

No. S-24013/1/2020-EA-RFD  
Government of India  
Ministry of Steel  
(Economic Division)  
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Udyog Bhawan, New Delhi  
Dated: 19<sup>th</sup> May, 2023

**OFFICE MEMORANDUM**

**Subject: Monthly Summary for the Cabinet for the month of April, 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 April, 2023 for information.

**Encl:** As above.

  
**(Subhash Chand)**  
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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. All Secretaries to the Government of India
6. Chief Economic Adviser, Ministry of Finance, North Block, New Delhi
7. Addl. Chief Economic Adviser, Ministry of Railways, Railway Board, R. No. 301, 3<sup>rd</sup> Floor, Pragati Maidan Metro Station Building Complex, New Delhi.
8. Information Officer, PIB, Shastri Bhawan, New Delhi steel\_pib@nic.gov.in
9. PS to SM
10. PS to MoS
11. Sr. PPS to Secretary (Steel),
12. Sr. PPS to AS&FA
13. PPS to AS
14. PS to JS(R), PS to JS(K), PPS to JS(S), PS to DDG.
15. NIC (Steel)-(with a request to upload on the website of the Ministry of Steel)

**No. S-24013/1/2020-EA-RFD**

**मासिक सारांश  
MONTHLY SUMMARY  
ON  
लौह एवं इस्पात  
IRON & STEEL**

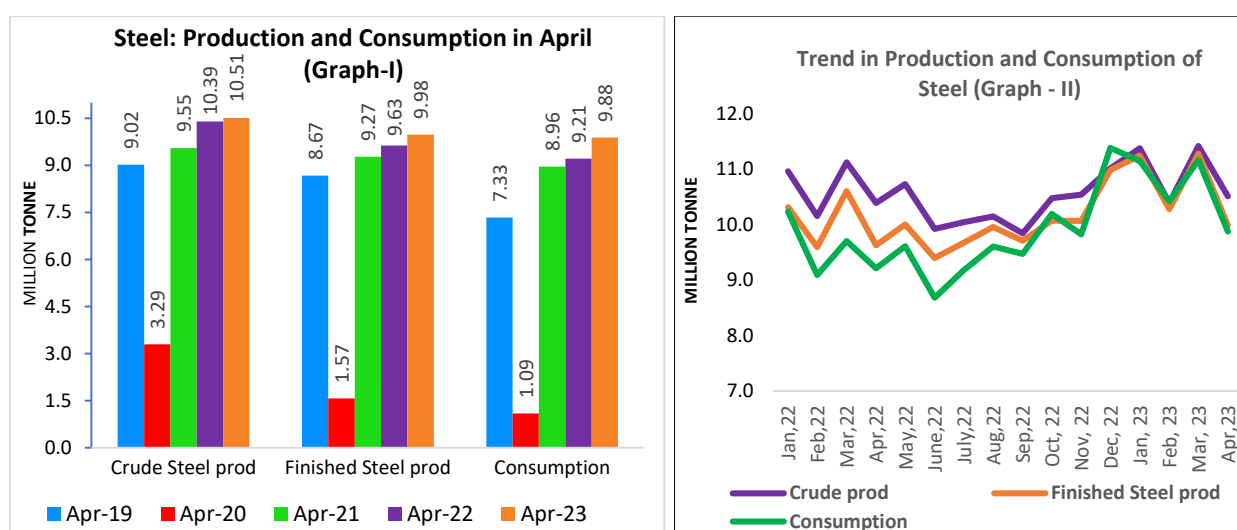
**अप्रैल - 2023**

**April - 2023**

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

## Ministry of Steel – Report for April 2023

1. The production of crude steel at 10.51 million tonnes (MT), finished steel at 9.98 MT and consumption of finished steel at 9.88 MT in April'23 has exceeded their respective levels achieved over the corresponding period of previous four years, as may be seen from the following graph on production and consumption (Graph-I). However, production and consumption of steel was lower than that in the previous month i.e., March'23. The month-wise production of both crude and finished steel as well as consumption of finished steel over the recent months indicates to an overall increasing trend with month-on-month (M-o-M) fluctuations in production and consumption (Graph – II).



- i. Production of crude steel in April'23 at 10.51 MT increased by 1.2% over CPLY but decreased by 7.9% M-o-M.
- ii. Production of finished steel in April'23 at 9.98 MT increased by 3.7% over CPLY but decreased by 11.5% M-o-M.
- iii. Consumption of finished steel in April'23 at 9.9 MT increased by 7.2% over CPLY but decreased by 11.5% M-o-M.
- iv. Inventories of the finished steel with the steel producing companies at 9.42 MT at the end of April'23 increased by 0.04% M-o-M and by 18.1% over CPLY.

2. In sync with the overall performance of the sector during the month, the Steel CPSEs have registered an improvement in performance in April'23 over CPLY but a decline M-o-M. The detailed performance of the Steel CPSEs is as below:

- i. The production by SAIL during the April'23 for Hot Metal at 16.64 LMT, Crude Steel at 15.37 LMT and Saleable Steel at 14.51 LMT registered an improvement of 5.2%, 6.2% and 7.9% respectively, over April'22. The production of iron ore by SAIL during April'23 at 27.21 LMT was 0.3% lower than April'22.

- ii. The production of iron ore by NMDC during April'23 stood at 35.11 LMT showing an increase of 11.5% over April'22. During April'23, sale of iron ore by NMDC at 34.30 LMT was higher by 9.9% over April'22.
- iii. During the month of April'23, KIOCL produced 2.30 LMT of Pellets which was higher by 18.6% over April'22. KIOCL sold 1.68 LMT of Pellets in April'23, which was higher by 1.2% over April'22.
- iv. During April'23, production of Manganese ore by MOIL at 1.31 LMT was higher by 25.9% and its Sale at 0.98 LMT was higher by 71.9% over April'22.
- v. During April'23, RINL's production of Liquid Steel at 4.15 LMT, Hot Metal at 4.19 LMT, Crude Steel at 3.98 LMT and Saleable Steel at 3.63 LMT registered a growth of 36.9%, 19.7%, 37.7% and 79.7% respectively over April'22.

3. The HSM chaired meetings with the two Advisory Committees formed under the Ministry of Steel for Integrated Steel Plants (ISP) and the Secondary Steel Industry (SSI) on 04-04-2023. Along with the MoS (Steel), representatives from Indian Steel Association, steel industry captains, and members from academia were present during the meetings. Formed in August 2022, the Advisory Committees serve as a platform for all stakeholders to come together and deliberate and discuss on key issues pertaining the steel sector. Addressing the seventh meeting with the Integrated Steel Plants (ISP) Advisory Committee, HSM emphasized on adopting a participatory approach to define the roadmap for green steel. He also shared that the Ministry of Steel has approved the formation of 13 task forces identifying action points for each aspect of green steel production. The move is expected to drive the development and adoption of sustainable steel making practices and technologies in India. The task forces will focus on various aspects of green steel production, including raw materials, technology, and policy frameworks. Emphasizing on the increasing demand for coking coal in the country, he highlighted that steel producers need to increase the capacity of their washeries to increase coal production and motivated the group to build India's Atmanirbharta in the field so that we can reduce our dependence on imports. He also suggested exploring varied and new sources for coal import. The Committee also discussed the avenues for branding made-in-India steel and came to a consensus that to make a global identity for Indian steel, common branding parameters and guidelines need to be made for each steel product. In the fourth meeting of the Secondary Steel Industry (SSI) Committee, he advocated and presented avenues of exporting speciality steel in Western markets and exploring more sources of scrap availability in the nation. Apart from this the Committee also discussed exploring the possibility of the Production Linked Incentive Scheme 2.0 for Steel. He urged the group to work in collaboration to formulate PLI 2.0 with a vision to make India a global leader in steel manufacturing.

4. The CAPEX by Steel CPSEs in April'23 at Rs. 404.09 crore was 79.6% lower over the previous month (M-o-M) and 14.3% higher than CAPEX in CPLY. It was 3.9% of the BE target 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 targets and expedite spending.

5. A two-day conference-cum-exhibition on the steel industry named 'India Steel 2023' was inaugurated by Hon'ble Minister of State for Steel and Rural Development in Mumbai on 19-04-2023. The conference-cum-exhibition aimed at bringing together industry leaders, policymakers, and experts to discuss the latest developments, challenges, and opportunities in the steel industry. In a video message, HSM stated that looking at the structural shift from west to east, India has now emerged as an epicentre for evolution and growth of the steel sector. He stated that the Steel Ministry has recently signed 57 MoUs with 27 companies for speciality steel under PLI scheme. The PLI scheme, which is expected to generate an investment of Rs 29,530 crores and create additional capacity of 24.78 million tonnes of speciality steel in the next five years, will act as a multiplier and create about 55,000 jobs in the Amrit Kaal and contribute towards achieving the goal of becoming the third largest economy of the world by the year 2030-31. During the conference, Hon'ble MoS (Steel) highlighted the need for promoting circular economy. Secretary, Ministry of Steel, while emphasizing the role of steel industry in economic growth, invited suggestions for the second phase of the PLI scheme.

6. A meeting of the Consultative Committee was held on 28.04.2023 on "Logistics: Steel Sector" under the Chairmanship of Hon'ble Steel Minister. It was deliberated in the meeting that Steel industry require to move about 4-5 tonnes of materials for every tonne of crude steel produced. The problems with Railways like high turnaround time for railway rakes, limited availability of wagons, cross-subsidization of freight tariff with passenger tariff, less priority to steel sector in matter of rakes allocation are major concerns. The logistic cost in the country is one of the highest in the world, which is affecting profitability of steel companies. In light of the fact that steel sector is in an expansion mode with additional capacities coming in the sector, Ministry is making all efforts for utilizing newer modes of transport like slurry pipelines, transportation by inland waterway etc. Simultaneously, efforts are also being made to ensure better road connectivity and availability of dedicated freight corridors for steel industries. The thrust of the Ministry is to bring down the logistics cost to make steel industry more competitive.

7. SAIL-Bokaro Steel Plant (BSL) has entered into an MoU with Telecommunications Consultants India Limited (TCIL) to explore potential of application of 5G/ IT/ Telecom and other wireless communication technologies in SAIL-Bokaro Steel Plant including SAIL's Mines & Collieries, Central Coal Supply Organization and the SAIL Refractory Unit in Jharkhand. The MoU was signed at SAIL's Bokaro Steel Plant on 21st April, 2023. SAIL-BSL has taken this initiative of becoming the first PSU in the country to take initiative for setting up a dedicated 5G network with the help of TCIL which will pave way for application of 5G/ IT / Telecom technologies in Steel manufacturing. Besides steel plant, this partnership will also be useful in providing innovative solutions in SAIL Mines and Collieries in Jharkhand, Smart Cities etc.

8. Meeting of Hindi Advisory Committee was held on 26th April, 2023 in Srinagar under the chairmanship of Hon'ble Minister of State for Steel where use of Hindi in the Ministry and its CPSEs for official works was reviewed. The Advisory Committee complimented the steel CPSEs and the Ministry for their performance in use of Hindi and made suggestions for further enhancing the use of Hindi in the Ministry of Steel and Steel CPSEs. RINL bagged Steel Ministry's "Ispat Rajbhasha Samman" First Prize for the year 2021-22. The members of Hindi

Advisory Committee appreciated various activities being undertaken by RINL for use of E-tools, E-office, training, publications etc.

9. Ministry of Steel has introduced Steel Quality Control Order thereby banning sub-standard/ defective steel products both from domestic & 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.

10. Ministry of Steel was getting 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 Quality Control Order or Otherwise. Meetings of the Technical Committee were held on 13th & 25th April 2023 wherein 1766 applications for clarification on the applicability of QCO on the imported steel grades were examined.

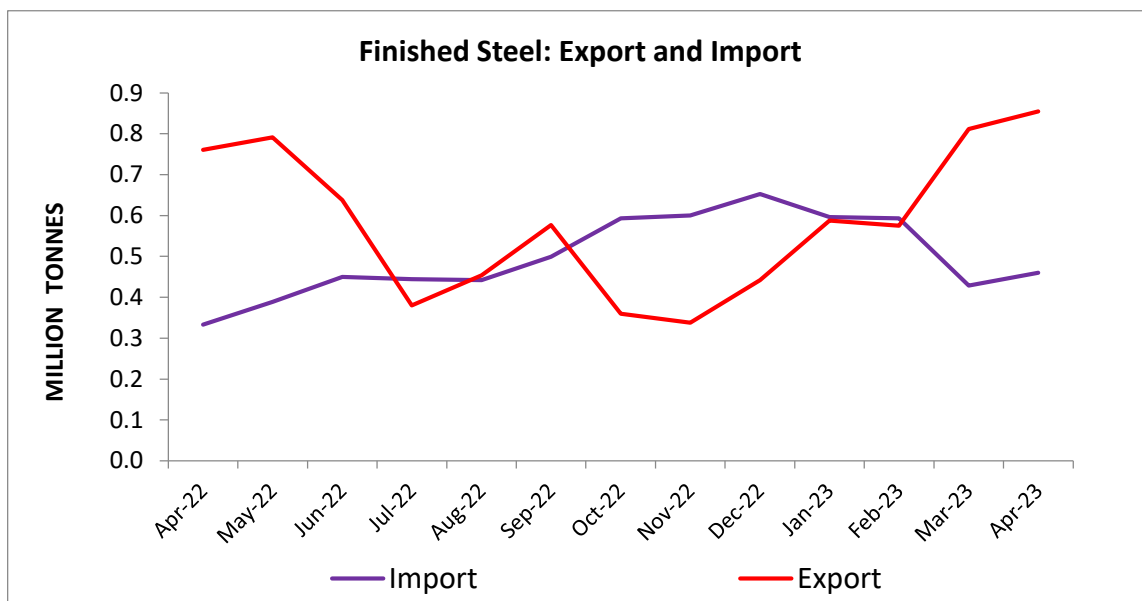
11. Ministry of Steel was also getting requests from the importers/ applicants seeking exemption of certain steel grades from the purview of the Quality Control Order, on the ground that these are required in critical applications. To address this issue, an Empowered Committee was constituted to examine the applications for exemption from the purview of the Quality Control Order for the steel grades being imported. Exemptions are granted to critical application grades based on the prescribed guidelines formulated for according such exemptions. A meeting of the Empowered Committee was held on 27th April 2023 wherein 16 applications for exemption from the purview of the Quality Control Order, was examined.

12. Presently, there are eight ongoing projects of steel CPSEs (SAIL-5, NMDC-3) uploaded on the OCMS portal of MoSPI. The total cost of these projects is Rs. 30,201 crores and an expenditure of Rs. 25,881 crores (85.7%) has been incurred till April'23.

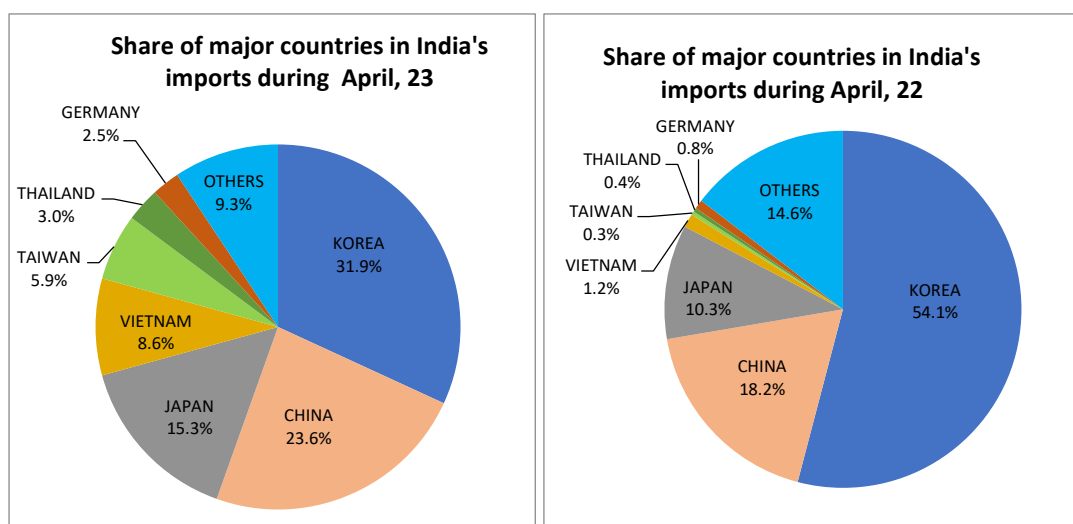
13. There are Nine National Infrastructure Pipeline (NIP) Projects related to slurry pipelines of various steel companies having a total cost of Rs. 26,527 crores uploaded on IIG/NIP Portal and an expenditure of Rs. 3,330 cr. has been incurred on these projects till April'23.

14. 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. 628.96 crores was made by Steel CPSEs to MSMEs during April'23 which is 12.9% higher than payments made during CPLY and 28.2% lower than previous month.

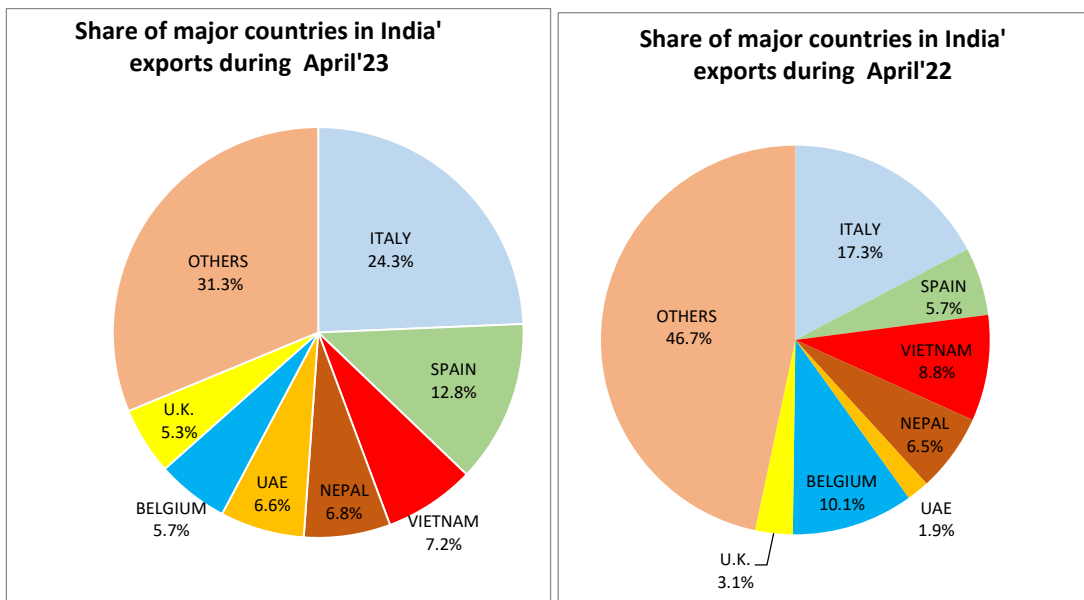
15. **Export-Import Scenario:** The month-wise export and import of finished steel shows a mixed trend as shown in Graph below. During the month of April'23, the exports and imports of finished steel increased as compared to previous month.



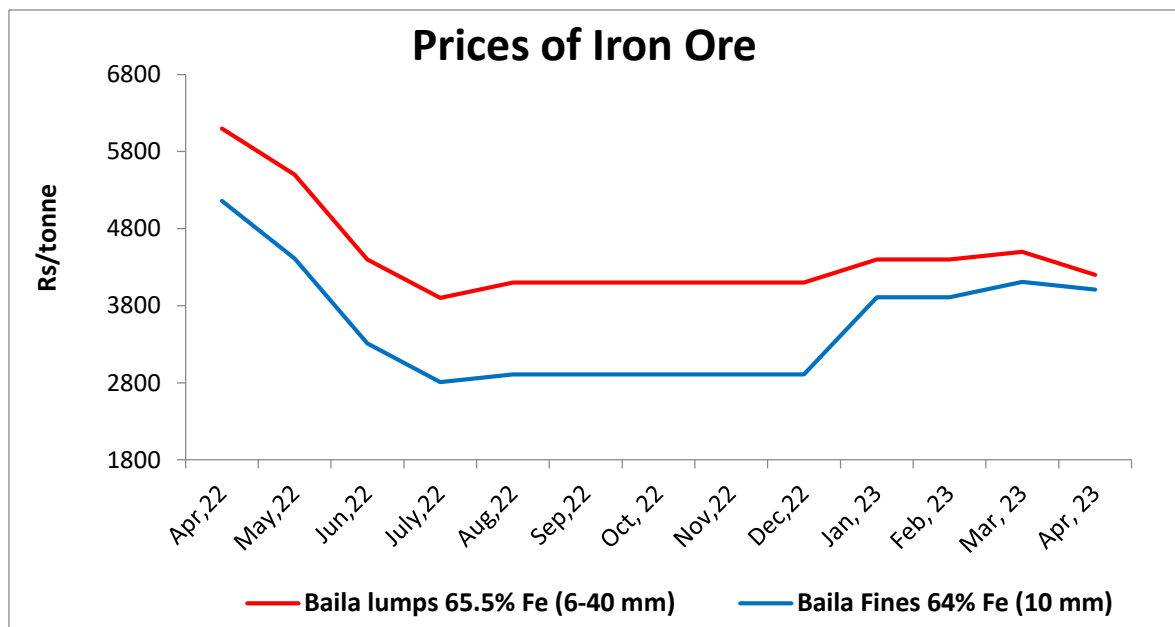
- i. In April'23, India was a net exporter of finished steel. Export of finished steel was 8.55 LMT in April'23, which increased by 5.3% M-o-M and by 12.4% over April'22. Imports of finished steel was 4.60 LMT in April'23, showing a growth of 7.2% M-o-M and 38.1% over April'22.
- ii. Share of China, Japan, Vietnam, Taiwan, Thailand, Germany, Russia and Nepal increased in total steel import of India in April'23 as compared to April'22 while share of Korea declined over this period as may be seen from the following graph:



- iii. Share of Italy, Spain, Nepal, UAE, UK, Portugal, Poland and Indonesia was higher in total steel export from India in April'23 as compared to April'22 while share of Vietnam and Belgium declined over this period as may be seen from the following graph:

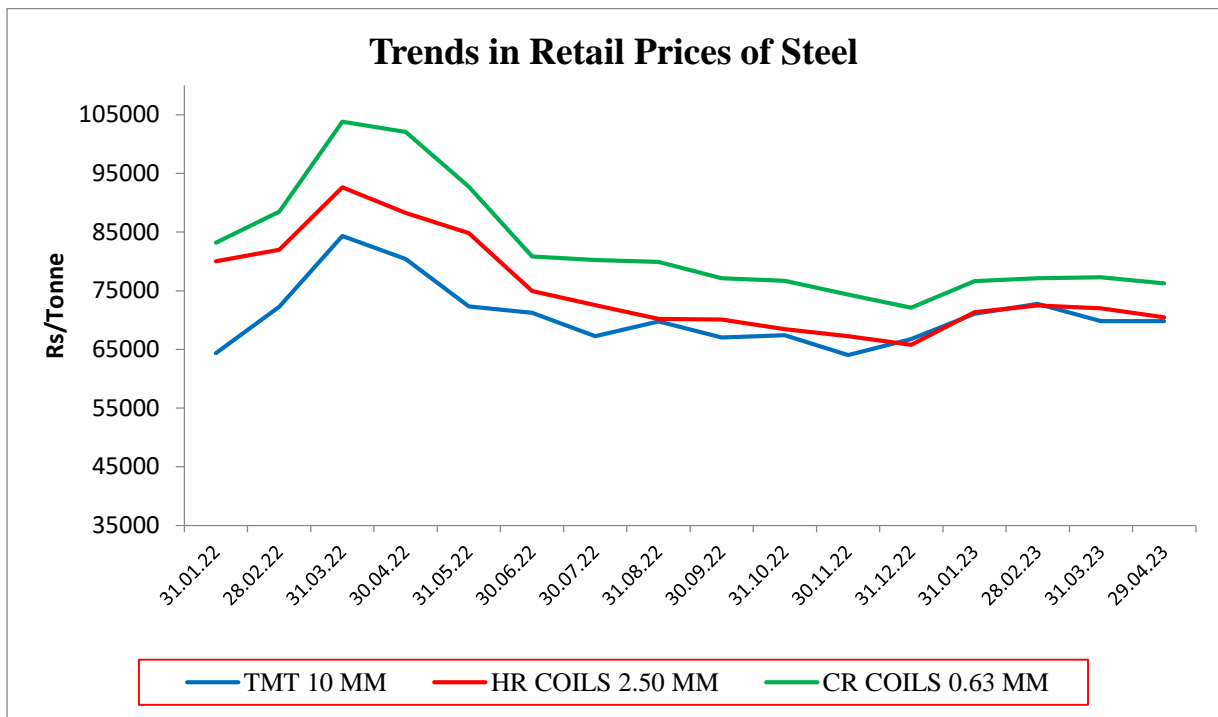


16. The prices of iron ore declined during April'22 to July'22. However, after December'22 it has shown some recovery as may be seen from the graph below:



- i. During the month of April'23, prices of iron ore lump and fines was Rs. 4,200/tonne and Rs. 4,010/tonne, which declined by 6.7% and 2.4% respectively over their respective prices in March'23.
- ii. The prices of HCC Coking coal f.o.b. Australia have decreased from USD 310/tonne on 30.03.23 to USD 232/tonne on 28.04.2023.
- iii. The prices of steel (TMT, HRC and CRC) peaked in March'22 on account of Russia-Ukraine war. After that steel prices have moderated till December'22 due to both global and domestic factors. The prices of TMT, HRC and CRC have declined in April'23 over April'22 as may be seen from the graph below:





iv. The retail prices of HRC (2.50mm) and CRC (0.63mm) in Mumbai market stood at Rs. 70,492/tonne and Rs. 76,253/tonne on 29<sup>th</sup> April'23, recording a decline of 2.1% and 1.3% respectively over prices on 31<sup>st</sup> March'23. However, the retail prices for TMT (10mm) at Rs. 69,800/tonne on 29<sup>th</sup> April'23 was constant over 31<sup>st</sup> March'23.

17. The global production of crude steel increased by 1.7% in March'23 over CPLY mainly due to increase in production in India, China, Russia, South Korea and Italy. China and India among the major producing countries (with production of over 1 million tonnes for the month) recorded an increase in production in March'23 over March'22. As for the share of major steel producing countries in the global production of crude steel, it is seen that share of China and India increased during March'23 while that of Japan, USA, Russia, Brazil and Turkey declined and share of South Korea, Germany and Italy remained constant during this period as may be seen from the following graph:

