

No. S-24013/1/2020-EA-RFD
Government of India
Ministry of Steel
(Economic Division)

Udyog Bhawan, New Delhi
Dated: 15th December, 2023

OFFICE MEMORANDUM

Subject: Monthly Summary for the Cabinet for the month of November, 2023.

The Undersigned is directed to circulate herewith a copy of the unclassified portion of the Monthly Summary pertaining to the Ministry of Steel for the month of November, 2023 for information.

Encl: As above.



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To,

1. Members of the Council of Ministers
2. Vice Chairman, NITI Aayog, NITI Bhawan, New Delhi
3. All Members of NITI Aayog, NITI Bhawan, New Delhi
4. Cabinet Secretary, Rashtrapati Bhawan, New Delhi
5. Secretary to the Vice President of India, New Delhi
6. PS to Prime Minister of India, South Block, New Delhi
7. All Secretaries to the Government of India
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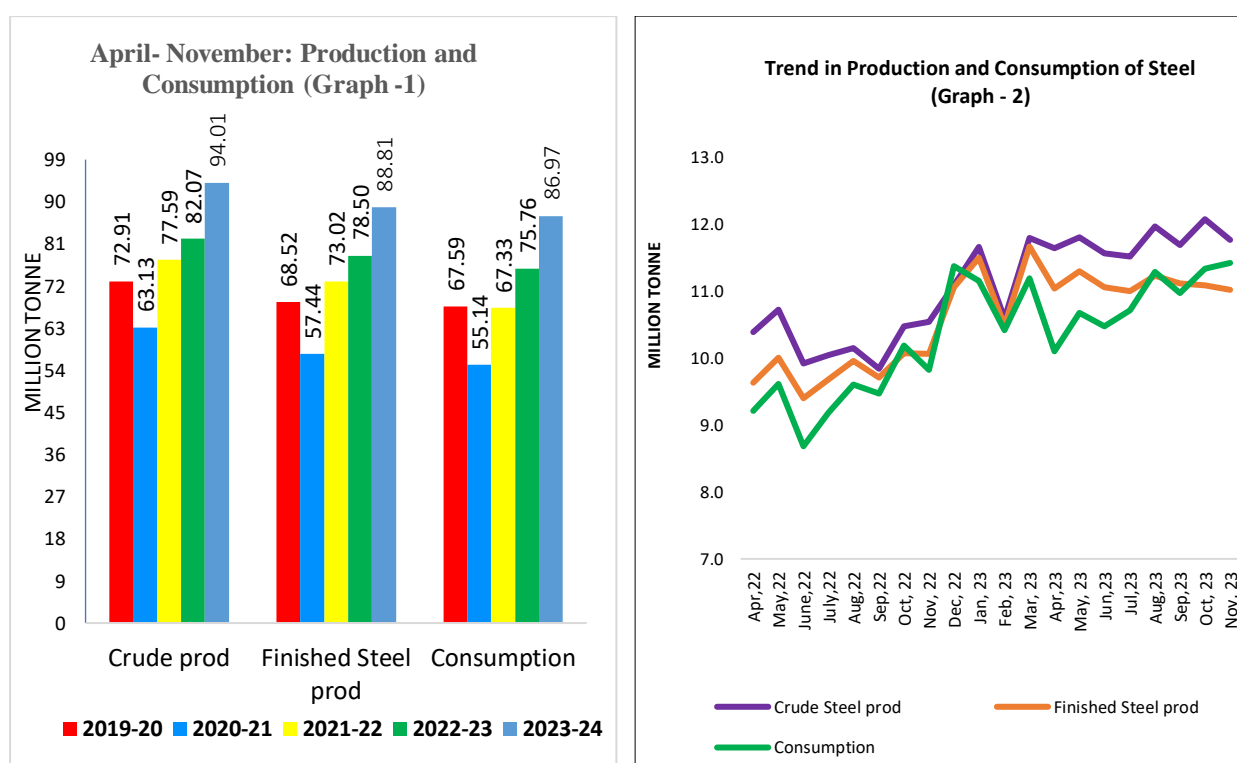
**मासिक सारांश
MONTHLY SUMMARY
ON
लौह एवं इस्पात
IRON & STEEL**

**नवंबर - 2023
November - 2023**

**भारत सरकार /GOVERNMENT OF INDIA
इस्पात मंत्रालय/ MINISTRY OF STEEL**

Ministry of Steel – Report for November 2023

1. Performance of Steel sector during April-November, FY '24 has been best ever in April-November of any fiscal year. During April-November, FY '24, the cumulative production of crude steel at 94.01 MT and finished steel at 88.81 MT was 14.5% and 13.1% higher than their respective levels in April-November, FY '23. The consumption of finished steel at 86.97 MT during April-November, FY '24 was 14.8% higher than the consumption in April-November, FY '23. Production and consumption of steel have shown a strong recovery after Covid-19 affected 2020-21, as may be seen from the following graph on cumulative production and consumption for five years (Graph-1). The month-wise production and consumption since April 2022 (Graph-2) indicates broadly increasing trend despite month-on-month fluctuations. Regarding monthly performance, the production of crude Steel and finished steel decreased in November '23 over their respective levels in October '23. The consumption of finished steel, however, increased in November '23 over the consumption in October '23.



- i. Production of crude steel in November '23 at 11.76 MT increased by 11.6% over November '22 but decreased by 2.6% over the previous month.
- ii. Production of finished steel in November '23 at 11.02 MT increased by 9.5% over November '22 but decreased by 0.6% over the previous month.
- iii. Consumption of finished steel in November '23 at 11.42 MT increased by 16.2% over November '22 and by 0.7% over the previous month.

iv. Inventories of the finished steel with the steel producing companies at 12.66 MT at the end of November '23 increased by 24.5% over November '22 and increased by 3.9% M-o-M.

2. Among the steel CPSEs, the performance of SAIL, NMDC and MOIL has been encouraging during April-November, FY '24. SAIL achieved its best ever production during April-November, FY '24. NMDC also achieved its best ever production and sales performance in April-November, FY '24. Similarly, MOIL also recorded its best ever production and sales performance in April-November, FY '24. During the month of November '23, Steel Authority of India (SAIL) registered a decrease in production of Hot Metal, Crude Steel and Iron Ore over November '22, and also over October '23. During the month of November '23, Steel Authority of India (SAIL) registered an increase in production of Saleable steel over November '22, but decreased over October '23. Production of iron ore by National Mineral Development Corporation (NMDC) registered an increase in November '23 over November '22 but decreased over previous month. Rashtriya Ispat Nigam Limited (RINL) registered a decrease in production of liquid steel, hot metal, crude steel and saleable steel over November '22 and also over previous month i.e. October '23. The production of ore by MOIL increased in November '23 over November '22 and also increased over previous month. The detailed performance of the Steel CPSEs is as below:

- i. During November '23, SAIL produced 15.93 lakh metric tonne (LMT) of Hot Metal, 15.20 LMT of Crude Steel, 14.34 LMT of Saleable Steel and 28.07 LMT of Iron ore registering a decrease of 3.5% for Hot Metal, 2.9% for Crude Steel and 3.6% for iron ore respectively over November '22 but increased by 1.6% for saleable steel over November '22 and decreased by 6.0%, 4.7%, 8.3% and 1.1% over previous month (M-o-M). The cumulative production of SAIL during April-November, FY '24 for Hot Metal stood at 134.24 LMT, Crude Steel at 125.85 LMT, Saleable Steel at 121.64 LMT and Iron ore at 221.37 LMT registering an increase of 7.5%, 7.3%, 10.3% and 1.9% respectively over CPLY. During April-November, FY '24, sales of saleable steel by SAIL at 111.75 LMT was higher by 11.9% over CPLY. Reasons for the decline in production of hot metal and crude steel as compared to CPLY and previous month are: (a) At Bhilai Steel Plant, the coke oven battery pushing was reduced due to collapse of coal supply gallery, which impacted hot metal production at BSP; and (b) Blast furnace was under pressurizing conditions caused due to low wind acceptance and sluggish burden movement impacting BF production at ISP for about 15 days.
- ii. Production of iron ore by NMDC at 38.25 LMT in November '23 registered an increase of 5.9% over November '22 but declined by 2.5% M-o-M. The cumulative production of iron ore by NMDC during April-November, FY '24 at 273.08 LMT witnessed an increase of 17.1% over CPLY. Sale of iron ore by NMDC at 37.90 LMT in November '23 was higher by 24.6% over November '22, and by 10.2% M-o-M. During April-November, FY '24, sale of iron ore by NMDC at 277.76 LMT was higher by 23.5% over CPLY.

- iii. Kudremukh Iron Ore Company Limited (KIOCL) produced 2.25 LMT of Pellets during November '23, which was 100.9% higher over previous month and was higher by 246.2% over November '22. KIOCL sold 2.11 LMT of Pellets which was higher by 170.5% M-o-M and higher by 1407.1% over November '22. During April-November, FY '24, production of Pellets by KIOCL at 12.66 LMT recorded an increase of 113.1% and its sales at 12.50 LMT recorded an increase of 136.3% over CPLY.
- iv. During November '23, production of Manganese ore by Manganese Ore (India) Limited (MOIL) at 1.62 LMT was higher by 46.0% M-o-M and higher by 35.0% over November '22. Sales of Manganese ore by MOIL during November '23 at 1.00 LMT was higher by 13.6% M-o-M and higher by 16.3% over November '22. During April-November, FY '24, production of Manganese ore at 10.88 LMT was higher by 43.4% and its Sales at 9.45 LMT was higher by 51.7% over CPLY.
- v. During November '23, RINL's production of Liquid Steel stood at 3.61 LMT, Hot Metal at 3.62 LMT, Crude Steel at 3.46 LMT and Saleable Steel at 3.21 LMT, which was lower by 3.5%, 4.5%, 3.6% and 6.7% respectively over November '22, and lower by 1.9%, 1.9%, 1.4% and 1.5% respectively over its production in October '23. During April-November, FY '24, the production of Liquid Steel stood at 29.66 LMT, Hot Metal at 30.13 LMT, Crude Steel at 28.44 LMT and Saleable Steel at 27.11 LMT, which was 14.8%, 13.7%, 15.0% and 16.4% higher than their respective productions during CPLY.

3. The CAPEX by Steel CPSEs in November '23 at Rs. 602.12 crore was 21.1% higher over the previous month (M-o-M) but was 14.2% lower than CAPEX in November '22. The CAPEX by steel CPSEs during April-November, FY '24 at Rs. 5414.51 crore was 4.7% higher than CAPEX during CPLY and it was 52.6% of the BE for the FY '24. The CAPEX by steel CPSEs is regularly monitored by the Ministry and steel CPSEs are being encouraged and directed to ensure achievement of CAPEX and expedite spending.

4. Hon'ble Steel Minister (HSM) chaired the Consultative Committee meeting for the Ministry of Steel on 23rd November, 2023 to discuss the progress on the first-of-its kind novel initiative by the Ministry of Steel and the Ministry of Commerce and Industry to introduce branding and labelling of 'Made-in-India' steel products in the global market. Apart from making Indian steel products more attractive to buyers, this would also ensure standardized quality of goods. HSM emphasised on the efforts to build India as a "manufacturing centre" of the world, which requires a unified and distinctive identity for Indian steel that reflects its quality, innovation, and sustainability practices. Under the guidance of HSM, Ministry of Steel initiated collaborative efforts in September 2022, engaging with key stakeholders including the steel industry, Department for Promotion of Industry and Internal Trade (DPIIT), and the Quality Council of India (QCI) to provide a definitive direction to the branding of Indian steel products. Made in India branding provides for labelling of domestic steel products with details of the product, and a Made in India Logo

along with a QR Code. It is important to note that it is the first ever initiative by any ministry to introduce labelling and branding of the sector's products.

5. Ministry of Steel has constituted 13 Task Forces on Green Steel. Hon'ble Steel Minister (HSM) reviewed the work of Taskforce on Carbon Capture Utilization and Storage (CCUS) on 28th November, 2023. During the meeting, the Carbon Capture Utilization and Storage Taskforce presented their findings related to CCUS potential in Indian steel industry. In relation to Carbon Capture Utilization and Storage, HSM recommended exploring storage options situated away from populated areas, or preferably offshore. This exploration should occur in coordination with other ministries, as emissions are a pervasive issue across various industries. He advised that the proposed methodology exclusively focus on emissions falling under the jurisdiction of the Ministry of Steel, specifically Scope 1 and 2 emissions. Downstream emissions were designated to be addressed by other ministries within their respective domains. To ensure data verification, the minister suggested centring the methodology on the production technology employed in steel making. He suggested the establishment of common targets across the steel industry, tailored to specific sectors such as integrated plants and secondary plants.

6. Secretary (Steel) presided a ground-breaking ceremony for the Mining operations at Mount Celia Gold Project located in Western Australia on 5th November 2023. This initiative, undertaken by NMDC Ltd. through its subsidiary company Legacy Iron Ore Limited, is the first gold mine in NMDC's extensive portfolio, signifying a remarkable accomplishment towards diversifying its mineral assets. This event also represents the culmination of a rigorous process that involved securing all necessary statutory approvals and finalizing the mining contract with Bain Global Resources. The surface and mine infrastructure works have progressed rapidly, setting the stage for ore mining to commence in the Blue Peter pits in the coming weeks. The first ore for processing at Paddington Gold Mine is scheduled for Q1: 2024, and it is poised to become a significant contributor to India's gold production landscape.

7. Hon'ble Minister of State, Ministry of Steel presents National Metallurgist Award (NMA) 2022 on 22nd November, 2023, to recognize excellence & contribution of Metallurgists in Iron & Steel Sector. While addressing the participants, he congratulated the five distinguished metallurgists for being conferred with coveted NMA 2022 in four categories. The Minister expressed confidence that their research and innovation will help the industry in reducing carbon emission, increasing productivity, reducing costs and will pave the way for use of green hydrogen in future in the Steel Sector. He said that India has achieved the status of 2nd largest steel producer globally and self-reliance in producing almost all grades of steel due to stellar contributions and innovations by the engineers, steel metallurgists, academicians both from public sector and private sector. However, we should not rest on our laurels. The world is changing rapidly, and we must continue to adapt and evolve to remain competitive.

8. Secretary (Steel) inaugurated the Ministry of Steel's Pavilion at India International Trade Fair (IITF) 2023 on 14th November 2023 at New Delhi. He emphasized the critical role of the steel industry in India's growth trajectory and highlighted the government's commitment to fostering a conducive environment for the steel sector. He commended the Indian steel industry for their dynamic spirit and innovative display of our steel sector and unwavering dedication to excellence and innovation. The 'Steel Pavilion', a focal point of this year's IITF, serves as a testament to the robustness and innovation within the Indian steel industry. The inauguration event brought together key stakeholders, industry leaders, and government officials, reflecting the collaborative efforts to showcase the advancements and contributions of the steel sector to the nation's economy.

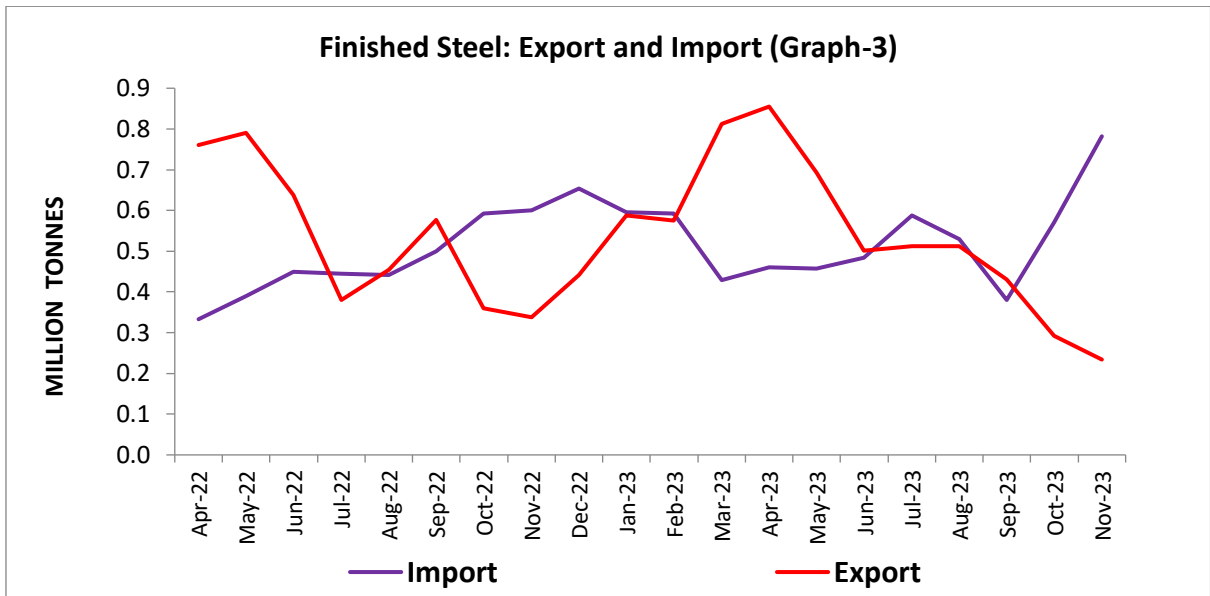
9. During the inaugural session of the CII-MSTC Conference on 'Real Estate Synergy: Unveiling Opportunities through e-commerce' held on 30th November 2023, Secretary (Steel) said that MSTC should now explore the feasibility of becoming an aggregator of all actors in the real-estate sector and giving an identity to every real-estate asset in the country. He commended MSTC for reinventing itself thrice over since inception. He also launched two unique services of MSTC – (a) MSTC Webpage of Property e-Auctions and (b) Ticket Raising System. From the MSTC Webpage of Property e-Auctions, buyers & sellers can check all the scheduled and upcoming auctions being conducted by MSTC, thereby providing a marketplace and ensuring ease of business. Under the Ticket Raising System, customers can submit any query which may arise from the buyers' perspective. Through the launch of this system, MSTC plans to address all such queries in a structured manner. MSTC is committed to bring fairness and transparency to its services in the way it sells assets on its e-auction platform.

10. Ministry of Steel has introduced Steel Quality Control Order (QCO) thereby banning sub-standard/ defective steel products both from domestic producers & imports to ensure the availability of quality steel to the industry, users and public at large. As per the Order, it is ensured that only quality steel conforming to the relevant BIS standards are made available to the end users. As on date 145 Indian Standards have been notified under the Quality Control Order covering carbon steel, alloy steel and stainless steel. Out of these, QCO on 144 Indian Standards have been enforced. The draft QCO for inclusion of six additional Indian Standards pertaining to the iron & steel sector has been uploaded in Ministry of Steel's Website on 02.06.2023 and on WTO website vide regular TBT notification no. G/TBT/N/IND/278 dated 14.06.2023 for comments of the stakeholders. As per WTO-TBT mandate, the final date for comments on the said notification is 60 days from the date of notification in WTO website i.e. 13.08.2023. Based on the feedback received and stakeholder's consultation meeting held on 13.09.2023, the draft QCO was revised and sent to BIS for concurrence. Ministry of Steel got several requests from the importers/ applicants seeking clarification on the applicability of the certain imported steel grades from the purview of the Quality Control Order, on the ground that these are complying with foreign standards and no equivalent Indian Standards exist. To address this issue, a Technical Committee, comprising members from the BIS, steel producers & end users, was constituted to examine the applications and clarify whether the imported steel grades are falling under the

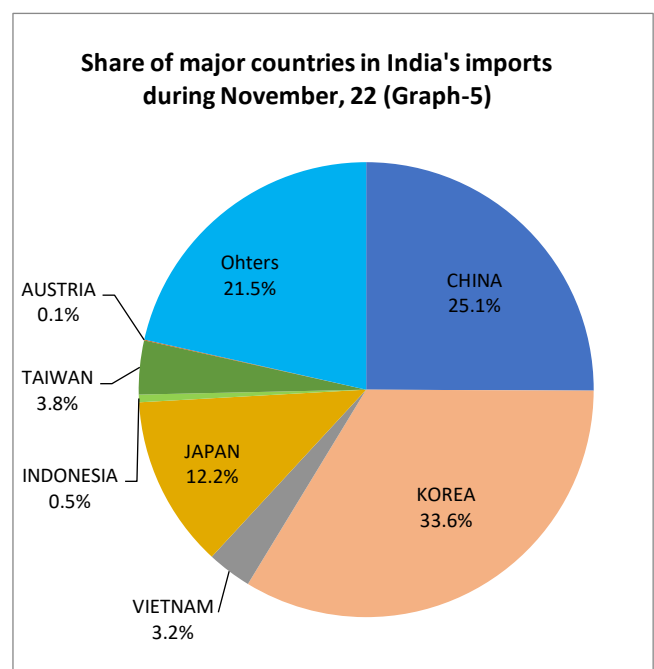
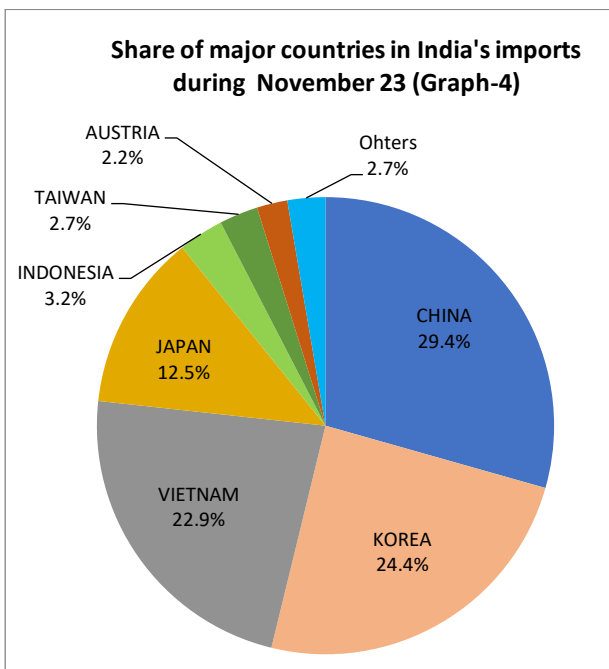
purview of the QCO or otherwise. Meeting of the Technical Committee was held on 1st November and 20th November, 2023, wherein 2,400 applications for clarification on the applicability of QCO on the imported steel grades were examined. One meeting of the Empowered Committee was held on 15th November, 2023, wherein 14 applications for exemption were examined.

11. Ministry of Steel is providing financial assistance for pursuing Research & Development to address the technological challenges faced by the Iron & Steel sector. In this regard, in May 2023, Ministry of Steel has sought R&D Project proposals in joint collaborative mode from reputed Academic Institutions, Research Laboratories and Steel Companies for pursuing R&D projects on the identified thrust areas, for providing financial assistance under the R&D Scheme for the Financial Year 2023-24. The thrust areas for providing financial assistance under the R&D Scheme include development of new alternate processes & technologies to address the burning issues faced by the Iron & Steel Sector such as climate change (green steel production, H₂ based steel production, CCUS etc.), waste utilization, resource efficiency, etc. The details of the R&D Scheme including guidelines for financial support and an indicative list of R&D projects that can be taken up to address common issues of the Iron & Steel Sector, have been uploaded on Ministry of Steel's website in May 2023. The last date of receipt of the R&D project proposals was 31st July 2023 wherein 36 R&D proposals have been received, which were preliminarily examined with respect to the guidelines for support under the R&D scheme. Subsequently, meeting of the Evaluation Group constituted by Ministry of Steel, was held on 16th and 17th November, 2023 for evaluation of the remaining R&D proposals received in Ministry of Steel. Based on the discussions held in the meeting, the Evaluation Group has recommended five R&D proposals subject to submission of revised proposals addressing the observations/ discussions held in the meeting. The recommendations of the Evaluation Group have been communicated to the Project Investigators of the R&D proposals. On receipt of the revised proposals further action will be taken by Ministry of Steel regarding approval of the new projects in FY 2023-24.

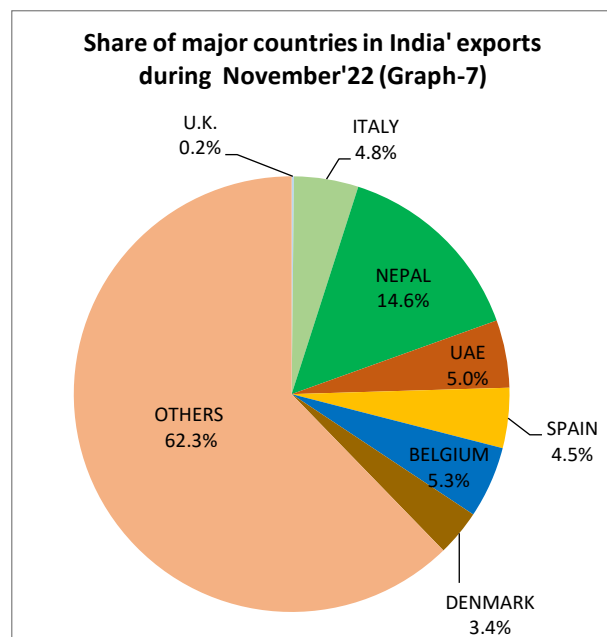
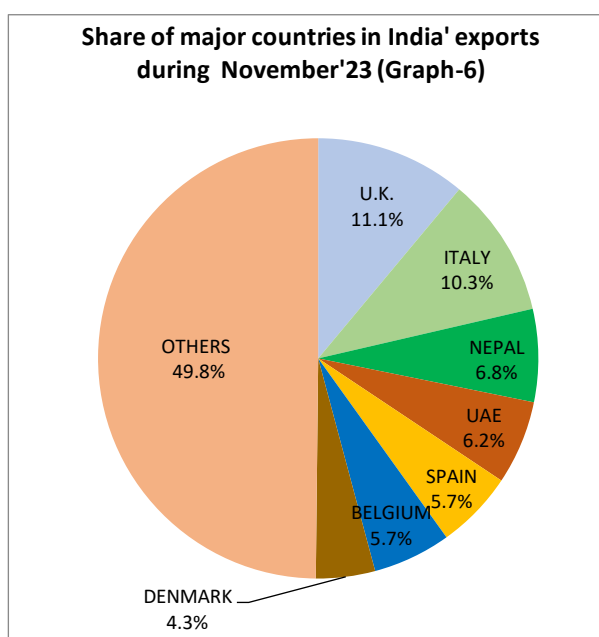
12. Export-Import Scenario: During the month of November '23, imports of finished steel increased, whereas exports declined as compared to previous month as shown in Graph-3.



- i. In November '23, India was a net importer of finished steel. Export of finished steel was 2.34 Lakh Metric Tonne (LMT) in November '23, which decreased by 20.1% over October '23 (M-o-M) and by 30.8% over November '22. Imports of finished steel was 7.82 LMT in November '23, showing an increase of 37.0% M-o-M and increased by 30.3% over November '22. During April-November, FY '24, exports at 40.32 LMT declined by 6.2% while imports at 42.53 LMT increased by 13.4% over CPLY.
- ii. Share of China, Vietnam, Japan, Indonesia and Austria increased in total steel import of India in November '23 as compared to November '22 while share of Korea, Taiwan and USA declined over this period as may be seen from the following Graphs 4 & 5:



- iii. Share of UK, Italy, UAE, Spain, Belgium, Denmark and Russia increased in total steel export from India in November '23 as compared to November '22 while share of Nepal and USA declined over this period as may be seen from the following Graphs 6 & 7:



13. During the month of November '23, India was net importer of finished steel. Exports of finished steel was 2.34 lakh tonnes, whereas its imports was 7.82 lakh tonnes. India witnessed a surplus in international trade of steel in Q1: 2023-24. However, from July, 2023 onwards, India has been a net importer every month (except September '23) as is seen in the Table below:

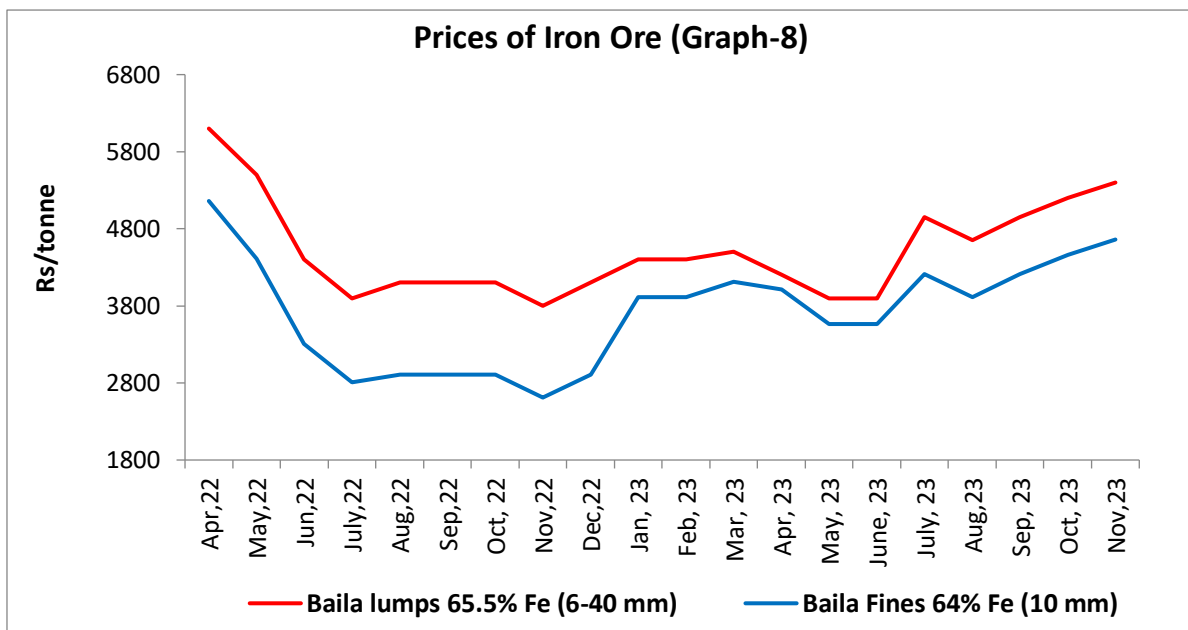
Table: Month-wise Imports and Exports of Finished Steel
(^{'000 tonnes})

| Item | April 23 | May 23 | June 23 | July 23 | Aug 23 | Sept 23 | Oct 23 | Nov 23 | Apr-Nov 23 |
|-------------|----------|--------|---------|---------|--------|---------|--------|--------|------------|
| Imports | 460 | 457 | 484 | 587 | 530 | 381 | 571 | 782 | 4253 |
| Exports | 855 | 693 | 502 | 513 | 512 | 430 | 293 | 234 | 4032 |
| Net Exports | 395 | 236 | 18 | -74 | -18 | 49 | -278 | -548 | -221 |

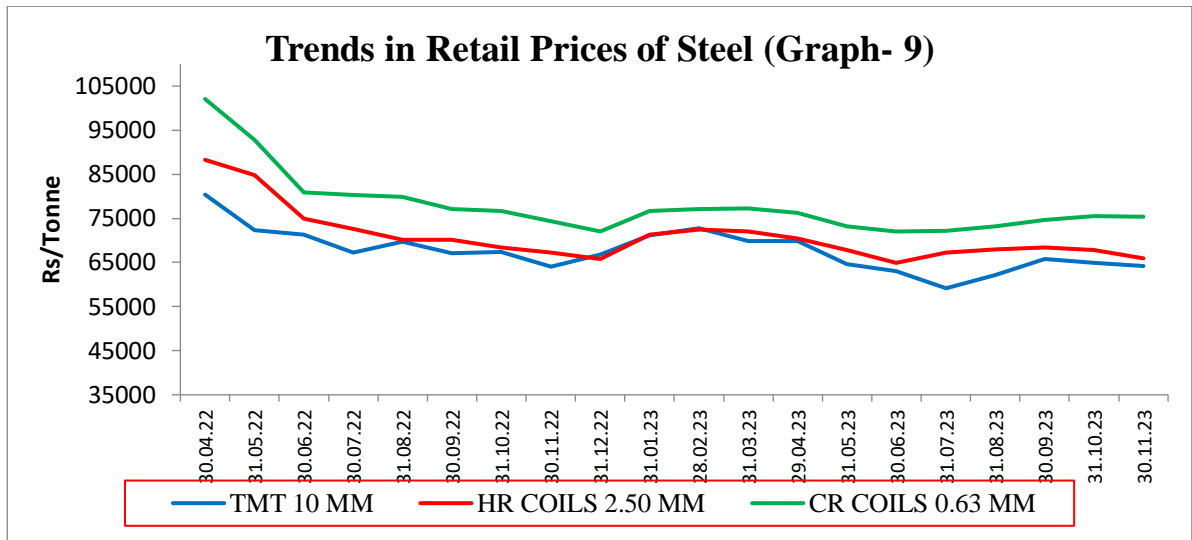
Worsening steel trade balance in recent months is largely attributable to (i) Weak global demand due largely to tightening of monetary policies and geo-political shocks; (ii) Slowdown in Chinese economy, particularly its real estate sector leading in slump in Chinese domestic demand for its steel and aggressive exports of steel from China; and (iii) Low-priced imports from steel surplus countries like China, Korea, and Vietnam.

Indian steel industry has raised the concern of growing imports, particularly from China, and requested the Government to take remedial measures. The Ministry is mindful of surge in imports in recent months and examining the representations from the industry. The Ministry is also in consultation with Department of Commerce and exploring the policy options for addressing the increase in imports of steel.

14. The prices of iron ore have increased after December '22. In recent months, since April, 2023, prices of iron ore have witnessed fluctuations. The prices of iron ore increased in November '23 as may be seen from the Graph-8.

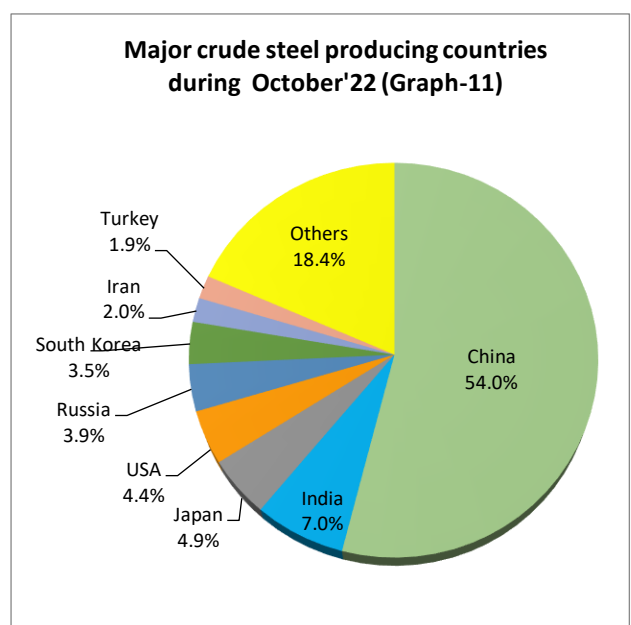
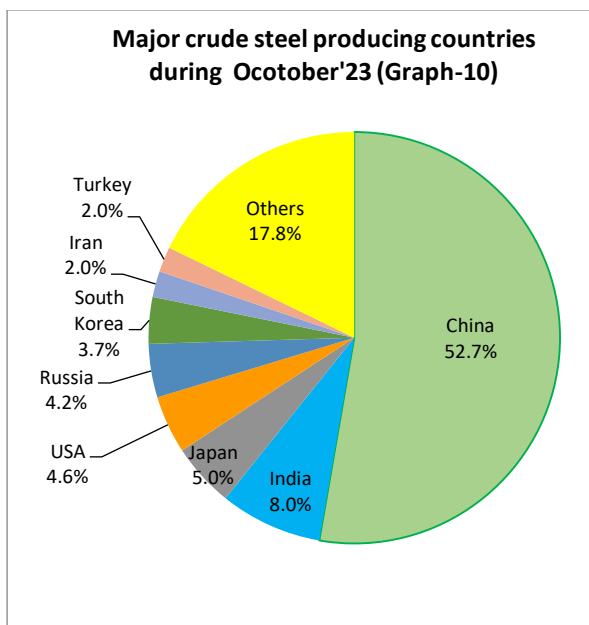


- i. During the month of November '23, prices of iron ore lump and fines was Rs. 5,400/tonne and Rs. 4,660/tonne, which increased by 3.9% and 4.5% respectively over their respective prices in October '23.
- ii. The prices of HCC Coking coal f.o.b. Australia have decreased from USD 350/tonne on 31.10.2023 to USD 325/tonne on 30.11.2023.
- iii. The prices of steel (TMT, HRC and CRC) peaked in March '22 on account of Russia-Ukraine war. After that steel prices moderated till December '22 due to both global and domestic factors. The prices of TMT and CRC have increased in November '23 over November '22 but prices of HRC decreased during the same period as may be seen from the graph-9.



iv. The retail prices of TMT (10mm), HRC (2.50mm) and CRC (0.63mm) in Mumbai market stood at Rs. 64,190/tonne, Rs. 65,990/tonne and Rs. 75,340/tonne respectively on 30th November '23, recording a decrease of 1.2%, 2.7% and 0.2% respectively over prices on 31st October.

15. The global production of crude steel increased by 0.6% to 1,50.30 MT in October '23 against 1,49.14 MT in October' 22 mainly due to increase in production in India, Japan, USA, Russia, South Korea, Iran and Turkey. Among the major steel producing countries (with production of over 1 million tonnes for the month), China, Germany and Brazil recorded a decrease in production in October '23 over October '22. As for the share of major steel producing countries in the global production of crude steel, it is seen that share of India, Japan, USA, Russia, South Korea, Iran and Turkey increased during October '23 while that of China, Germany and Brazil declined during the same period as may be seen from the following graphs 10 & 11.



16. Presently, there are eight ongoing projects of steel CPSEs (SAIL-6, NMDC-2), which are uploaded on the OCMS portal of MoSPI. The total cost of these projects is Rs. 8,774.03 crores and an expenditure of Rs. 4,128 crore (47.04%) has been incurred till November '23.

17. There are Nine National Infrastructure Pipeline (NIP) Projects related to slurry pipelines of various steel companies having a total cost of Rs. 26,628 crore uploaded on IIG/NIP Portal and an expenditure of Rs. 4,370.58 crore has been incurred on these projects till November '23.

18. The status of pending payments to MSMEs by CPSEs of the Ministry is being monitored on weekly basis to ensure payments to them within the 45 days' time limit for such payments. Payment of Rs. 558.61 crores was made by Steel CPSEs to MSMEs during November '23 which is 8.3% lower than payments made during November '22 and 11.7% lower than M-o-M. During April-November, FY '24, Steel CPSEs have made payment of Rs. 4,977.82 crore to MSMEs, which is 4.4% higher than Rs. 4,767.52 crore made during CPLY.