National Steel

NATIONAL GREEN STEEL LIMITED

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13 November 2025

RE MINUTE 2 RFI

INTRODUCTION

1. This statement responds to specific requests for information in the Panel's Minute 2 dated 31 October 2025, specifically questions [16], [21], [23], and [24]. Before addressing the matters raised in those paragraphs, I outline my relevant background, experience, and the rationale for pursuing the Green Steel project.

BACKGROUND AND EXPERIENCE

2. I am a Chartered Accountant, qualified through the Institute of Chartered Accountants of India in 1987, with a Bachelor of Commerce degree obtained in 1983.I have over 30 years of experience in finance, governance, and industrial operations across India and New Zealand. I have lived in New Zealand since 1995.

3. I have extensive experience in commissioning industrial equipment, managing operational logistics, and ensuring compliance with regulatory and environmental standards. In India, I own and operate Bless Green Steel Private Limited, a metal processing facility in Ludhiana, Punjab (India). Since 2019, we have operated India's first car shredder, a 2000hp Metso Lindemann Germany plant, employing 120 staff and contributing to India's circular economy through the recovery and processing of end-of-life vehicles and other ferrous scrap.

4. In New Zealand, my wife (Shalu Garg, also a qualified accountant) and I are the sole shareholders of National Green Steel Ltd, the applicant company and National Steel Ltd, a multi-site metal processing company with a workforce of 70.

5. I have also held governance roles, including as a director of Super Liquor Holdings Ltd (a national franchisor with over 100 outlets) and as a trustee of Foundation North, a public trust with an endowment exceeding NZ$1 billion. I am also a Justice of the Peace - appointed by the Ministry of Justice in 2011. These roles have strengthened my understanding of corporate governance, strategic investment, and public accountability.

6. My experience in establishing and operating large-scale steel processing facilities in both India and New Zealand provides a strong foundation for delivering the Green Steel project, particularly in relation to industrial feasibility, workforce development, and environmental performance.

MOTIVATION FOR PROJECT

7. The Green Steel project reflects my long-standing commitment to New Zealand and my desire to contribute to its industrial capability, employment, economic resilience and the circular economy. Further to my investments and operation of multiple businesses across the country, I see this project as an opportunity to support New Zealand's transition to low-emissions manufacturing while strengthening domestic supply chains.

8. I have chosen to pursue this project in New Zealand because of its strategic advantages: a stable regulatory environment, access to renewable electricity, and a growing demand for locally sourced structural steel. These factors make New Zealand well-positioned to lead in sustainable steel production.

9. This project is also intended to benefit New Zealand Inc by reducing reliance on imported steel, retaining value from domestic scrap resources, and supporting the circular economy. By manufacturing locally, we can reduce foreign exchange outflows, create skilled employment, and contribute to national infrastructure goals. The decision not to locate the plant overseas reflects a deliberate choice to invest in New Zealand's future industrial capability, despite the fact that offshore development remains a viable alternative.

RESPONSES TO QUESTIONS

Use of EAF Technology

10. Green Steel is committed to the use of Electric Arc Furnace (EAF) technology in the Plant and the application for approval under the Fast-Track Approvals Act has been lodged on this basis.

11. Green Steel has opted for the EAF process because it is the most appropriate technology for recycled scrap as feedstock. It has the added benefit of significantly reducing greenhouse gas emissions compared to traditional steelmaking (which relies on coal), and aligns with New Zealand's renewable electricity goals.

12. The use of EAF technology is consistent with the requirements of AS/NZS 3679.1:2016 ("the Standard"), which governs the manufacture and supply of hot-rolled structural steel bars and sections. The objective of the Standard is to specify requirements for manufacturers and suppliers of hot-rolled structural steel bars and sections for general structural and engineering applications. The use of EAF is regarded as industry best practice.

13. We are also continuing to explore the use of alternative energy sources, including landfill gas (LFG) from New Zealand's largest landfill, located near our Hampton Downs site. This could potentially replace liquefied petroleum gas (LPG) in our operations. The feasibility and integration of such technologies will be assessed as part of our Emissions Plan.

Renewable energy sources

14. Mr Carmichael has provided a statement outlining the plant's electricity requirements. I can confirm that Green Steel plans to purchase most of the plant's electricity requirements from renewable electricity developers via long term power purchase agreements.

Feedstock Feasibility

15. In Appendix One I include the following information:

    a. New Zealand export data for ferrous scrap (2002–2021);
    b. Import data for major steel products, including structural steel; and
    c. A 2024 report from the Association of Metal Recyclers (AMR).

16. The data contained in (a) and (b) above was requested by Green Steel from Customs as part of the development of our business plan. The first table shows import and export information until 2021. A subsequent Official Information Act request (included) provides updated data from 2023 - 2024, noting that 2024 is not a complete year. The OIA information includes two sets of data for different sets of HS Codes so the data needs to be amalgamated to ensure consistency with the first table. The updated information is consistent with previous data.

17. The AMR report data was obtained by Green Steel as a member of the Association.

18. Any of the heavy or shredded ferrous exports referred to in the NZ Export data are suitable for use in our plant. Although, scrap metal utilised is primarily End of Life Vehicles / car bodies, our collection centres also collect other products such as sheet metal or beams and demolition scrap.

19. The AMR report indicates over [redacted] tonnes of ferrous scrap exported in 2024. As not all exporters of ferrous scrap are AMR members this understates the quantities available.

20. Green Steel anticipates sourcing less than one-third of this volume.

21. Overall, the data included in Appendix One demonstrates a secure and underutilised domestic feedstock base.

Product Quality

22. Green Steel's output will comply with AS/NZS 3679.1:2016, ensuring that all structural steel products meet the technical and performance standards required for the New Zealand and Australian markets. The use of EAF technology and quality-controlled scrap inputs will support consistent product quality.

Market Demand and Economic Impact

23. To assess the feasibility of the proposed Green Steel plant, we engaged R Singh and Associates - an experienced engineering and project management consultancy based in India. The firm has delivered numerous comparable steel processing projects both within India and internationally. While the Green Steel facility is modest in scale by global standards, it reflects proven design and operational principles.

24. R Singh and Associates completed a Technical Feasibility Report for the project in September 2023. The assumptions underpinning our business plan, including production capacity, process design, and capital requirements, are based on the findings of that report.

25. In Appendix Two I include a 2022 pricing survey commissioned by Green Steel, which assessed the import price of structural steel products. The retail price for imported steel is approximately $[redacted] per tonne. Green Steel's financial model is based on a conservative selling price of NZ[redacted] per tonne which is significantly below the prevailing retail price.

26. Import data confirms a domestic market for structural steel in excess of Green Steel's proposed manufacture of 200,000 tonnes per annum. However, while Green Steel's proposed annual output is less than total domestic demand, it is not feasible to replace all imported structural steel products due to the diversity of specifications and supply chains. Accordingly, some production may be exported, particularly in the early years. The plant is designed with flexibility to scale output gradually, with a four-year ramp-up period to reach full capacity. This allows Green Steel to respond to market demand and manage excess production through strategic export channels.

27. The introduction of competitively priced, locally manufactured steel is expected to:

    a. Reduce construction costs, particularly in high-growth areas such as Auckland, where the Unitary Plan is enabling mid and high-rise development;
    b. Improve supply chain certainty, reducing exposure to international price volatility and shipping disruptions; and
    c. Support local industry and employment, with flow-on benefits for regional economies.

Job Creation

28. We estimate that the Project will generate approximately 200 direct jobs, with remuneration levels significantly above the regional average for Waikato. These roles span a range of skilled and semi-skilled positions and will contribute meaningfully to local employment and economic development. In the short term additional jobs will be created associated with the construction of the plant.

29. For reference, I attach Appendix Three, which sets out the full list of positions to be created at the plant, including an indication of which roles are classified as skilled. Castalia has

provided supporting analysis confirming that the projected wage levels exceed the regional average, reflecting the technical and operational requirements of the facility.

30. In addition to these 200 new roles, the Project also involves the relocation of an existing shredder function. Twenty-five to thirty people will be employed to operate the shredder and supporting roles

Foreign Exchange Savings from Domestic Steel Production

31. The Green Steel project has the potential to deliver significant macroeconomic benefits by reducing New Zealand's reliance on imported structural steel. Based on current import volumes and price differentials, the project could realistically reduce foreign exchange outflows by up to NZ$320 million per year, even after accounting for the loss of scrap export earnings.

32. New Zealand's most recent import data shows that approximately US[redacted] million worth of structural steel was brought into the country in a single year. At prevailing exchange rates, this equates to around NZ[redacted] million in foreign currency spent annually on imported steel. Green Steel's proposed production capacity of 200,000 tonnes per annum over the medium term will be sufficient to replace a substantial portion of these imports, particularly for standardised structural products that align with domestic demand.

33. The financial case for import substitution is compelling. The retail price in the domestic market is around NZ[redacted] per tonne. In contrast, Green Steel's financial model is based on a selling price of NZ$[redacted] per tonne, which is significantly below both the import cost and the prevailing retail price. This pricing strategy enables Green Steel to compete effectively with imports while still delivering strong economic value.

34. At full production, if 200,000 tonnes of imported steel could be replaced with locally manufactured product, this would avoid approximately NZ$320 million in import costs annually.

35. In summary, Green Steel's model supports a more resilient and self-sufficient domestic supply chain while also delivering a material reduction in foreign exchange leakage. This will strengthen New Zealand's balance of payments and support the transition to a lower-carbon, circular economy.

Yours faithfully,

Vipan Garg
Director

National Green Steel Limited

APPENDIX 1

NZ EXPORT OF FERROUS SCRAP 2012-2021					
Period	HS Code	Weight (MT)	Trade Value (US$ Millions))	% Increase Over 2002	% Increase Over PY
[redacted]					

The "HS Code" in Column 2 represents the Harmonised System number. This is the global standard developed by the World Customs Organization for classifying traded goods. See over page for the definitions for each Harmonised System Number.

Source: NZ Customs

Year wise Import of Steel-Major Products (HSN 7208-7216,7225-28) In NZ 2012-2021			
Year	Net weight (MT)	Trade Value (US$ Millions)	% Increase over Base year 2102
[redacted]			

NEW ZEALAND
CUSTOMS SERVICE
TE MANA ĀRAI O AOTEAROA

WELLINGTON

The Customhouse, 1 Hinemoa Street, Wellington
PO Box 2218, Wellington 6140, New Zealand
www.customs.govt.nz

[redacted]

E: OIA@customs.govt.nz
W: www.customs.govt.nz

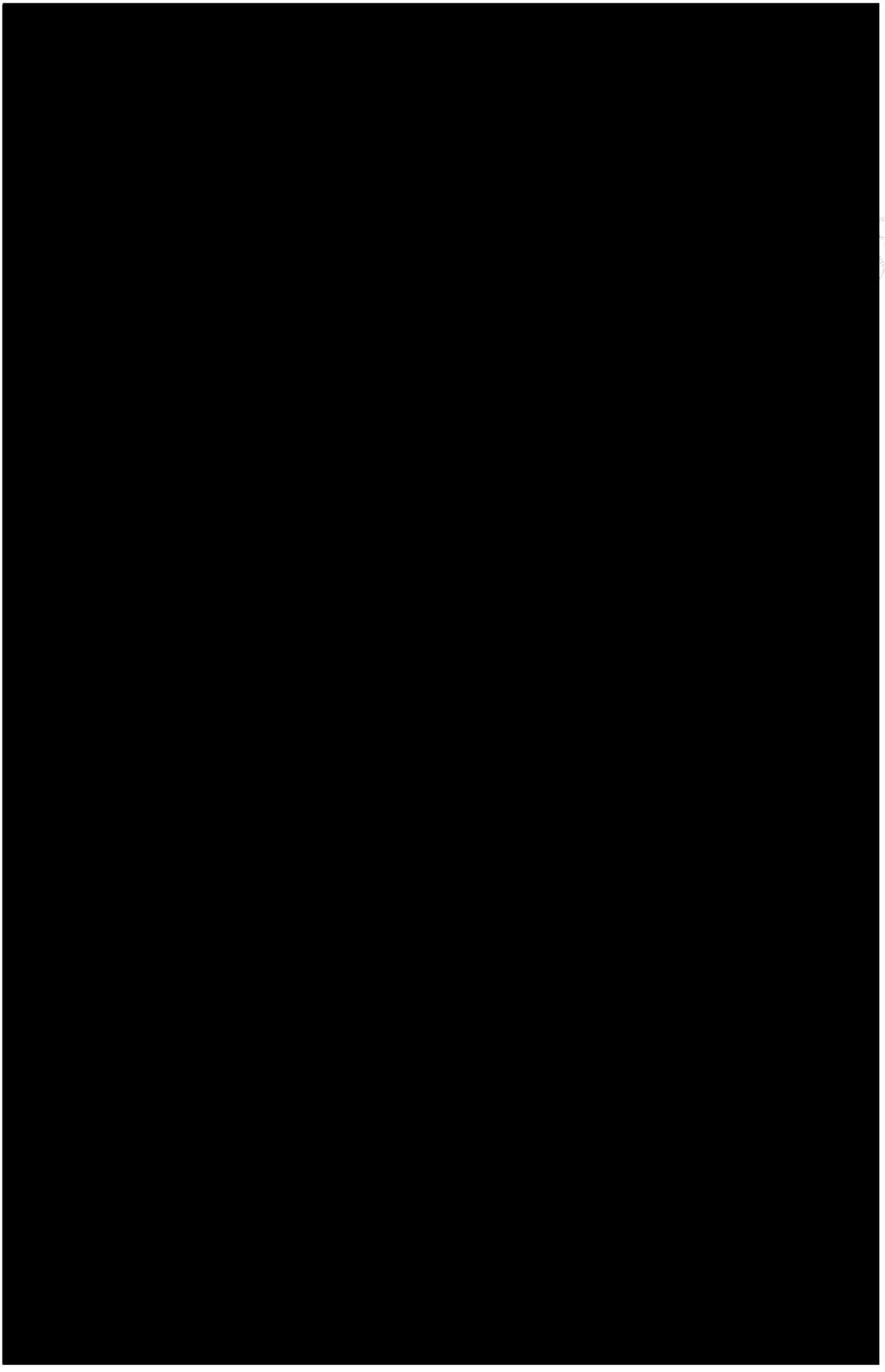
Import Customs Data

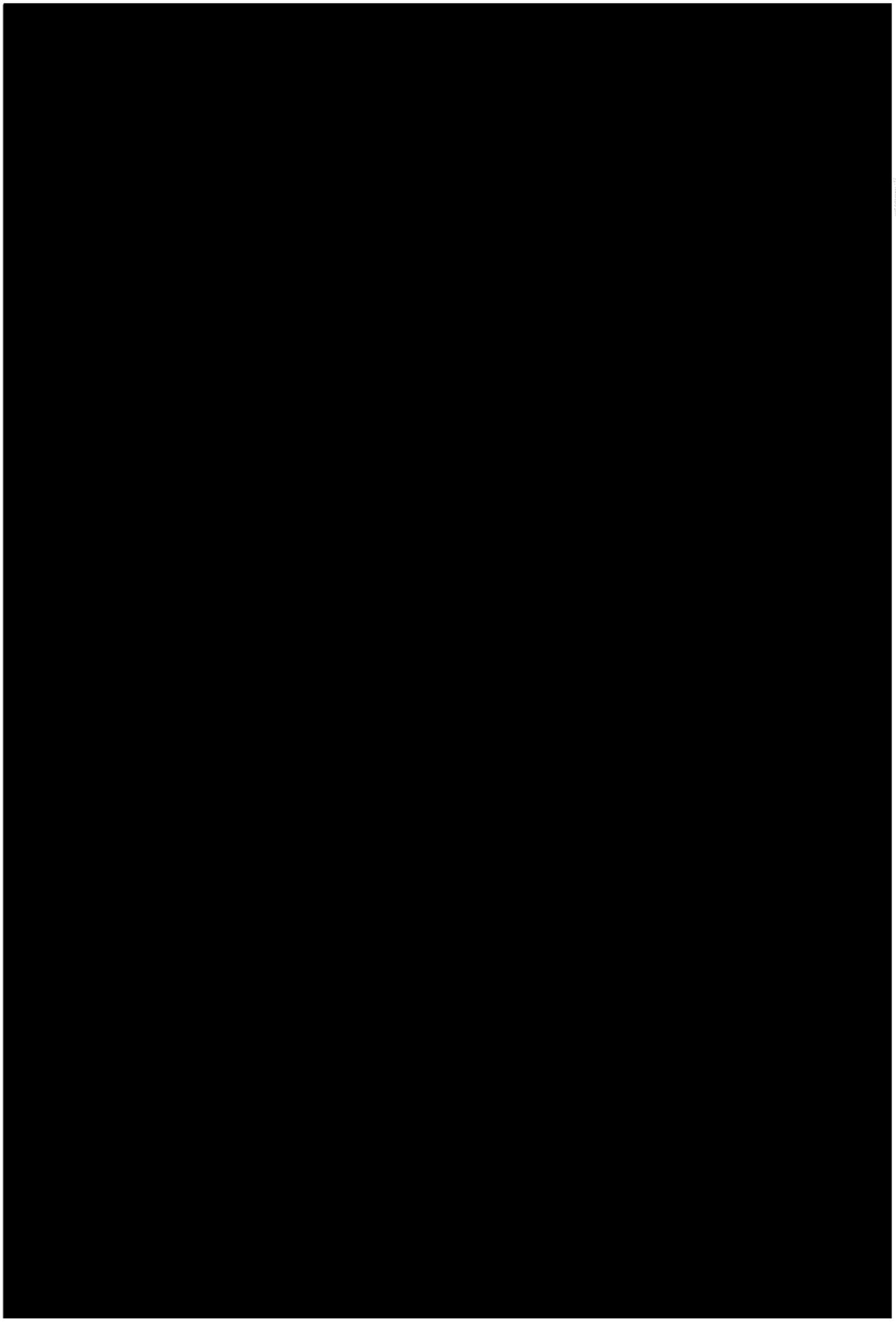
NEW ZEALAND
CUSTOMS SERVICE
TE MANA ĀRAI O AOTEAROA

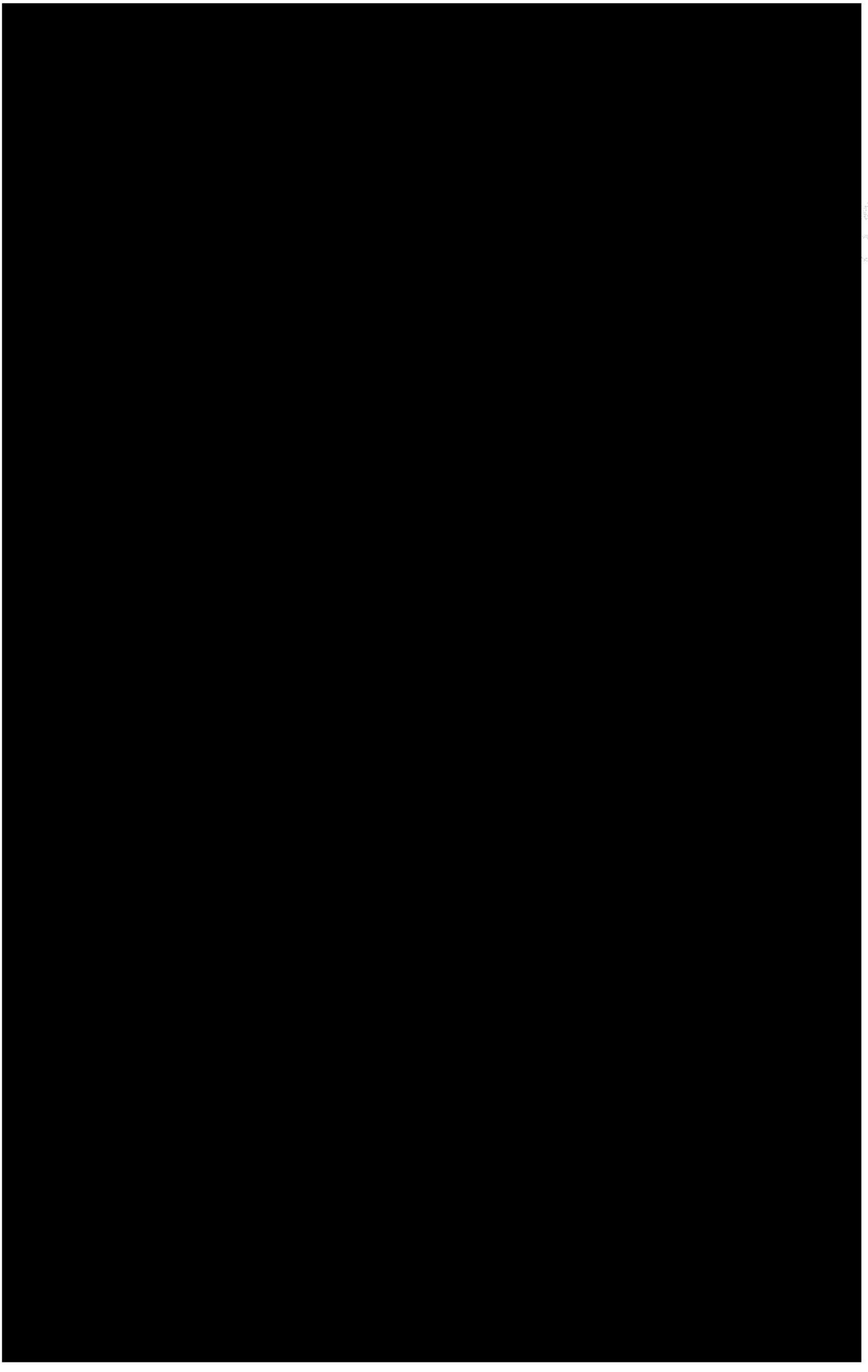
[redacted]

January

Protecting and promoting New Zealand across borders







New Zealand Association of Metal Recyclers – Annual Member Declarations 2024

gravitasOPG

nz association amr of metal recyclers

AMR requires data to track the metal recycling industry's:

- Health overall
- Economic impacts
- Environmental impacts

2020 rule change allowed AMR to require members to disclose…

- Employment
- Tonnage turnover (amount bought in/exported)

gravitasOPG

Third party organisation used to collect and aggregate member data. Process as follows:

1. **Email from AMR** President to members notifying of declarations
2. **Database** of members provided to GravitasOPG
3. **Calls** to Head Office of each member business by GravitasOPG
4. **Declaration** process explained. Option to provide data:
   - For entire business or by branch
   - By phone or confidential online form
5. **Reminders**:

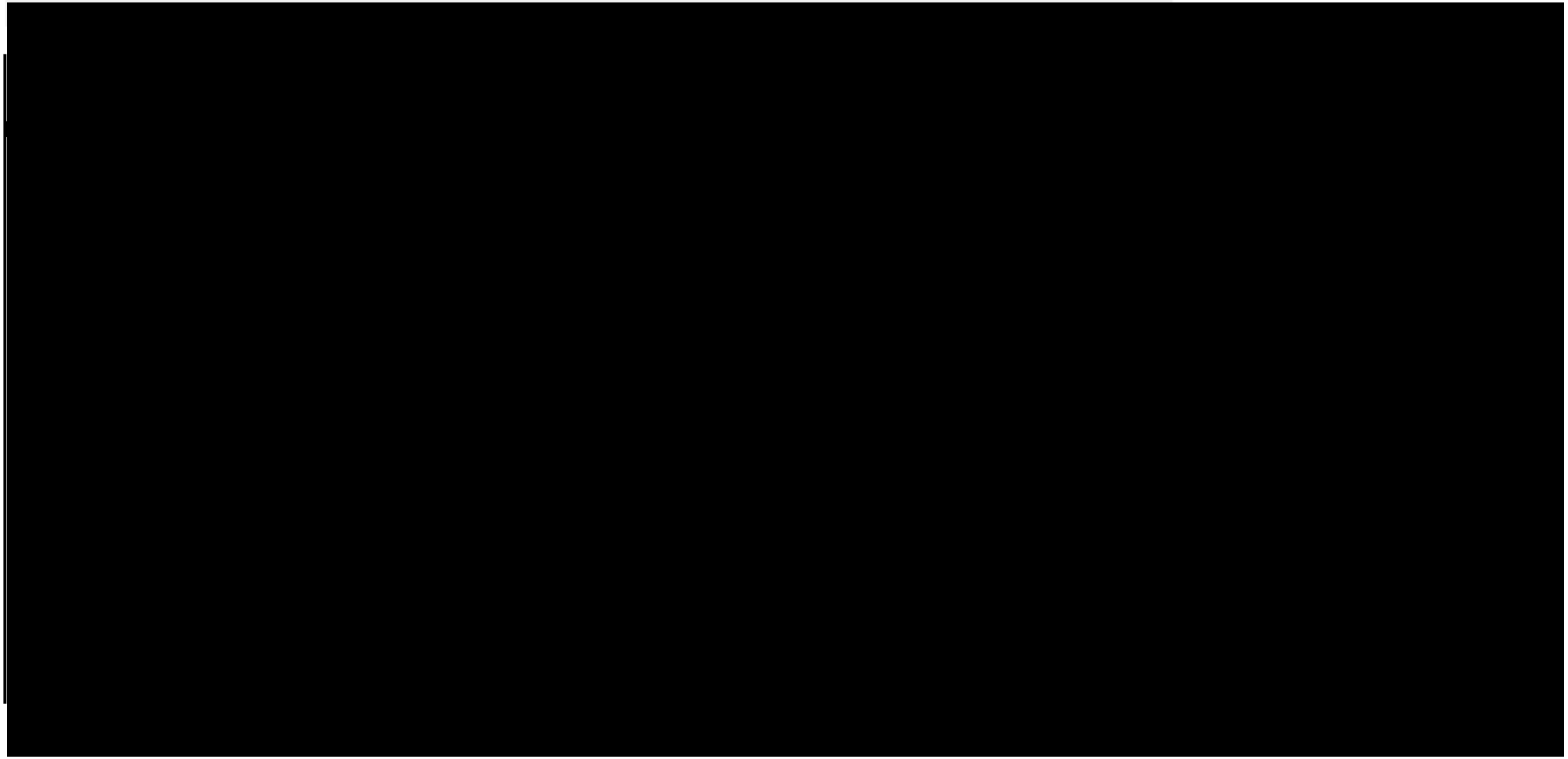
   Emails - Multiple over a month

   Calls - Multiple over a month
6. **AMR board members** contacted hard-to-contact businesses. Encouraged participation/addressed concerns

Metal Purchases	Share of participating members	Total tonnage reported
[redacted]		

Note: Export and purchase data not expected to match as AMR members are a value-chain of collection and processing

APPENDIX TWO



Appendix Three

National Green Steel Ltd - Green Steel Project Roles

Manpower Cadre