

Government of India  
Ministry of Steel  
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Monthly Summary for the Cabinet for the month of June 2018:-

2. Hon'ble Prime Minister along with Hon'ble Minister of Steel & Hon'ble Chief Minister of Chhattisgarh dedicated the modernized facilities of Bhilai Steel Plant to the Nation on 14<sup>th</sup> June, 2018. Hon'ble Minister of State for Steel, Secretary-Steel and OSD-Ministry of Steel were also present on the occasion. The Bhilai Steel Plant, after spending more than Rs. 18,000 crore, has been modernized and expanded with the latest technology. The plant enhanced its production capacity to 7.5 Million Tonnes Per Annum (MTPA) of hot metal from 4.7 MTPA, which will be the highest among all steel plants of SAIL. This Plant is producing 130-metre-long single piece rail track, the longest in the world. With this historic dedication, SAIL's total production capacity has gone up to 21 MTPA from 13 MTPA earlier.

3. Hon'ble Steel Minister dedicated the rebuilt Blast Furnace-1 plant 'Parvati' of SAIL to the Nation on 11<sup>th</sup> June, 2018 during his visit to Rourkela Steel Plant (RSP), Rourkela, Odisha. Along with the Secretary (Steel) and other senior officers of the Steel Ministry, senior officers and employees of SAIL, were also present on this occasion. Parvati is the first blast furnace plant of SAIL which was devoted to the nation by the first President of India in 1959. The rebuilt furnace plant has equipped with superior technology, and its annual production capacity has now increased to 1.015 MT from 0.438 MT.

Hon'ble Steel Minister also laid the foundation stone at Burns and Plastic Surgery Department, Super Specialty Block at Ispat General Hospital, Rourkela in the presence of Hon'ble Minister of Tribal Affairs during this visit. This unit is the only burns and plastic surgery unit in the region and will fulfil the requirement of not only Rourkela's people but also people of the neighboring districts and states.

4. Hon'ble Steel Minister along with the Secretary (Steel) interacted with MDs/ CEOs of major steel producing units located in the State of Odisha on 12<sup>th</sup> June, 2018 at Kalinganagar. During interaction, with steel industry representatives, various issues such as logistics in terms of development of ports and increasing capacity of Indian Railways, creating dedicated freight corridors to move raw materials and finished goods were came up. These pose challenges, to the growth of Indian Steel Industry and were discussed at length.

5. Hon'ble Steel Minister, inaugurated Jindal Steel & Power Limited's (JSPL) Basic Oxygen Furnace, DRI plant of 2 MTPA and Blast Furnace while Hon'ble Petroleum Minister inaugurated coal gasification plant on 16<sup>th</sup> June, 2018 at Angul, Odisha. JSPL's DRI plant is India's largest syngas based plant and for the first time coal gasification method is used for making steel, based on indigenous coal in the country.

6. Hon'ble Steel Minister chaired the National Steel Consumers' Council meeting of the Ministry of Steel on 29<sup>th</sup> June, 2018 at Bengaluru, Karnataka. Secretary-Designate,

Ministry of Steel, along with senior officials of the Ministry of Steel, State Government and other stakeholders of the industry were also present in the meeting. Forum like this has an important role where both producers and users come together to find innovative and out-of-box ideas to carry forward the industry. The deliberation mainly focused on issue of demand, supply, logistics and product innovations.

e-Shopping Mall Mobile App of MSTC Metal Mandi “M3” was launched by Hon’ble Steel Minister during the National Steel Consumers’ Council Meet. This app will facilitate a kind of virtual market place for trading of metal products, and will provide a one stop platform to sellers and buyers. This is in line with Government of India’s initiatives under Digital India.

7. Ministerial meeting of Global Forum on Steel Excess Capacity was scheduled to be held on 20<sup>th</sup> June, 2018 at Paris. The main thrust of the meeting was to discuss the draft report in order to reduce the excess capacity of steel globally. India being co-chair 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. Further, India does not have any steel excess capacity. India’s concerns were incorporated in draft. China and US on their issues could not come to freeze the data authenticity. It was agreed that more time is required to freeze the data. Since the consensus could not be reached on the above issue and meeting was postponed.

8. World crude steel production at 154.9 MT during the month of May 2018 was 6.6% higher as compared to May 2017. India’s crude steel production at 8.8 MT in May 2018, increased by 7.6% compared to May, 2017. China’s crude steel production for May 2018 at 81.1 MT increased by 8.9% over May 2017.

9. The global crude steel capacity utilization ratio in May, 2018 was 77.7%. This was 4.2 percentage points higher than May 2017. Compared to April 2018, it was 1.0 percentage point higher.

10. During June 2018, net production of finished steel in the country at 8.87 MT recorded a growth of 4.4% as compared to 8.49 MT during June 2017. For the same period, consumption at 8.10 MT increased by 8.3% as against 7.48 MT in June 2017. Exports decreased to 0.36 MT during June 2018 as compared to 0.65 MT in June 2017 thereby recording a decline of 43.9%. Imports at 0.68 MT in June 2018 increased by 4.8% compared to 0.65 MT in June 2017.

11. Market prices of all important steel and steel based products have shown a mixed trend during June 2018 over May, 2018. The price of Pig Iron increased by 11.18%, Wire Rods by 1.55%, Rounds by 1.12%, Plates by 1.01%, Billets by 0.19% and CR Coils by 0.06%, while the price of TMT Bar decreased by 1.14%, GP Sheets by 1.33% and HR Coils by 1.03%.

12. The production of saleable steel of SAIL, at 1.26 MT during the month of June 2018, was 17% higher than the corresponding period of last year (CPLY). Sales at

1.07 MT during the period was increased by 5% over CPLY. Sales turnover of SAIL at Rs. 5320 crore during June, 2018 registered a growth of 41% over the turnover of Rs. 3779 crore in CPLY.

13. RINL's saleable steel production at 0.39 MT in June 2018 was 17% higher than its 0.33 MT production in June, 2017. Sales turnover of Rs. 1466 crore in June, 2018 was higher by 40% as against the sales turnover of Rs. 1050 crore in June, 2017.

14. In the case of NMDC, iron ore production at 2.34 MT in June, 2018 was 19% lower than its production at 2.89 MT in June, 2017. Sales of iron ore at 2.35 MT during June 2018, was decreased by 10% as compared to CPLY. Total sales turnover of NMDC during June, 2018 at Rs.830 crore was 6% higher than Rs.786 crore in June 2017.

15. During the month of June 2018, Pellet Plant of KIOCL produced 0.26 MT of Pellets against the target of 0.23 MT observing 113% achievement of month target. Cumulative Pellet production stood at 0.44 MT against the target of 0.46 MT, thereby recording 96% achievement of the cumulative target of the period.

16. The Ministry of Steel has issued the Steel and Steel Products (Quality Control) Order, 2018 on 20.6.2018 under the new BIS Act, 2016 wherein 16 additional Steel Products have been added in the Quality Control Order. Presently, 47 carbon steel products and 6 stainless steel products are covered under the Quality Control Order. Now, the total number of products standard covered under Quality Control Orders are 53, which covers 85-90% of steel & steel products consumed in the country. These products would be covered under the mandatory Quality Control regime.

17. The Ministry of Steel is making procurement of goods and services through GeM Portal. A total of 181 orders of Rs. 33.76 lakhs (approx.) has been placed on GeM from April 2018 to June 2018. A total of 28 orders of Rs. 2.18 lakhs (approx.) has been placed on GeM in the month of June 2018.

18. Taking forward branding initiatives with NDMC, SAIL has manufactured & supplied two 'Stainless Steel Lions – Singham' for NDMC which have been installed at Palika Bazaar in Connaugh Place. This would provide SAIL greater visibility and a good branding opportunity.

19. **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 611 numbers in manpower has been achieved by SAIL during the month of June 2018.
- Thrust on building competencies and skill development of employees was continued by SAIL by training 3781 employees, including executives and non-executives during June 2018.

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