

Exhibit to Testimony of Mark Lunn on Behalf of Essar Steel
Before the U.S. International Trade Commission

Hearing on Hot-Rolled Steel Products from China, India,
Indonesia, Taiwan, Thailand, and Ukraine

Investigation Nos. 701-TA-405, 406, and 408
and 731-TA-899-901 and 906-908
(Second Review)

October 31, 2013

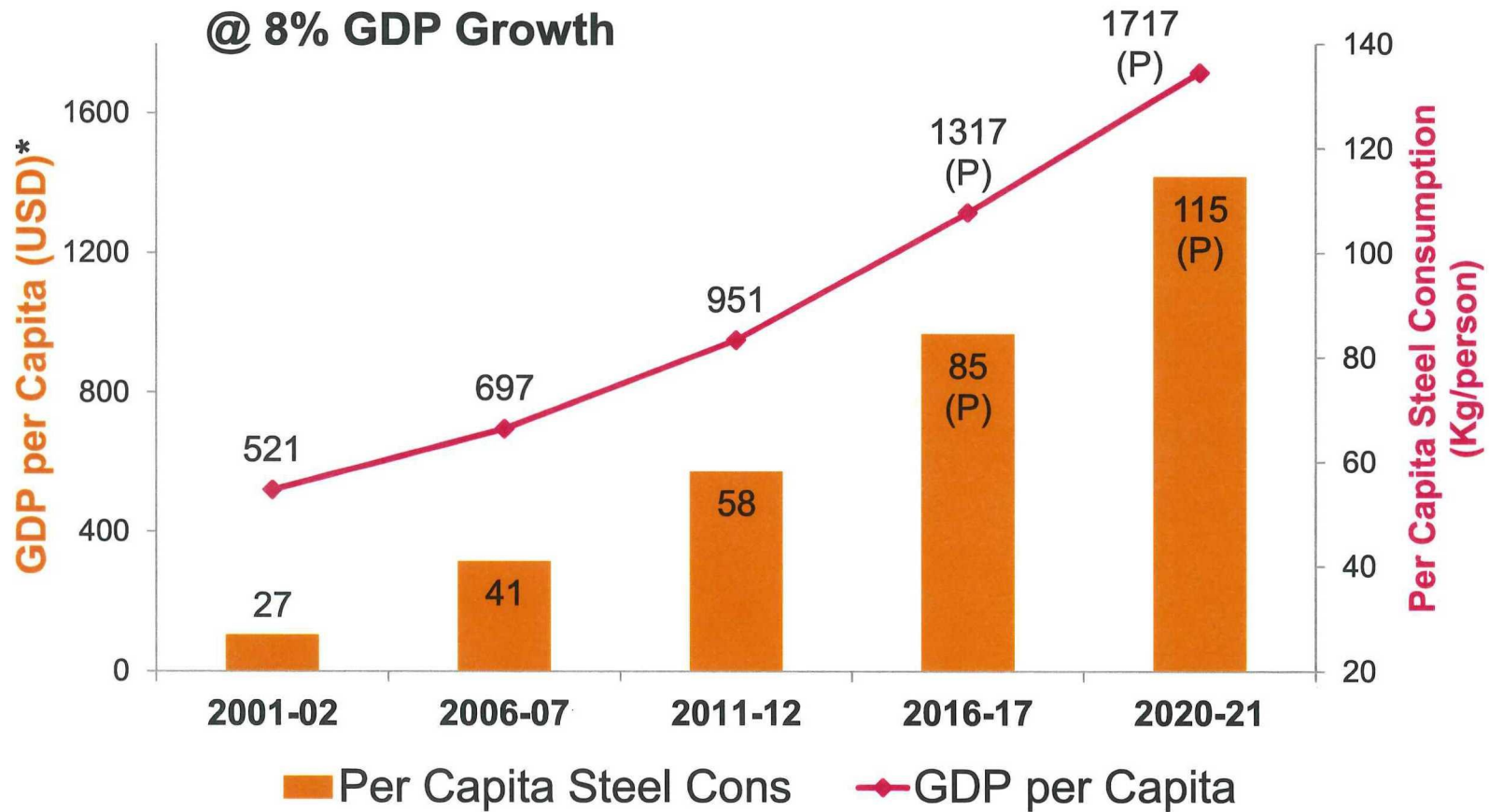
DENTONS

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Per Capita Steel Consumption vis-à-vis GDP Per Capita: Trend and Projection



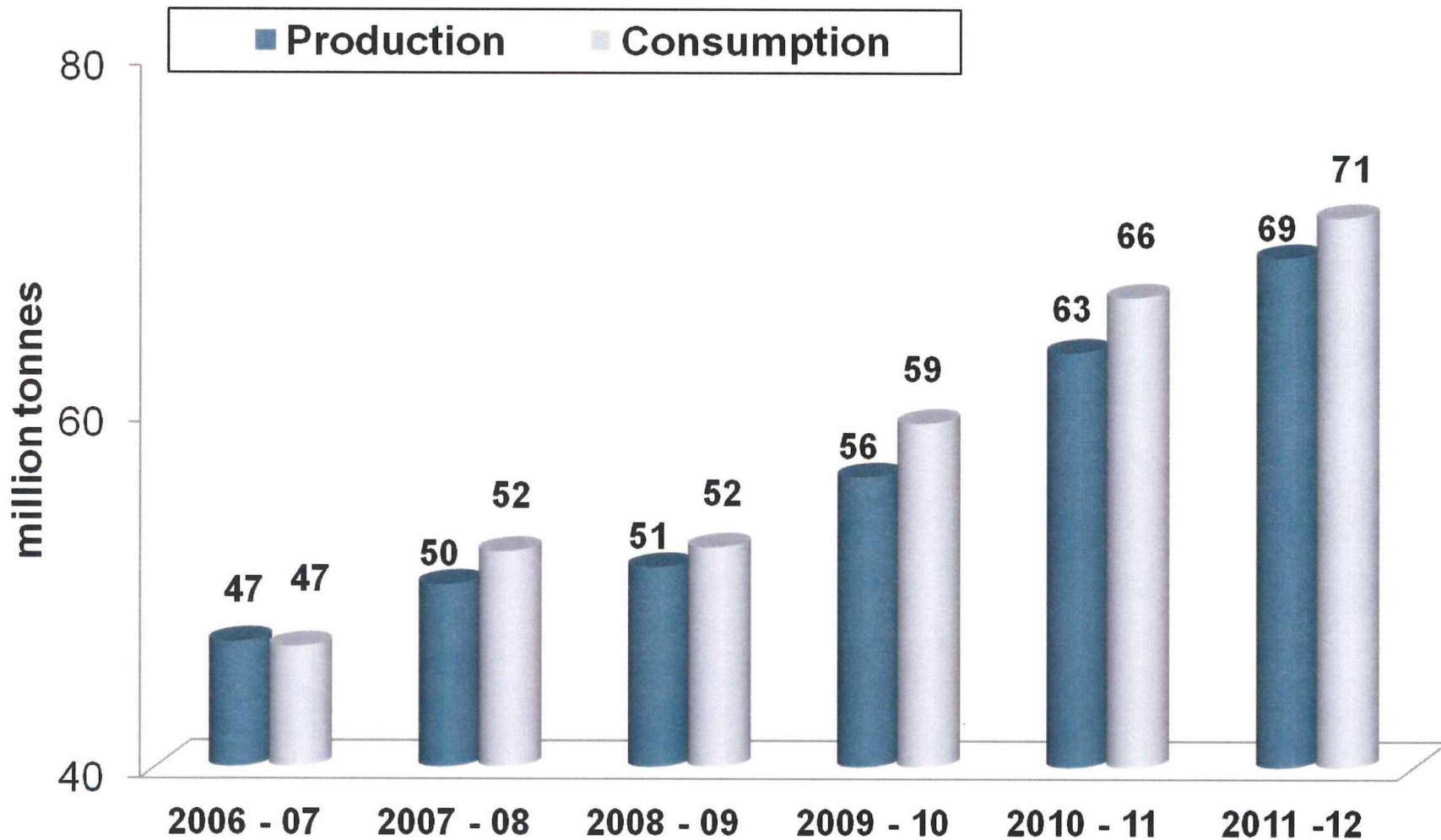
*At 2004-05 constant prices (1 USD = 44.93 INR)

GDP per capita at current prices = USD 1433

Source: MOSPI, JPC

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Indian Steel Industry: showcasing trends for higher consumption of finished steel



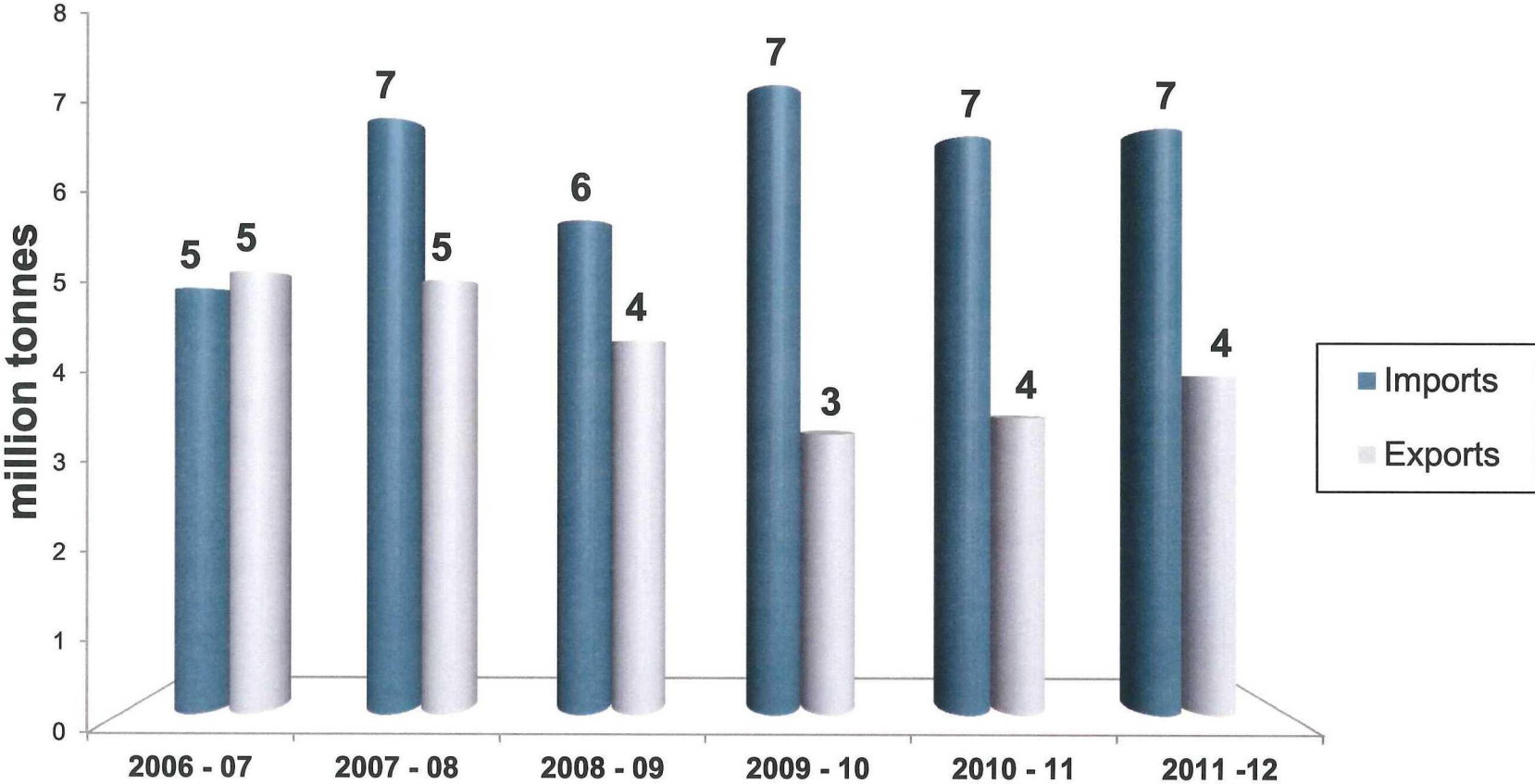
Source: Adapted from JPC

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Indian Steel Industry: Net Importer of Finished Steel



India has become a net importer of steel since 2007-08

Source: JPC

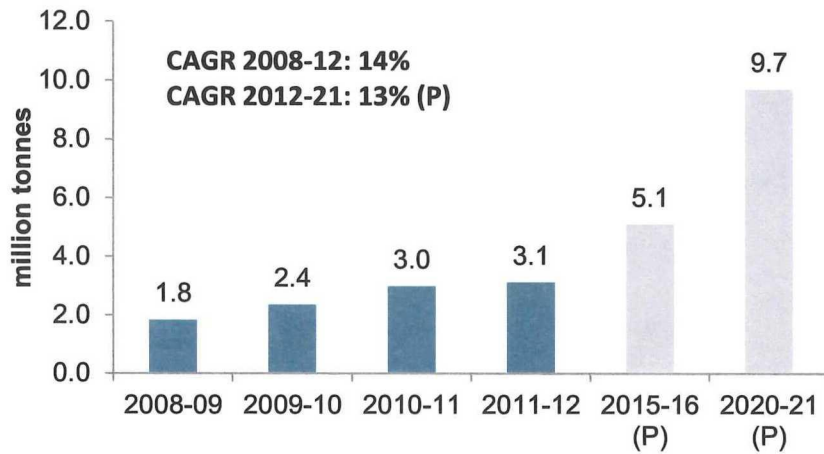
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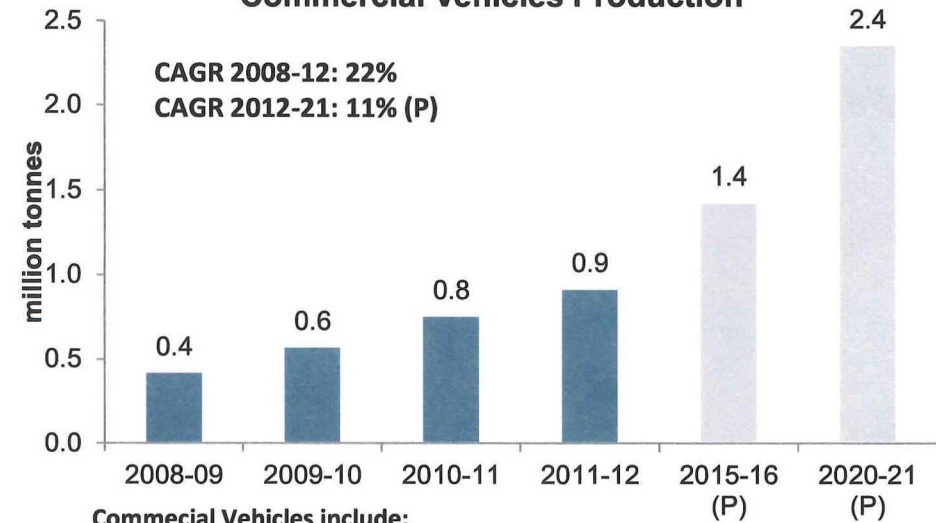


Automotive Sector: Production Trend & Forecast

Passenger Vehicles Production



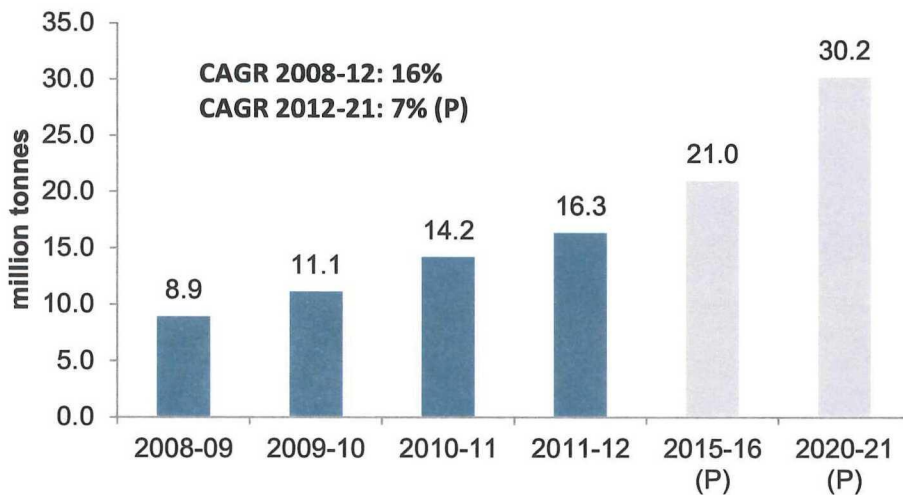
Commercial Vehicles Production



Commercial Vehicles include:

- Small Commercial Vehicles (SCV) < 1 ton
- Light Commercial Vehicles (LCV) >1 ton but < 7.5 ton

Two & Three Wheelers Production



Source: SIAM

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Segment wise Growth

Consuming segments	CAGR (%)	Projected CAGR (%) (2012-21)	Source
Infrastructure & Construction	9.6 (2002-12) <i>GDP Construction</i>	8.5-9.5	12 th FYP Working Group Report, Team Analysis
Engineering & Fabrication	8.4 (2002-12) <i>IIP Manufacturing</i>	7.5 – 8.8	12 th FYP Working Group Report, Team Analysis
Automotive	14.4 (2002-12) <i>Auto Production</i>	11.5 -12.5	SIAM
Other Transport	7.3 (2005-11) <i>Freight Demand – Major Commodities</i>	7.0 – 7.6	Indian Railways Vision 2020 Document, Team Analysis
Packaging	8.2 (2007-12) <i>Industry Sources</i>	8.5 - 9.2	Industry Sources

Segment - Category wise Consumption 2011-12

Category	Total	Construction & Infrastructure	Engineering & Fabrication	Automotive	Other Transport	Packaging
Wire Rods	5650	2593	1950	1000	100	7
Plain bars incl Flats/hexagon etc	5466	3345	500	1600	21	0
TMT	19700	19700				
Structurals	4803	4544	135	10	114	
Rails	871	90	45		736	
Total LP	36490	30272	2630	2610	971	7
Plates	4657	2990	1190	207	260	10
HR Coils/Strips/sheets	14759	6787	6450	990	32	500
CR	7629	379	4000	2640	110	500
Coated Products	4885	2440	1185	825	0	435
ESS	439	215	224			
Tin Plates	407	0				407
Pipe	1649	1649				
Total FP	34425	14460	13049	4662	402	1852
Grand Total	70915	44732	15679	7272	1373	1859
% Share	100.0	63	22	10	2	3

Expected Segment – Category wise Consumption 2020

Category	Total	Construction & Infrastructure	Engineering & Fabrication	Automotive	Other Transport	Packaging
Wire Rods	12480	5560	4000	2700	200	20
Plain bars incl Flats/hexagon etc	12600	7110	1040	4400	50	0
TMT	42360	42360	0	0	0	0
Structurals	9900	9350	290	30	230	0
Rails	1820	190	90	0	1540	0
Total LP	79160	64570	5420	7130	2020	20
Plates	9620	6050	2420	600	500	50
HR Coils/Strips/sheets	32150	14630	13700	2670	70	1080
CR	17600	810	8200	7300	210	1080
Coated Products	11140	5340	2400	2300	0	1100
ESS	860	400	460	0	0	0
Tin Plates	870	0	0	0	0	870
Pipe	3600	3600	0	0	0	0
Total FP	75840	30830	27180	12870	780	4180
Grand Total	155000	95400	32600	20000	2800	4200
% Share	100	61	21	13	2	3