Government of India  
Ministry of Steel  

Monthly Summary for the Cabinet for the month of July 2018:-

2. Hon’ble Steel Minister chaired a meeting of Hindi Salahkar Samiti of the Ministry of Steel on 5th July, 2018 at Indore. Hon’ble Minister of State for Steel, as Deputy Chairman of the Samiti, along with Secretary (Steel), Chairman of steel PSEs and other officials of the Ministry of Steel were present in the meeting. ‘Rajbhasha Samman (First Prize)’ was given to NMDC amongst PSEs of Ministry of Steel while RINL received ‘Ispat Rajbhasha Samman’.

3. Hon’ble Steel Minister chaired a meeting on Land Encroachment Issue with the officials of SAIL on 9th July, 2018 at New Delhi. Secretary (Steel) along with Chairman, SAIL, other senior officials of the Ministry of Steel and SAIL attended the meeting. Serious concerns were expressed over land encroachments in different units and plants of SAIL. It was emphasized that there is need to remove land encroachments and illegal constructions in Steel Townships and deploy all measures to safeguard the real estate of SAIL. Further, SAIL’s Plants must take steps for construction of steel intensive structures for effective usage of land.

4. Hon’ble Steel Minister chaired a meeting with the representatives of employees unions and officer’s associations of steel PSUs to discuss various issues concerning them, which inter-alia, included introduction of pension scheme as part of the superannuation benefits, provident fund, gratuity and medical benefit, on 17th July, 2018 at New Delhi. The Ministry of Steel has agreed to the proposal received from various CPSEs under its control to introduce the pension scheme with effect from 1st January, 2007 in case of executives and 1st January, 2012 in case of non-executives or from a subsequent date as decided by the company. The pension scheme would benefit around 94 thousand serving and 56 thousand retired employees of CPSEs under the Ministry of Steel.

5. The 4th National Conclave on Mines & Minerals was organized by the Ministry of Mines on 13th July, 2018 at Indore, Madhya Pradesh. The conclave was attended by Secretary (Steel) alongwith Chief Minister of Madhya Pradesh, Union Minister of Mines, Union Minister of State for Mines, six State Mining Ministers and CEO, NITI Aayog. While speaking in the conclave, Secretary (Steel) stressed on the fact that both royalty and District Mineral Foundation (DMF) contributions are outside the purview of Goods and Services Tax regime. There is a strong need to rationalise royalty & DMF and also to allow offset input costs under GST. Secondly, there may be separate auctions for end users and those into mercantile mining. Further, it was emphasized that mining is not a polluting industry, on the contrary it has been instrumental in ecological reconstruction after mining operations are completed.

6. Secretary (Steel) along with Secretary designated (Steel) and senior officers of the Ministry of Steel attended the meeting of the Committee on Subordinate Legislation, Rajya Sabha on the Implementation of Companies (CSR) Rules, 2014 and Steel Products (Quality Control) Order, 2018 on 3rd July, 2018 at New Delhi. Till
date, 53 steel products have been covered under Quality Control covering around 85-90% of steel and steel product under the mandatory Quality Control regime.

7. Secretary (Steel) attended a meeting with G20 Sherpa on GFSEC (Global Forum on Steel Excess Capacity) on 9th July, 2018 at New Delhi. During the meeting, various issues like excess steel capacity, exports from Japan and Korea and trade protective measures imposed by different countries were discussed.

8. Secretary (Steel) attended the first meeting of Task Force constituted for import reduction under the Chairmanship of Cabinet Secretary on 26th July, 2018 at New Delhi. The Task Force emphasized on identifying various items and policy interventions for reducing import dependencies.

9. World crude steel production at 151.4 million tones (MT) during the month of June 2018 was 5.8% higher as compared to June 2017. India’s crude steel production at 8.7 MT in June 2018, increased by 7.4% compared to June 2017. China’s crude steel production for June 2018 at 80.2 MT increased by 7.5% over June 2017.

   i) India’s crude steel production during January to June, 2018 stood at 52.94 MT, increased by 5.27% over CPLY. Japan’s crude steel production stood at 52.98 MT during January to June 2018 as compared to 52.32 MT thereby recording a growth of 1.26%.

   ii) The consumption of Finished Steel in India at 6.99 MT during April, 2018, increased to 8.34 MT during May 2018. However, the same declined to 8.27 MT and 7.56 MT during June and July 2018, respectively. The consumption of finished steel witness an increased of 5.84% in July 2018 over the CPLY. The compound annual growth rate of the consumption of finished steel for the period April to June 2018 stood at 2.7%.

10. The global crude steel capacity utilization ratio in June 2018 was 78.5%. This was 3.8 percentage points higher than June 2017. Compared to May 2018, it was 1.0 percentage point higher.

11. During July 2018, net production of finished steel in the country at 10.18 MT decreased by 0.4% as compared to 10.22 MT during July 2017. For the same period, consumption at 7.56 MT increased by 5.8% as against 7.14 MT in July 2017. Exports decreased to 0.52 MT during July 2018 as compared to 0.77 MT in July 2017 thereby recording a decline of 32.9%. Imports at 0.76 MT in July 2018 decreased by 5.0% as compared to 0.80 MT in July 2017.

12. Market prices of all important steel and steel based products have shown a decreasing trend during July 2018 over June 2018 except Pig Iron. The price of CR Coil decreased by 5.85%, Wire Rods by 5.07%, Rounds by 4.91%, TMT Bar by 4.45%, Plates by 3.55%, HR Coil by 2.53%, GP Sheets by 2.21% and Billets by 0.91%, while the price of Pig Iron increased by 0.99%.

13. The production of saleable steel of SAIL, at 1.19 MT during the month of July 2018, was same as the corresponding period of last year (CPLY). Sales at 0.95 MT
during the period was increased by 14% over CPLY. Sales turnover of SAIL at Rs. 4788 crore during July 2018 registered a growth of 19% over the turnover of Rs. 4040 crore in CPLY.

14. RINL’s saleable steel production at 0.39 MT in July 2018 was 34% higher than its 0.29 MT production in July 2017. Sales turnover of Rs. 1342 crore in July 2018 was higher by 21% as against the sales turnover of Rs. 1113 crore in July 2017.

15. In the case of NMDC, iron ore production at 1.52 MT in July 2018 was 38% lower than its production at 2.43 MT in July 2017. Sales of iron ore at 1.84 MT during July 2018, was decreased by 35% as compared to CPLY. Total sales turnover of NMDC during July 2018 at Rs. 680 crore, was 17% lower than Rs. 820 crore in July 2017. NMDC was presented prestigious ‘Dun & Bradstreet PSU award 2018 under the sector Mining-Metals & Minerals category’ in a function organized by Dun & Bradstreet on 24th July, 2018.

16. During the month of July 2018, Pellet Plant of KIOCL produced 0.21 MT of Pellets against the target of 0.17 MT observing 125% achievement of month target. Cumulative Pellet production stood at 0.65 MT against the target of 0.63 MT, thereby recording 104% achievement of the cumulative target of the period.

17. The Ministry of Steel is making procurement of goods and services through GeM Portal. A total of 251 orders of Rs. 44.27 lakhs (approx.) has been placed on GeM from April 2018 to July 2018. A total of 70 orders of Rs. 10.51 lakhs (approx.) has been placed on GeM in the month of July 2018.

18. **Minimum Government Maximum Governance:**

The following steps have been taken during the month to achieve the goal of Minimum Government and Maximum Governance:

- A rationalization/reduction of 463 numbers in manpower has been achieved by SAIL during the month of July 2018.

- Thrust on building competencies and skill development of employees was continued by SAIL by training 4282 employees, including executives and non-executives during July 2018.

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