

Government of India
Ministry of Steel

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

2. Hon'ble Steel Minister chaired a meeting of the Consultative Committee attached to the Ministry of Steel on "Develop strategies for import substituent with focus on market and product development" on 15th May, 2018 at Mount Abu, Rajasthan. The meeting, amongst others, was attended by CMD/MDs of the PSEs under this Ministry. Various issues regarding steel industry were discussed, which, *inter-alia*, included steel production, export & import of steel, mining, demand and marketing of steel products. The Consultative Committee appreciated the efforts of the Ministry and steel industry in placing India as world's second largest crude steel producer, during first quarter of 2018, by overtaking Japan.

Hon'ble Steel Minister stressed on the fact that to enhance the competitiveness of steel industry, both globally and domestically, there is a need to find alternatives of products which are being imported and used in iron and steel making, especially coking coal. The strategies should focus to develop technology, increase efficiency and competitiveness. These would not only save valuable foreign exchange but also would lead to optimum utilization of mineral resource available in abundance in the country. There is need to use vast coking coal deposit in Jharia regions. The Committee observed that steps may be taken to increase value addition and producing high grade steel goods like alloy steel, GP/GC coated steel, electrical sheets, CRGO, etc. All these will considerably save foreign exchange.

3. Hon'ble Steel Minister, alongwith Secretary(Steel) and other officials of the Steel Ministry, attended the inauguration ceremony of one day MSME Steel Conclave, organized by Steel Re-rollers Associations of Maharashtra (SRAM), on 18th May, 2018 at Mumbai. Hon'ble Steel Minister also inaugurated the stall prepared by SRAM. The conclave dwelled upon four technical sessions, viz., Upliftment of Secondary Steel & Support from Government of India; Use of Secondary Steel in Government Infrastructure Projects; Support to SME & MSME Steel sector by Financial Institutions; and Waste to Wealth & Export Opportunities.

4. A delegation, led by Secretary(Steel), attended the meeting of the Steering Group of the Global Forum on Steel Excess Capacity (GFSEC) from 9th to 10th May, 2018 at Buenos Aires, Argentina. The Global Forum (GF) meeting was chaired by Argentina and co-chaired by India & EU. During the meeting, various issues were discussed which, *inter-alia*, included issues of excess capacity of steel, market distorting subsidies, ensuring transparency in information sharing. All the member countries agreed to improve the process of information sharing and determined to put in collective effort to find a solution to the excess capacity. Member countries also discussed the practicable mechanism to ensure transparency in information sharing at the disaggregated level. India reiterated the stand of the emerging economies that the per capita steel consumption of these economies is much lower than that of developed economies. Therefore, in order to become more self-sufficient and for infrastructural

development, emerging economies would produce steel as per the market demand.

5. Ministry of Steel has prepared a Draft Policy on Scientific Recycling of Old Vehicles and White Goods to recover usable industrial scrap. The Draft Policy was discussed in the meeting chaired by CEO, NITI Aayog on 23rd May 2018. After incorporating the changes the final Draft Policy is under circulation and will be placed before the Cabinet very soon for approval.

6. World crude steel production at 148.3 million tonnes (MT) during the month of April, 2018 was 4.1% higher as compared to April, 2017. India's crude steel production at 8.7 MT in April, 2018, increased by 5.6% compared to April, 2017. China's crude steel production for April 2018 at 76.7 MT increased by 4.8% over April 2017.

7. The global crude steel capacity utilization ratio in April 2018 was 76.9%. This was 2.4 percentage points higher than April 2017. Compared to March 2018, the growth was also higher by 2.4 percentage points in April 2018.

8. During May 2018, net production of finished steel in the country at 9.40 MT recorded a growth of 6.6% as compared to 8.82 MT during May 2017. For the same period, consumption at 8.33 MT increased by 8.6% as against 7.67 MT in May 2017. Exports decreased to 0.43 MT during May 2018 as compared to 0.64 MT in May 2017 thereby recording a decline of 33%. Imports at 0.62 MT in May 2018 increased by 11.1% compared to 0.56 MT in May 2017.

9. Market prices of all important steel and steel based products have shown a mixed trend during May 2018 over April, 2018. The price of GP Sheets increased by 6.98%, Billets by 1.79%, Rounds by 1.50%, HR Coil by 1.43%, CR Coil by 0.94% and Plates by 0.40%, while the price of TMT Bar decreased by 1.09%, Wire Rods by 2.63% and Pig Iron by 7.17%.

10. The production of saleable steel of SAIL at 1.31 MT during the month of May 2018, was 28% higher than the corresponding period of last year (CPLY). Sales at 1.10 MT during the period was increased by 14% over CPLY. Sales turnover of SAIL at Rs. 5498 crore during May 2018 registered a growth of 52% over the turnover of Rs. 3617 crore in CPLY.

11. RINL's saleable steel production at 0.41MT in May 2018 was 25% higher than its 0.33 MT production in May 2017. Sales turnover of Rs. 1730 crore in May 2018 was higher by 85% as against the sales turnover of Rs. 937 crore in May 2017.

12. In the case of NMDC, iron ore production at 2.12 MT in May 2018 was 20% lower than its production at 2.65 MT in May 2017. Sales of iron ore at 2.31 MT during May 2018, was decreased by 24% as compared to CPLY. Total sales turnover of NMDC during May 2018 at Rs.820 crore was 12% lower than Rs.934 crore in May 2017. NMDC received the prestigious S&P Platts Global Metal Award 2018 under CSR category and Hindustan Ratan Award in the category of Best Financial Performing PSE in the function organized by Platts in London, UK and in a function held at New Delhi, respectively.

13. During the month of May 2018, Pellet Plant of KIOCL produced 0.16 Lakh Tons of Pellets against the target of 0.40 Lakh Tons observing 40% achievement of month

target. Cumulative Pellet production stood at 1.81 Lakh Tons against the target of 2.30 Lakh Tons, thereby recording 79% achievement of the cumulative target of the period. The achievements below the target level were on account of planned shutdown of pellet plant for major maintenance/refractory repairs, etc.

14. The Ministry of Steel is making procurement of goods and services through GeM Portal. A total of 153 orders of Rs.31.57 lakhs (approx.) have been placed on GeM from April 2018 to May 2018. A total of 118 orders of Rs.26.97 lakhs (approx.) have been placed on GeM in the month of May 2018.

15. **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 421 numbers in manpower has been achieved by SAIL during the month of May 2018.
- Thrust on building competencies and skill development of employees was continued by SAIL by training 3816 employees, including executives and non- executives during May 2018.
