

# Indian pellet plants running at minimum capacities

Pellet plants in India are not immune to measures taken by the government to combat COVID 19. SteelMint spoke to more than 30 top pellet plants in the country to understand their operational status and made the following observations:

Few plants are operational at limited capacities, largely in the state of Odisha, because of proximity to iron ore mines. Plants in other states like Chhattisgarh, West Bengal, Jharkhand, and Karnataka reports complete shutdown.

**Indian Pellet production may halt soon:** We learnt that, functional plants may also shut down soon owing to low demand, unavailability of labors and piling up inventories.

India produces about 69 MnT per annum, of which 37 MnT is merchant and 32 MnT captive.

**Exports likely to be impacted:** Pellet exports from India will impact in a big way due to limited truckers, laborers and suspended activities at different ports. India exported 13.02 MnT pellets in CY'19, of which 9.48 MnT went to China.

## Indian Pellet Capacity

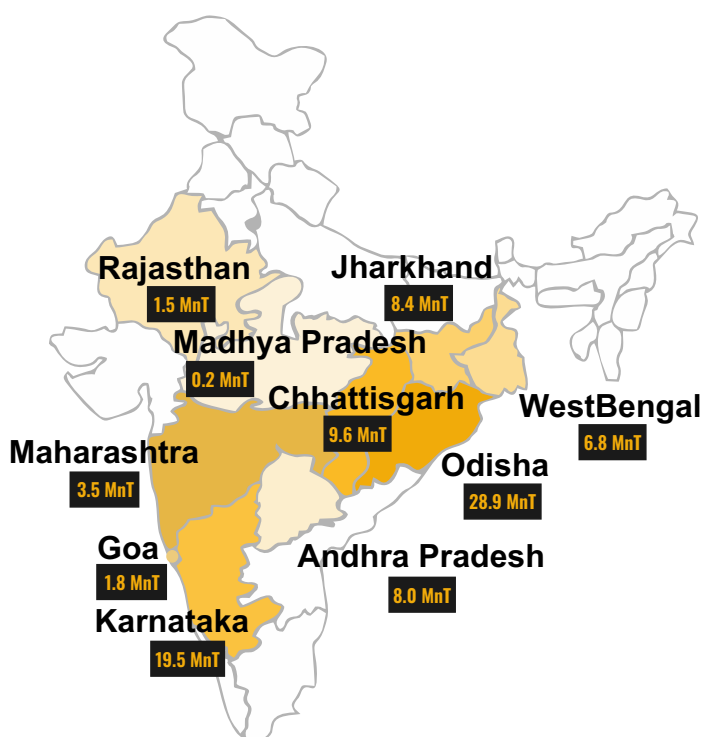


Fig in MnT pa

**88 MnT** Total Pellet Capacity  
**69 MnT** Total Pellet Production  
**32 MnT** Captive Pellet Production  
**37 MnT** Merchant Pellet Production  
**13.02 MnT** Exports in CY19

## Current status of India's merchant pellet plants

| Location                    | Company Name                | Capacity    | Status      | Remarks  |
|-----------------------------|-----------------------------|-------------|-------------|--|
| Odisha                      | Jindal Steel & Power        | 8.5         | Operational | In future operations may be affected   |
|                             | Essar Steel India           | 6           | Operational | 50% pellet plant capacity utilization  |
|                             | Brahmani River Pellets      | 4           | Operational | Operational at 95-97% capacity. They are running with the minimum manpower and uncertain supplies of consumables |
|                             | Arya Iron & Steel           | 1.2         | Operational | with 75% capacity  |
|                             | KJS Ahluwalia               | 1.2         | Operational | with 25-30% capacity, KJS mines material diverted to their plants.   |
|                             | Ardent Steel                | 0.6         | Operational |  |
|                             | Shyam Metalics & Energy     | 1.2         | Operational |  |
|                             | MSP Steel & Power           | 0.6         |             |  |
| <b>Odisha Total</b>         |                             | <b>23.9</b> |             |  |
| Karnataka                   | Kudremukh Iron Ore Company  | 3.5         | Operational | 70% Currently capacity utilization   |
|                             | BMM Ispat                   | 2.4         | closed      |  |
|                             | NMDC                        | 1.2         | Operational | 55% Currently capacity utilization   |
|                             | MSPL                        | 1.2         | closed      |  |
|                             | Xindia Steels               | 0.8         | closed      |  |
|                             | Janki Corp                  | 0.6         | closed      |  |
|                             | Minera Steel & Power        | 0.6         | closed      |  |
| <b>Karnataka Total</b>      |                             | <b>10.3</b> |             |  |
| Chhattisgarh                | Godawari Power & Ispat      | 2.1         | closed      |  |
|                             | Monnet Ispat & Energy       | 2           | Operational | With minimum capacity, facing man power issue  |
|                             | Shree Bajrang Power & Ispat | 1.2         | closed      |  |
|                             | Jayaswal Neco Industries    | 1.2         | closed      |  |
|                             | MSP Steel & Power           | 0.9         | closed      |  |
|                             | Sarda Energy & Minerals     | 0.6         | closed      |  |
|                             | Raipur Power & Steel        | 0.4         | closed      |  |
| <b>Chhattisgarh Total</b>   |                             | <b>5.9</b>  |             |  |
| <b>Jharkhand</b>            | Amalgam Steel               | 1.2         | closed      |  |
| <b>Jharkhand Total</b>      |                             | <b>1.2</b>  |             |  |
| <b>Andhra Pradesh</b>       | Essar Steel India           | 8           | Operational | 50% pellet plant capacity utilization  |
| <b>Andhra Pradesh Total</b> |                             | <b>8</b>    |             |  |
| <b>West Bengal</b>          | Rashmi Group                | 5           | closed      |  |
|                             | Ankit Metal & Power         | 0.6         | closed      |  |
|                             | Super Smelters              | 0.6         | closed      |  |
|                             | Shyam Sel & Power           | 0.6         | closed      |  |
| <b>West Bengal Total</b>    |                             | <b>6.8</b>  |             |  |
| <b>Rajasthan</b>            | Jindal Saw                  | 1.5         | closed      |  |
| <b>Rajasthan Total</b>      |                             | <b>1.5</b>  |             |  |

Quantity in MnT

Source: SteelMint

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