

BIR World Recycling Convention-Highlights



both the shredding facility and a network of collection and dismantling centres in the greater Delhi region. Dr Chaudhary Birender Singh, India's Minister for Steel also revealed that the plant is expected to be operational by early 2018 which will add to special steel supply to the country.

Plan to set up scrap based steel plants in north & west India

The Indian government aims to set up scrap-based steel mills in the north and

Bureau of International Recycling (BIR) organised World Recycling Convention 2017 in New Delhi from 13-16 October'17. The convention observed participation of over 500 delegates from all around the globe comprising of traders, processors, consumers, brokers to machinery & equipment suppliers, IT suppliers and consultants

'India continues to offer huge potential for growth due to major infrastructural development over the next 10-15 years,' stressed BIR President Ranjit Singh Baxi in his opening address to the world recycling organisation's first-ever convention in India. According to Baxi, India today is 'at the forefront of growth and soon to be the second largest steel

producer in the world', clearly offering major opportunities for the country's metal recycling sector.

India's recycling industry is facing major challenges such as a 2.5% metal scrap import duty as well as complex legislation and regulation which continue to hamper business operations for recyclers and traders both within and outside of India, such as delaying container loads of scrap at the country's main sea ports.

Major highlights of the convention

India's 1st auto shredding plant to become operational shortly

India's 1st auto shredding plant a joint venture between state-run MSTC and Mahindra Intertrade is all set to come up. The plan will include setting up of

west parts of the country which are having less access to raw material currently, said Dr Chaudhary Birender Singh.

Metal Recycling policy expected in winter session of Parliament

Metal recycling policy which is being jointly prepared by Niti Ayog and Steel Ministry of India is expected to be rolled out in winter session of Parliament. If the legislation gets cleared then the pre owned outlets which could convert diesel vehicles over 15 yrs from 5 states of North India - Jammu & Kashmir, Punjab, Haryana, Delhi and Rajasthan.

Metal recycling in India offers 'a huge untapped potential', agreed B B Singh, Managing Director of Indian scrap trading company MSTC. He estimated India's current recycling

rate to be 20-25%. 'By the year 2020, domestic scrap generation in India will reach 43 million tonnes, whereas demand would be around 53 million tonnes - a deficit of 10 million tonnes would be imported,' he stressed.

Boost steel consumption in India's construction & infrastructure sector

Mr Sunil Barthwal, Joint Secretary for Ministry of Steel mentioned that they are aiming to

increase steel intensity in construction sector of India. Steel-cement ratio in India is currently 0.3%, while in world 1-1.5%. Henceforth they are eyeing to increase per capita steel consumption to boost steel usage in infrastructure and construction sector.

Import duty on steel scrap likely to be reduced

Secretary, Ministry of Steel, hinted at the strong possibility that the government will do its best to temporarily lift, or at least reduce, the scrap import tax.

Scrap imports to India to increase further

R. Ganesh, Director of Sourcing at Jindal Stainless, India's largest stainless steel manufacturing group said "Demand for (stainless) steel scrap is growing rapidly in India, but domestic scrap availability remains minimal. Therefore, we will remain dependent on steel scrap imports for a long time." Jindal Stainless is to expand the melting capacity of its Jajpur-based Odisha stainless steel



plant by 2.2 million tonnes to 3.2 million tonnes over the next five years, Mr Ganesh also told the audience.

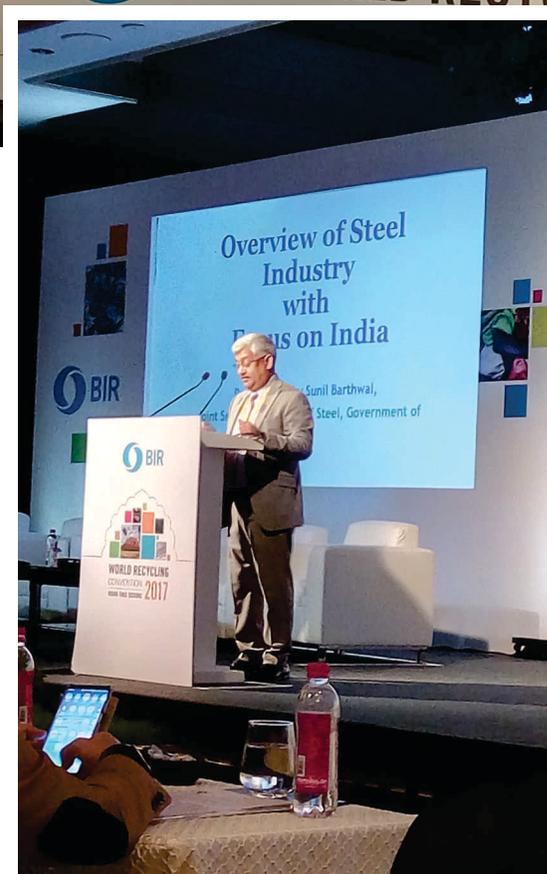
India is the world's second largest producer of stainless steel with capacity of around 4 mnt pa after China.

Govt's take on domestic iron ore pricing policy in India

On the sideline of the BIR event, Dr Aruna Sharma shared that iron ore pricing formula in pipeline which will make iron ore available at affordable rates, unlike capping of prices. She also stressed on raising iron ore production so as to bring it in line with laid EC limits.

China's steel scrap consumption increased significantly in 1st half of 2017

China's steel scrap consumption increased 46% Y-o-Y to 62.2 mnt in



H1 CY17. The government enforced shutdowns of induction furnaces and illegal steel mills as well as pollution control measures continue to influence the domestic steel market. This resulted in skyrocketing figures of scrap exports from China in this year. 🚫