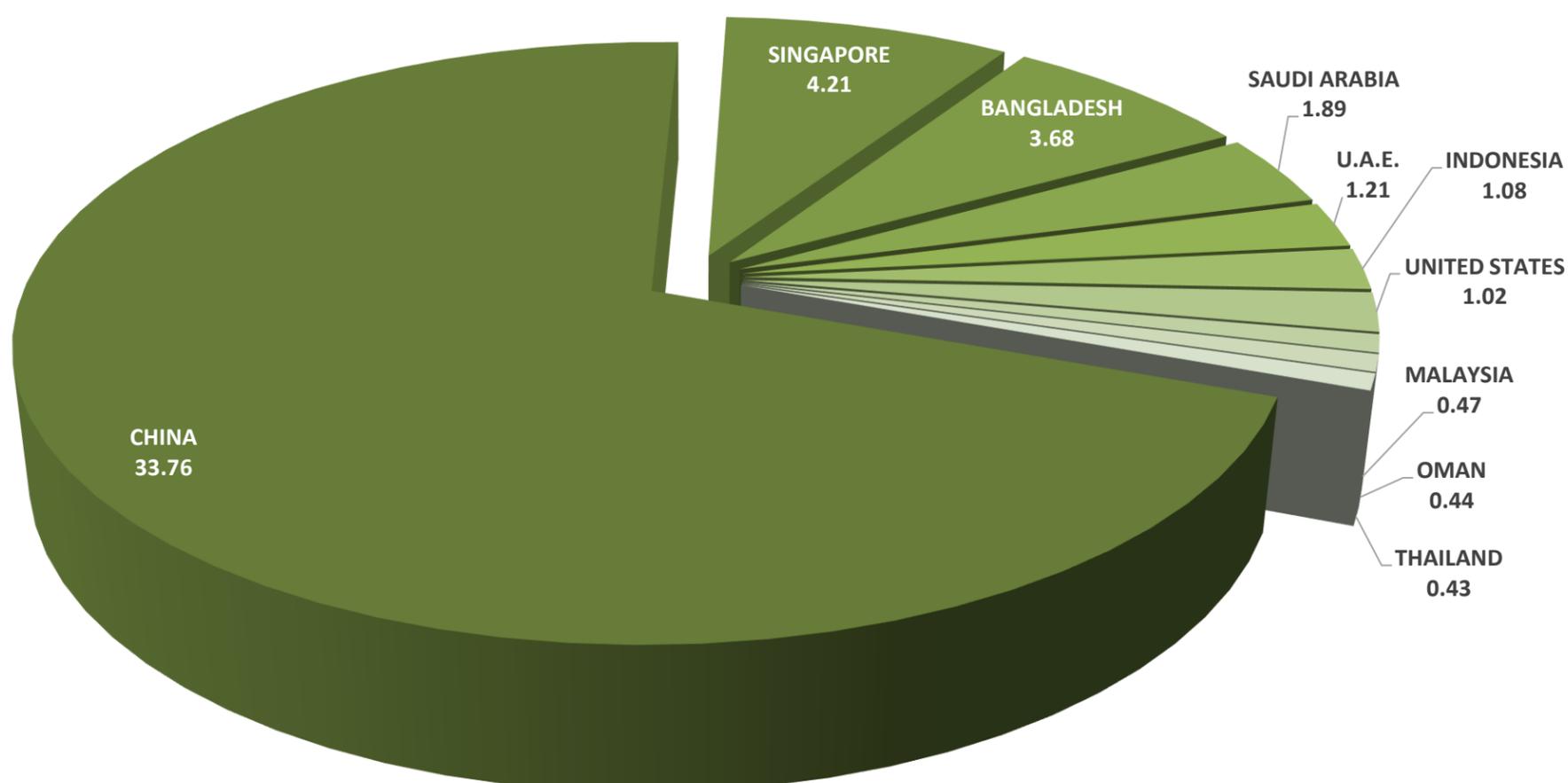
Top 10 importers of minerals and ores	Import Quantity (MMT)
<b>JSW GROUP</b>	<b>16.11</b>
<b>ARCELORMITTAL NIPPON STEEL INDIA LTD.</b>	<b>14.53</b>
<b>TATA GROUP</b>	<b>5.39</b>
<b>VEDANTA LTD.</b>	<b>4.19</b>
<b>STEEL AUTHORITY OF INDIA LTD.</b>	<b>2.36</b>
<b>KIOCL</b>	<b>1.88</b>
<b>KAY KAY TRDG. CO.</b>	<b>1.87</b>
<b>HINDALCO INDUSTRIES LTD.</b>	<b>1.71</b>
<b>PIONEER ALUMINIUM INDUS. LTD.</b>	<b>1.62</b>
<b>ULTRATECH CEMENT LTD.</b>	<b>1.40</b>

## Country-wise Exports of Minerals & Ores from India

- Indian Exports for Minerals declined by 10.10% at 18.46 MMT for the period of Apr'23-Feb'24 as compared to the same period in the previous fiscal. Exports for Ores stood at 59.77 MMT showing an increase of 42.76%. Overall exports increased by 30.02% at 78.22 MMT in Apr'23-Feb'24.
- The highest exports went to China at 33.76 MMT in Apr'23-Feb'24.

Top 10 Exporters of Minerals and Ores	Export Quantity (MMT)
ARCELORMITTAL NIPPON STEEL INDIA LTD.	10.86
TATA GROUP	5.04
JSW GROUP	3.69
SOJITZ CORP.	3.42
CARAVEL METALLURGICAL LTD.	2.72
KIOCL	1.76
JSW DOLVI CO.	1.59
JSW ISPAT STEEL LTD.	1.27
CARGILL INTL. TRADING PTE LTD.	1.11
FOMENTO, SINGAPORE	0.71

Top 10 Country-wise Exporters for Minerals and Ores  
(Qty in MMT)



# MARKET OVERVIEW & TRENDS



# 07

## 'Ore shortage' hitting steel production, says sponge iron industry, seeks ban on exports

The ore shortage, industry sources feel, is due to the rampant export of the crucial steel-making raw material. The domestic sponge iron manufacturers fear a continuous shortage of iron ore may bring it to the brink of collapse. Sponge iron is used as a raw material to make finished steel in electric-arc or induction furnaces. India has been the world's largest sponge iron-producing nation since 2003, and 30% of India's steel production come via this route. The ore shortage, industry sources feel, is due to the rampant export of the crucial steel-making raw material. Without captive sources, the sector generally buys iron ore from merchant miners, including PSUs, to meet its annual needs of around 80-85 million tonnes (MT). (FY24).

"Primary steel producers have also started exporting iron ore in its various forms—fines, lumps, and pellets—from their captive mines. They are also buying from merchant miners," Nachrani alleged. He said the sponge iron sector is incurring losses operating at an 80-85% capacity utilisation level due to inadequate availability of iron ore and its higher costs.

"Currently, iron ore of less than 58% Fe is allowed for export. We request the government to reduce this to 54 Fe grade as sponge iron industry can use iron ore above 54 Fe grade." Miners, however, differ. "Exports of iron ore from the country are mainly fines below 58% Fe, which have no domestic market. Currently, the non-moving stock of more than 180 million tonnes of mainly low-grade iron ore is lying at mine heads," It is well known that the domestic steel industry consumes ores of +62% Fe content, unlike the major steel-producing country China, which consumes low-grade iron ore up to 55% Fe grade. Owing to the fact that there is no domestic market for such low-grade iron ore (-58% Fe), hence there is no option but to export and monetise these low-grade ore, which are mainly in the form of fines,".

Iron ore exports, including pellets, almost tripled in 2023 to 44 MT from 16 MT a year ago. The floodgates opened following the withdrawal of export duty in November 2022 for ores with less than 58% Fe from 50% imposed in May 2022. Iron ore production, on the other hand, has not increased in proportion, from 254 MT in FY22 to 258 MT in FY23. On the contrary, steel production increased from 121 MT in 2021-22 to 127 MT in 2022-23. During the April-December period of the current fiscal year, crude steel production stood at 106 MT. According to the National Steel Policy 2017, India needs to produce 80 MTPA sponge iron by 2030-31 to reach the targeted 300 MT steel production capacity by 2030-31.

The secondary steel sector has embarked on a 25% capacity expansion, which is at different stages of completion. At least seven state-based sponge iron manufacturing associations from West Bengal, Odisha, Karnataka, Chhattisgarh and others have written the Union Steel ministry urging an immediate ban on exports of all forms of iron ore as they are "grappling with a severe shortage of the raw material". Industry experts said the government should immediately address pending litigations to expedite the reopening of the mines that have been closed since 2014 to enhance iron ore production in the country.

**Source: Financial Express**

# 08

## NMDC iron ore output, sales race past 40 million tonnes

- State-owned NMDC reported 40.24 million tonne iron ore production and 40.48 MT sales for the 11 months ended February. These are the best ever cumulative volumes up to February and an almost 13% and a more than 21% increase respectively over the year-earlier period, India's largest iron ore producer said.
- Production and sales in the corresponding period of previous fiscal were 35.62 MT and 33.42 MT respectively. Iron ore output in February, however, at 3.92 MT (4.48 MT) was a year-on-year decline, while sales rose nearly 6% to 3.99 MT (3.78 MT).
- Sales for the month was the best ever for February. "The first mining company in India to cross the 40 million-tonne mark and to achieve this milestone three times in row, we are poised to deliver historic iron ore volumes in FY24," CMD (additional charge) Amitava Mukherjee said in a release. As NMDC's growth has a multiplier effect across the economy, "we are strategically positioning ourselves to augment this growth by ramping up production capacities, enhancing supply chain reliability and transforming towards NMDC 2.0," he said.

**Source: The Hindu**



## Other Reports For March 2024

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

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

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

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

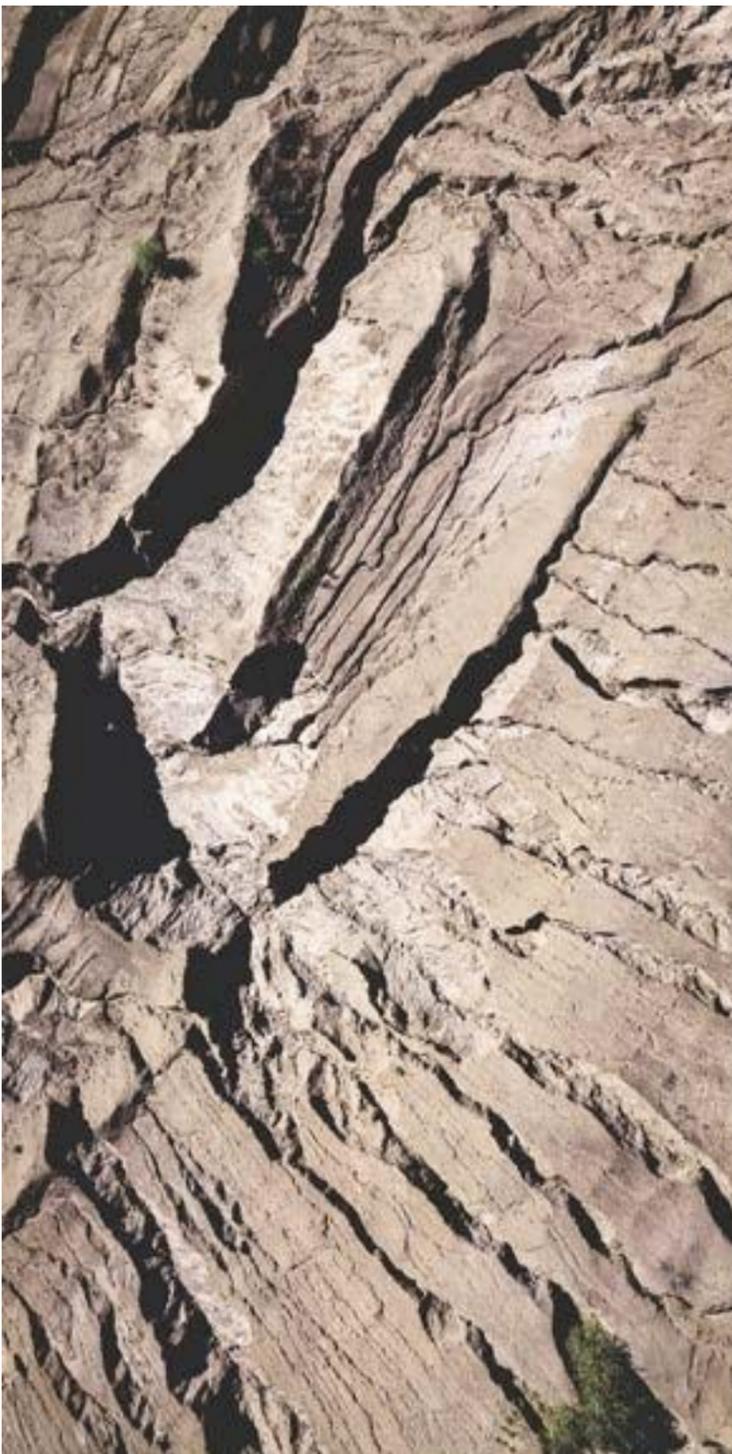
J. M. Baxi & Co. Monthly Port Update

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

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

J. M. Baxi & Co. Monthly Steel Update

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