

No. 20(1)/2016-IDD
Government of India
Ministry of Steel
I D Division

Room No. 397-A, Udyog Bhawan
New Delhi, Dated 5th Jul, 2016

To,

1. The Director (Commercial)
Steel Authority of India Ltd,
17th Floor, SCOPE Minar Laxmi Nagar,
Distt. Centre, Delhi-92
2. The Director (Commercial)
Rashtriya Ispat Nigam Ltd.
Vishakhapatnam Steel Palnt
Vishakhapatnam (A.P.)
3. The Managing Director,
TATA Steel, Jeevan Bharti Building Tower-I,
10th Floor, 124, Connaught Circus, New Delhi-01

Sub: Allocation of Iron & Steel material to State Small Industries Corporations (SSICs) and National Small Industries Corporations (NSIC) and Distribution Policy for the year 2016-17.

Sir,

In continuation of this Ministry's letter of even number dated 29th April, 2016, I am directed to enclose herewith a chart indicating State-wise/item wise allocation to respective SSICs and NSIC along-with a copy of Distribution Policy for Iron and Steel material for the year 2016-17.

Yours faithfully,



(R.K. Gupta)

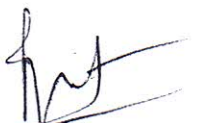
Under Secretary to the Government of India
Tele: 23061352

Encl: A/A

Copy to:-

1. Executive Director, COSICI, New Delhi with the request to circulate the letter to all State Corps.
2. General Manager, NSIC, New Delhi
3. Executive Secretary, JPC, Kolkata
4. Dy. GM, SAIL, New Delhi
5. Dy. GM, RINL, Vishakhapatnam

7.



(R.K. Gupta)

Under Secretary to the Government of India

O/C
ISSUED

STEEL AUTHORITY OF INDIA LIMITED - ALLOCATION OF IRON AND STEEL MATERIALS TO THE SSI CORPORATIONS FOR THE YEAR 2016-17

Steel Items	Chandi garh	Chhatt isgarh	Goa	H.P.	J&K	Karna- taka	Kerala	M.P.	Maha- rashtra	Orissa	Punjab	Rajas- than	T.Nadu	U.P.	Total
Joist	0	50	50	500	100	120	60	1170	0	350	450	0	0	360	3,210
Channel	0	50	407	500	500	400	75	2484	250	250	900	0	0	200	6,016
Angles	0	300	192	0	1000	380	75	2016	250	350	900	0	0	400	5,863
Rounds	200	0	0	0	0	0	26	0	200	50	0	0	0	0	476
TOR/TMT	0	0	1606	10000	2500	50	140	0	0	0	2250	0	0	8000	24,546
Wire Rod	3000	21000	56	6000	15000	20	130	8352	1000	100	40500	5000	0	5200	1,05,358
Plates/CQ Plates	500	125	962	0	1000	2420	120	14749	0	1000	2700	0	265	1920	25,761
HR/BP Coil Sheet Skelp	66000	75	0	500	600	400	92	5202	0	1000	13500	53000	185	960	1,41,514
CR Coils Sheet	1000	150	395	0	100	240	240	256	0	550	1350	10000	0	0	14,281
GP/GC Sheets	0	50	0	200	2200	80	96	0	0	250	0	5000	0	7200	15,076
LPG Sheets	0	0	0	0	0	0	0	0	0			0	0	0	0
Billets Squares Blooms	0	0	0	0	4500	0	0	0	0	0	20700	0	0	4800	30,000
Sheet Pile	0	0	0	0	0	0	0	0	0	300	0	0	0	0	300
Slab	0	0	0	0	0	0	0	0	0	0	4500	0	0	0	4,500
Skelp	0	0	0	0	0	0	0	0	0	2320	0	0	0	0	2,320
Pig Iron	0	0	0	0	0	0	0	0	0	0	9000	0	0	0	9,000
Total	70700	21800	3668	17700	27500	4110	1054	34229	1700	6520	96750	73000	450	29040	3,88,221

Rashtriya Ispat Nigam Limited - ALLOCATION OF IRON AND STEEL MATERIALS TO THE SSI CORPORATIONS FOR THE YEAR 2016-17

Steel Items	Chandi-garh	Chhattis-garh	Goa	H.P.	J&K	Karna-taka	Kerala	M.P.	Maha-rashtra	Orissa	Punjab	Rajas-than	T.Nadu	U.P.	Total
Joist		0	0	0	0	10	20	585	0	0	180	0	0	160	955
Channel	0	0	0	500	0	720	85	810	250	200	720	0	0	144	3,429
Angles	0	0	0	500	0	220	85	810	250	150	450	0	0	176	2,641
Rounds	1800	0	0	0	0	1180	30	0	200	50	1800	0	1500	160	6,720
TOR/TMT	0	0	0	4000	0	80	810	0	0	0	450	0	0	160	5,500
Wire Rod	24000	0	0	6000	0	240	1470	6390	2600	450	8100	5000	1380	3520	59,150
Plates/CQ Plates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HR/BP Coil Sheet Skelp	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CR Coils Sheet	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GP/GC Sheets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LPG Sheets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Billets Squares Blooms	0	0	0	0	0	0	0	0	0	0	0	0	0	4800	4,800
Sheet Pile	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Slab	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Skelp	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pig Iron	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	25800	0	0	11000	0	2450	2500	8595	3300	850	11700	5000	2880	9120	83,195

TATA STEEL - ALLOCATION OF IRON AND STEEL MATERIALS TO THE SSI CORPORATIONS FOR THE YEAR 2016-17

Steel Items	Chandi-garh	Chhattis-garh	Goa	H.P.	J&K	Karna-taka	Kerala	M.P.	Maha-rashtra	Orissa	Punjab	Rajas-than	T.Nadu	U.P.	Total
Joist	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Channel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Angles	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rounds	0	0	0	0	0	0	250	0	0	0	0	0	0	0	250
TOR/TMT	0	0	0	0	0	0	0	0	0	19830	0	0	0	0	19,830
Wire Rod	0	0	0	0	0	0	0	0	0		0	0	0	0	0
Plates/CQ Plates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HR/BP Coil Sheet Skelp	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CR Coils Sheet	0	0	0	0	0	0	528	0	0	0	0	0	0	0	528
GP/GC Sheets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LPG Sheets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Billets Squares Blooms	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sheet Pile	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Slab	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Skelp	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pig Iron	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	778	0	0	19830	0	0	0	0	20,608

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STEEL AUTHORITY OF INDIA LTD. - ALLOCATION OF I&S MATERIAL TO THE NSIC
(In States where State SSIDCs are not functional)
FOR THE YEAR 2016-17 (Demand Registration)

S.No.	Items	Andhra Pradesh	Tilangana	Assam & Tripura	Delhi	Dadra & NH	Gujarat	Haryana	Jharkhand	Meghalaya	Pondicherry	Uttaranchal	TOTAL
1	JOIST	0	0	100	0		0	300	25	50	0	0	475
2	CHANNEL	0	0	0	0		0	400	50	0	0	0	450
3	ANGLES	0	0	0	0		0	250	25	0	0	0	275
4	ROUNDS	0	0	0	0		0			0	0	0	0
5	TOR/TMT	0	0	0	0		0			0	0	0	0
6	WIRE RODS	1000	2000	0	800		200	750	125	0	0	0	0
7	PLATES/CQ PLATES	0	0	100	0		100	1000	2200	100	0	0	4875
8	CR Cqil/ Sheets	0	2000	800	200		100	100	2200	0	50	0	3500
9	HR/BP Coil, Sheets/Skelp	0	2500	7000	200		100	1000	20000	50	0	1000	5450
10	GP/GC Sheets	0	0	0	0		0	50	100	0	0	0	150
11	LPG Sheets	0	0	0	0		0	0		0	0	0	0
12	BILLETS/SQUARE S/BLOOMS	0	0	0	100			0	0	0	0	0	100
13	Pig Iron	0	0	0	0		0	0	100	0	0	0	100
14	RAILS/SEMI SLAB	0	0	0	0		0	0	25	0	0	0	25
TOTAL		1000	6500	8000	1300	0	500	3850	24850	200	50	1000	47250

RASHTRIYA ISPAT NIGAM LTD.- ALLOCATION OF I&S MATERIAL TO THE NSIC
(In States where State SSIDCs are not functional)
FOR THE YEAR 2016-17 (Demand Registration)

S.No.	Items	Andhra Pradesh	Tilangana	Assam	Delhi	Dadra &NH	Gujarat	Haryana	Jharkhnd	Meghalaya	Pondicherry	Uttaranchal	TOTAL
1	JOIST	0	0	0	0			150	0	0	0	0	150
2	CHANNEL	0	0	0	0		50	200	0	0	0	0	250
3	ANGLES	0	0	0	0		50	200	0	0	0	0	250
4	ROUNDS	200	3500	0	0		500	4200	0	0	0	0	8400
5	TOR/TMT	0	0	0	0				0	0	0	0	0
6	WIRE RODS	8800	2000	0	100		4000	5000	0	0	0	0	0
7	PLATES/CQ PLATES	0	0	0	0		0	0	0	0	200	3000	23100
8	CR Coil/ Sheets	0	0	0	0		0	0	0	0	0	0	0
9	HR/BP Coil, Sheets/Skelp	0	0	0	0		0	0	0	0	0	0	0
10	GP/GC Sheets	0	0	0	0		0	0	0	0	0	0	0
11	LPG Sheets	0	0	0	0		0	0	0	0	0	0	0
12	BILLETS/SQUARES /BLOOMS	1000	0	0	0		50	100	0	0	0	0	1150
TOTAL		10000	5500	0	100	0	4650	9850	0	0	200	3000	33300

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STEEL AUTHORITY OF INDIA LTD.
ALLOCATION OF I&S MATERIAL TO THE NSIC
(In States where State Corporations already exist)
FOR THE YEAR 2016-17 (Demand Registration)

S.No.	Items	(In Metric Tons)														
		Chandigarh	Himachal Pradesh	Karnatka	Kerala	M.P.	Maharashtra	Orissa	Punjab	Rajasthan	Tamilnadu	U.P.	W.B.	Chattisgarh	BIHAR	Total
1	JOIST	0	0	0	0	50	0	100	50	0	30	0	100	0	0	330
2	CHANNEL	0	0	200	0	150	0	50	100	250	85	300	100	0	15	1250
3	ANGLES	0	0	100	0	200	0	50	200	250	25	250	100	0	15	1190
4	ROUNDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	WIRE RODS	500	20000	200	0	300	0	50	20000	26000	1250	7200	1500	150	150	77300
6	PLATES/CQ PLATES	0	0	1000	0	5650	0	150	2100	0	1230	900	100	200	80	11410
7	HR/BP Coil; Sheets/Skelp	0	0	200	0	550	0	0	15000	13000	450	2400	0	50	150	31800
8	CR Coil/ Sheets	0	0	100	0	0	0	0	1000	500	125	0	0	50	0	1775
9	GP/GC Sheets	0	0	0	0	0	0	0	50	500	125	450	0	0	0	1125
10	BILLETS/SQUARE S/BLOOMS/Semis	0	0	0	0	0	0	0	55000	0	0	8000	100	50	0	63150
11	SHEET PILE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	RAILS/SEMI SLAB	0	0	0	0	0	0	0	3500	0	0	0	0	0	0	3500
13	Pig Iron	0	0	0	0	0	0	0	2500	0	0	0	0	0	0	2500
14	TOR/TMT	0	0	0	0	0	0	200	500	0	0	0	0	0	0	700
TOTAL		500	20000	1800	0	6900	0	600	100000	40500	3320	19500	2000	500	410	196030

RASHTRIYA ISPAT NIGAM LTD.
ALLOCATION OF I & S MATERIAL TO THE NSIC
(In States where State Corporations already exist)
FOR THE YEAR 2016-17 (Demand Registration)

(In Metric Tons)

S.No.	Items	Chandigarh	HP	Karnatka	Kerala	M.P	Maharashtra	Orissa	Punjab	Rajasthan	Tamilnadu	U.P.	W.B.	Chattisgarh	BIHAR	Total
1	JOIST	0	0	0	0	0	0	0	0	0	5	0	0	0	0	5
2	CHANNEL	0	0	50	0	0	0	0	50	0	300	0	0	0	0	400
3	ANGLES	0	0	50	0	0	0	0	50	0	250	0	0	0	0	350
4	ROUNDS	1000	0	800	100	0	450	0	2000	2000	2400	1650	0	0	10	10410
5	TOR/TMT	0	0	0	0	0	0	0	0	0	0	0	0	0	50	50
6	WIRE RODS	3050	10250	3000	900	0	0	300	13000	10000	2870	3140	2000	0	0	48510
7	PLATES/CQ PLATES	0	0	0	0	0	0	0	0	0	30	0	0	0	0	30
8	CR Coil/ Sheets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	HR/BP Coil, Sheets/Skelp	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	GP/GC Sheets	0	0	60	0	0	0	0	0	0	0	100	0	0	0	160
11	LPG Sheets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	BILLETS/SQUARES /BLOOMS	250	0	0	0	0	50	0	400	0	200	0	0	0	0	900
13	Pig Iron	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	RAILS/SEMI SLAB	0	0	0	0	0	0	0	0	0	2115	0	0	0	0	2115
TOTAL		4300	10250	3960	1000	0	500	300	15500	12000	8170	4890	2000	0	60	62930

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TATA STEEL .- ALLOCATION OF I&S MATERIAL TO THE NSIC
FOR THE YEAR 2016-17 (Demand Registration)

(In Metric Tons)

S.No.	Items	Andhra Pradesh	Tilangana	Assam & Tripura	Delhi	Dadra &NH	Gujarat	Haryana	Jharkhand	Meghalaya	Pondicherry	Uttaranchal	TOTAL
1	JOIST	0	0	0	0	0	0	0	0	0	0	0	0
2	CHANNEL	0	0	0	0	0	0	0	0	0	0	0	0
3	ANGLES	0	0	0	0	0	0	0	0	0	0	0	0
4	ROUNDS	0	0	0	0	0	0	0	0	0	0	0	0
5	TOR/TMT	0	0	0	0	0	0	0	350	0	0	0	350
6	WIRE RODS	0	0	0	0	0	0	0	350	0	0	0	350
7	PLATES/CQ PLATES	0	0	0	0	0	0	0	0	0	0	0	0
8	CR Coil/ Sheets	0	0	0	0	0	0	0	400	0	0	0	400
9	HR/BP Coil, Sheets/Skelp	0	0	0	0	0	0	0	1800	0	0	0	1800
10	GP/GC Sheets	0	0	0	0	0	0	0	100	0	0	0	100
11	LPG Sheets	0	0	0	0	0	0	0	0	0	0	0	0
12	BILLETS/SQUARE S/BLOOMS	0	0	0	0	0	0	0	0	0	0	0	0
13	Pig Iron	0	0	0	0	0	0	0	0	0	0	0	0
14	RAILS/SEMI SLAB	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0	0	3000	0	0	0	3000

**POLICY GUIDELINES FOR ALLOCATION AND LIFTING OF IRON & STEEL
MATERIAL BY SSICS & NSIC**

- 1) Category-wise allocations will be made on an annual basis, irrespective of section, shape and size.
- 2) To enable the producers to take up proper planning and supply, 25% of the individual annual allocation may be treated as quarterly allocation. Each Corporation must register their specific requirement for each category size/grade-wise at least 15 days in advance of the quarter. This may be strictly adhered to.
- 3) In case, Corporation exhausts their quarterly allocation they can register and utilize allocation of the next quarter.
- 4) Based on the registration, the producers shall indicate the offered quantity to the individual SSICs/NSIC. The producers shall endeavour to honour the entire registered quantity. In case the offer is less than the registered quantity, the balance may be carried forward to the next quarter. If the SSICs/NSIC fail to lift any part of the quantity offered by the producers, the same can be adjusted in the next quarter.
- 5) The review of supply against the allocation shall be based on the quantity registered, the quantity offered and the quantity lifted against the offer.
- 6) Adjustment of material from one category to another category may be permissible subject to availability with the producer.
- 7) Inter-category adjustment has been allowed for the iron and steel items not allocated for the year.
- 8) Permissible limit for supply of allocated materials to Government departments by the SSICs/NSIC will be 30%.
- 9) SSICs/NSIC will be paid handling charges by the main producers on the materials lifted by them at the time of delivery/invoice stage.
- 10) For the purpose of examination of handling charges claims, a joint monthly statement signed by the SSICs/NSIC and the main producers indicating the supply made by the main producers during the previous month shall be submitted to the Ministry of Steel and the JPC by the 10th of the following month. In case of failure to ensure timely submission of the joint statement, the handling charges may be discontinued at the invoice stage.

- 11) JPC shall within seven days scrutinize the claims and after proper and due verification such claims may make payment of handling charges to main producers.
- 12) Handling charges on inter-category adjustment within the overall allocation limits may be permissible based on the joint statement signed by the main producer and SSICs/NSIC.
- 13) Under no circumstances SSICs/NSIC shall attempt to sell the material to non-eligible categories viz. Traders. If deviation from this procedure is detected, Ministry of Steel may direct JPC to discontinue the payment of handling charge to the SSICs/NSIC and supplies shall also be stopped.
- 14) SSICs/NSIC must submit the Utilization Certificate (UC) to the Ministry of Steel and JPC by 20th of next month after expiry of the quarter. Non-submission of UC in time may disqualify the SSICs/NSIC from availing the handling charges. The UC should be signed by the Managing Director of the Corporation or by a person who has been duly authorized in writing by the Managing Director.
- 15) Validity of offer of the producers for collection of the materials by the Corporations shall be 15 working days excluding holidays that fall in between.
- 16) Rolling schedule of the producer shall be shared with the Corporations for ensuring better planning at their end. The producers shall place the rolling schedule on their website and would intimate the same to SSICs/NSIC.
- 17) The producers shall display the stock position of stock and selling price of each steel item on the Notice Board of every branch of Sales office.
- 18) Producers shall accept cheques from the SSICs/NSIC. However, producers may fix the individual limits for the cheques through mutual discussions.

DISTRIBUTION OF IRON AND STEEL ITEMS TO SSI SECTOR FOR THE YEAR 2016-17

The Government has a scheme for routing the allocation of Iron and Steel material from main producers like SAIL, RINL and TATA Steel to SSI Units and other Government departments (up to 30% of the total allocation) through the State Small Scale Industries Corporations (SSICs) and National Small Industries Corporation (NSIC). In 2008, the Government of India has decided to nominate NSIC as an agency parallel with SSICs for distribution of steel material to SSI units in States where SSICs also operate. In order to ensure that small scale industries obtain these raw materials at reasonable prices, the Government provides nominal handling charges of approximately Rs. 500- 550/- per metric ton to the Corporations so that the Corporations supply the Steel material at the doorstep of the SSI units.

2. A "Small Scale Industries Coordination and Review Committee" functions under the Chairmanship of Joint Secretary (A), Ministry of Steel. Secretaries of Small Scale Industries of State Government, Managing Directors (MDs) of State Small Scale Industries Corporations, Chairman-cum-Managing Director (CMD) of national Small Industries Corporation Ltd, CMD/MD of main steel producers like SAIL, RINL, TATA Steel and producers associations are the Members of the Committee. The Committee meets once in every quarter. The functions of the Committee are:

- To suggest measure for formulation of policy guidelines for proper supply of Iron and Steel items to SSI sector and allocations to the Corporations.
- To review the performance of the Corporations.
- To identify the problem areas and various bottlenecks and suggest measures, both short term and long term, for assured supply of steel materials to the SSI Sector.

3. Based on the allocation for the year 2015-16 and demand made by SSICs/NSIC for the year 2016-17, a quantity of **8,34,534** Metric Tonnes of iron and steel material is allocated to the SSICs and NSIC for the year 2016-17.

4. Instructions for allotment of steel materials

a) The producers and SSICs/NSIC may enter into contracts for deliveries of Iron and Steel items to SSI sector for a minimum period of 3 months, on mutually agreed terms and conditions.

b) SSI units irrespective of their size may procure iron and steel items from any source of their choice i.e. either through Corporations or direct from the producers. In such case, Corporations/Producers should ensure that the materials are being supplied to actual users only.

c) In case, Corporations exhausts their quarterly allocation they can utilize allocation of the next quarter.

d) Inter-category adjustment has been allowed for the iron and steel items not allocated for the year.

e) Request for additional allocation will be considered provided, Corporations exhaust 50% of their annual allocation.

5. In case of poor lifting, the allocated quantity may be distributed through the State Industries Development Corporations (SIDC) or through an association of users nominated by State Government or State Industries Development Corporation.

6. Distribution Policy guidelines for allocation and lifting of Iron and Steel items are given in Annexure.
