

No. S-24013/1/2020-EA-RFD  
Government of India  
Ministry of Steel  
(Economic Division)  
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Udyog Bhawan, New Delhi  
Dated: 15<sup>th</sup> June, 2023

**OFFICE MEMORANDUM**

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

**Encl:** As above.



**(Raj Kumar)**

Deputy Director

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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
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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)

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

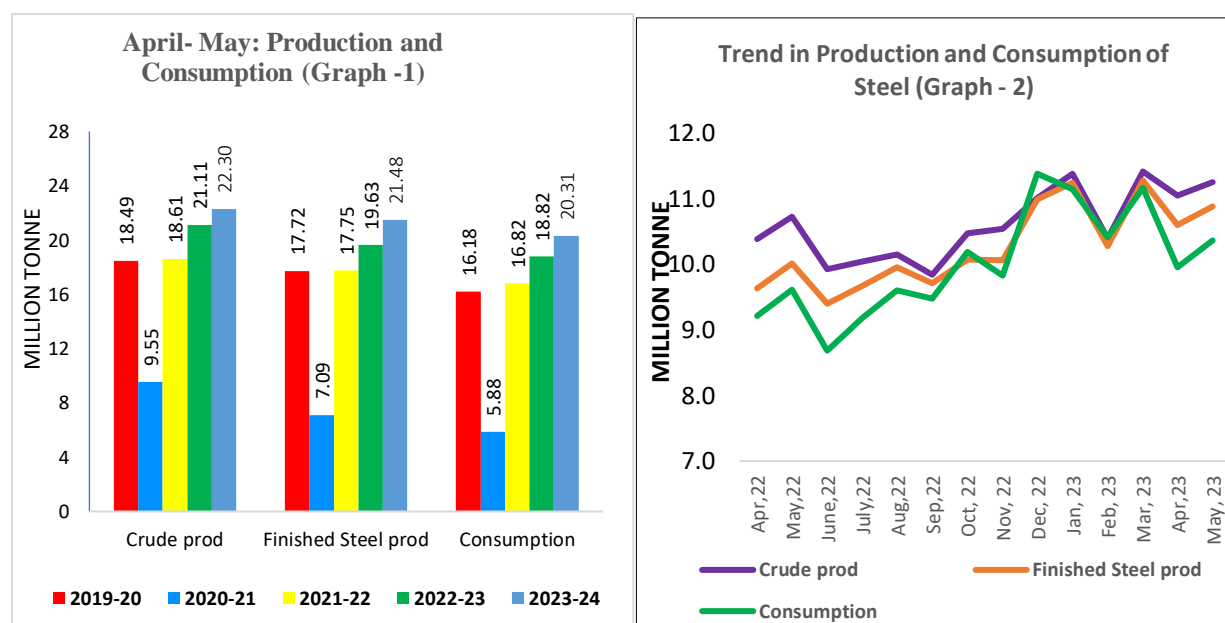
**मई - 2023**

**May - 2023**

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

## Ministry of Steel – Report for May 2023

1. Performance of Steel sector during April-May, FY24 has been encouraging. The production of crude steel at 22.30 million tonnes (MT), finished steel at 21.48 MT and consumption of finished steel at 20.31 MT during April-May, FY24 was the highest in corresponding period of last five years (Graph-1). The month-wise production and consumption (Graph-2) indicates to an overall increasing trend with month-on-month fluctuations and that the production and consumption of steel increased in May '23 over their respective levels in April '23.



- i. Production of crude steel in May '23 at 11.25 MT increased by 4.9% over CPLY and 1.8% by M-o-M.
- ii. Production of finished steel in May '23 at 10.88 MT increased by 8.7% over CPLY and 2.6% by M-o-M.
- iii. Consumption of finished steel in May '23 at 10.36 MT increased by 7.8% over CPLY and 4.1% by M-o-M.
- iv. Inventories of the finished steel with the steel producing companies at 11.13 MT at the end of May '23 increased by 2.6% M-o-M and 39.7% over CPLY.

2. During the month of May '23, among the steel producing CPSEs, Steel Authority of India (SAIL) registered an increase in production of Hot Metal, Crude Steel and Saleable steel over the previous month (M-o-M) and over the corresponding period last year (CPLY). Rashtriya Ispat Nigam Limited (RINL) registered a decrease in production of liquid steel, hot metal and crude steel over the previous month (M-o-M) and over CPLY. The production of saleable steel by RINL during May '23 increased over CPLY but decreased over the previous month. Production of iron ore by National Mineral Development Corporation (NMDC) witnessed an increase over previous month and over May '22 as well. The ore production by SAIL during May '23 was higher than previous month and over CPLY. Similarly, the production of ore by MOIL was higher over previous month and CPLY. The detailed performance of the Steel CPSEs is as below:

- i. During May '23, SAIL produced 16.96 lakh metric tonne (LMT) of Hot Metal, 15.64 LMT of Crude Steel and 14.72 LMT of Saleable Steel recording an increase of 1.9%, 1.8% and 1.5% respectively over previous month (MoM) and 5.0%, 5.0% and 4.8% respectively over CPLY. The cumulative production of SAIL during April-May '23 for Hot Metal at 33.60 LMT, Crude Steel at 31.01 LMT and Saleable Steel at 29.23 LMT registered an improvement of 5.1%, 5.6% and 6.3% respectively, over CPLY. During the month, SAIL produced around 29.92 LMT of iron ore recording an increase of 9.0% M-o-M and 1.8% over CPLY. The cumulative production of iron ore by SAIL during April-May '23 at 57.37 LMT was 1.2% higher than CPLY.
  - ii. Production of iron ore by NMDC at 37.09 LMT in May '23 registered an increase of 5.6% M-o-M and 15.8% over CPLY. The cumulative production of iron ore by NMDC during April-May '23 at 72.20 LMT increased by 13.7% over CPLY. Sale of iron ore by NMDC at 36.21 LMT in May '23 was higher by 5.6% M-o-M and by 36.9% over CPLY. During April-May '23, sale of iron ore by NMDC at 70.51 LMT was high by 22.3% over CPLY.
  - iii. During the month Kudremukh Iron Ore Company Limited (KIOCL) produced 1.13 LMT of Pellets which was lower by 50.9% M-o-M and 44.9% over CPLY. KIOCL sold 0.74 LMT of Pellets which was lower by 56.0% M-o-M but higher by 37.0% over CPLY. During April-May '23, production of Pellets by KIOCL at 3.43 LMT recorded a decline of 14.0% and its sales at 2.42 LMT recorded an increase of 10.5% over CPLY.
  - iv. During May '23, production of Manganese ore by Manganese Ore (India) Limited (MOIL) at 1.53 LMT was higher by 16.8% M-o-M and by 43.0% over CPLY. Sale of Manganese ore by MOIL during May '23 at 1.53 LMT was higher by 56.1% M-o-M and by 71.9% over CPLY. During April-May '23, production of Manganese ore at 2.84 LMT was higher by 34.6% and its Sale at 2.50 LMT was higher by 71.2% over CPLY.
  - v. During May '23, RINL's production of Liquid Steel was 2.46 LMT, Hot Metal at 2.67 LMT and Crude Steel at 2.36 LMT, which was 40.7%, 36.3% and 40.7% lower than its production in April '23 respectively and lower by 34.4%, 29.7% and 34.3% over CPLY respectively. During the month of May '23, the production of Saleable Steel by RINL at 2.37 LMT, which was 34.7% lower than its production in April '23 but was higher by 0.4% over CPLY. During April-May '23, the production of Liquid Steel was 6.60 LMT, Hot Metal 6.87 LMT, and Crude Steel 6.34 LMT was 2.7%, 5.9% and 2.2% lower than their respective productions during CPLY. However, during April-May '23, the production of Saleable Steel by RINL was 6.00 LMT, which was 37.3% higher than their respective productions during CPLY.
3. The CAPEX by Steel CPSEs in May '23 at Rs. 691.01 crore was 71.0% higher over the previous month (M-o-M) and was 24.2% higher than CAPEX in CPLY. The CAPEX by steel CPSEs for April-May '23 at Rs. 1,095 crore was 20.4% higher than CAPEX during CPLY and it was 6.7% 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. A brainstorming meeting was held on 11<sup>th</sup> May, 2023 in the Ministry of Steel, under the Chairmanship of Secretary (Steel) to evolve a comprehensive medium-term R&D roadmap and action plan for the Iron & Steel Sector for the next ten years. Stakeholders from the steel industry, academia, research laboratories, design & engineering companies and also from other concerned Ministries/

Departments viz. DST, DSIR, DRDO etc. actively participated in the meeting. Discussions were held to identify ways & means for strengthening Industry, research labs & academia interface for carrying out coordinated & collaborative research to address the R&D needs of the Iron & Steel sector.

5. RINL has bagged the prestigious "GreenTech Safety Award 2023" under Safety Excellence Category for its outstanding contribution to improve workplace safety in the year 2022-23 organized by the Greentech Foundation on 30<sup>th</sup> May, 2023. The Jury members of GreenTech foundation also applauded RINL for the initiatives like use of Drone technology for inspection of high-rise structures, chimneys etc, development of Software Application for tracking the usage of Safety Harnesses and also for imparting Safety Trainings through Online platforms (Webinars).

6. Ministry of Steel has introduced Steel Quality Control Order (QCO) 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. Inclusion of six additional Indian Standards in the QCO is under process.

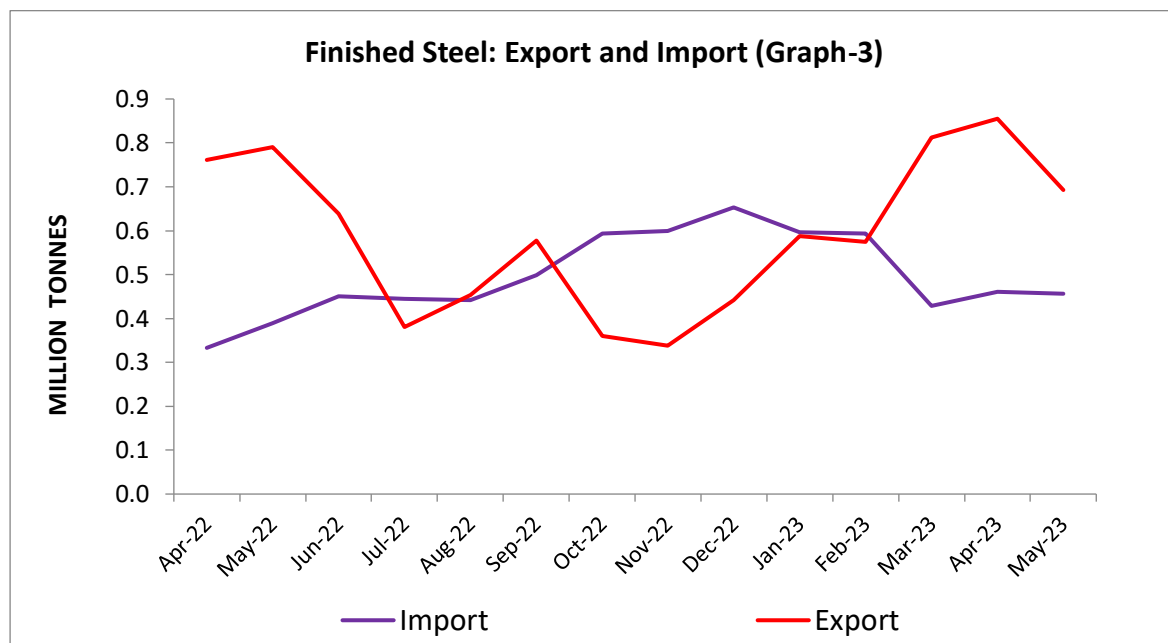
7. Ministry of Steel got several requests from the importers/ applicants seeking clarification on the applicability of the certain imported steel grades from the purview of the Quality Control Order, on the ground that these are complying with foreign standards and no equivalent Indian Standards exist. 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. Meetings of the Technical Committee were held on 9<sup>th</sup> & 23<sup>rd</sup> May 2023, wherein 1,679 applications for clarification on the applicability of QCO on the imported steel grades were examined.

8. 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. 26,403.80 crores (87.4%) has been incurred till May '23.

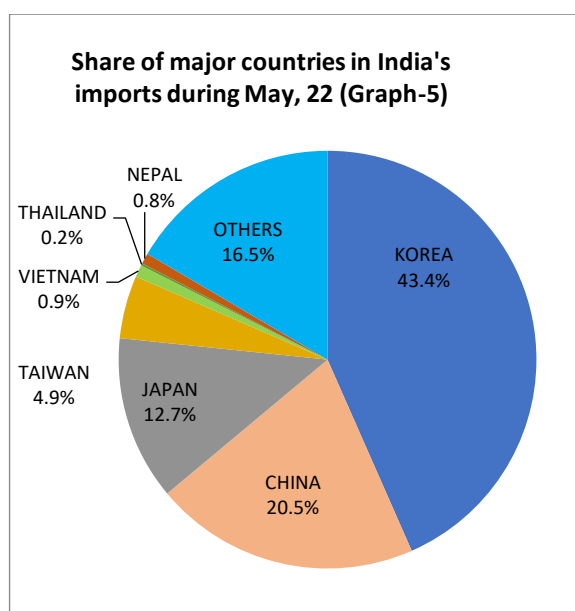
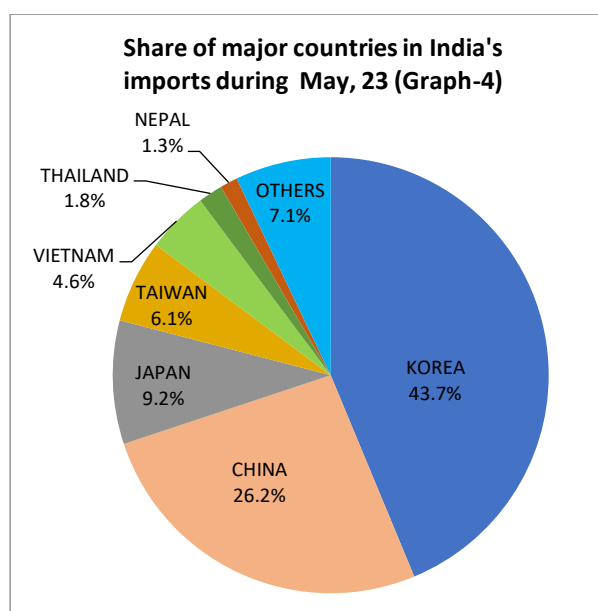
9. There are Nine National Infrastructure Pipeline (NIP) Projects related to slurry pipelines of various steel companies having a total cost of Rs. 26,528 crore uploaded on IIG/NIP Portal and an expenditure of Rs. 3,455 crore has been incurred on these projects till May '23. Secretary (Steel) reviewed the progress on 8.5.2023 and directed all CPSEs to expedite the progress of projects.

10. 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. 692.36 crores was made by Steel CPSEs to MSMEs during May '23 which is 35.6% higher than payments made during CPLY and 10.1% higher than M-o-M. During April-May '23, Steel CPSEs have made payment of Rs. 1,321.32 crore to MSMEs, which is 23.8% higher than Rs. 1,067.53 crore made during CPLY.

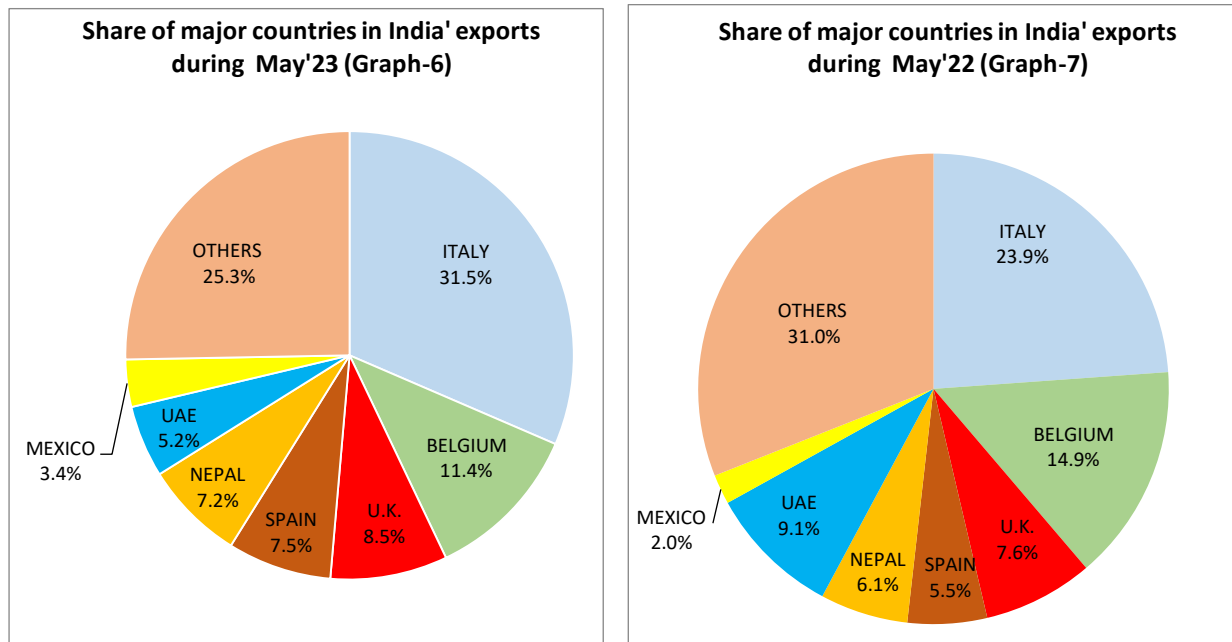
11. **Export-Import Scenario:** During the month of May '23, the exports and imports of finished steel decreased as compared to previous month as shown in graph-3.



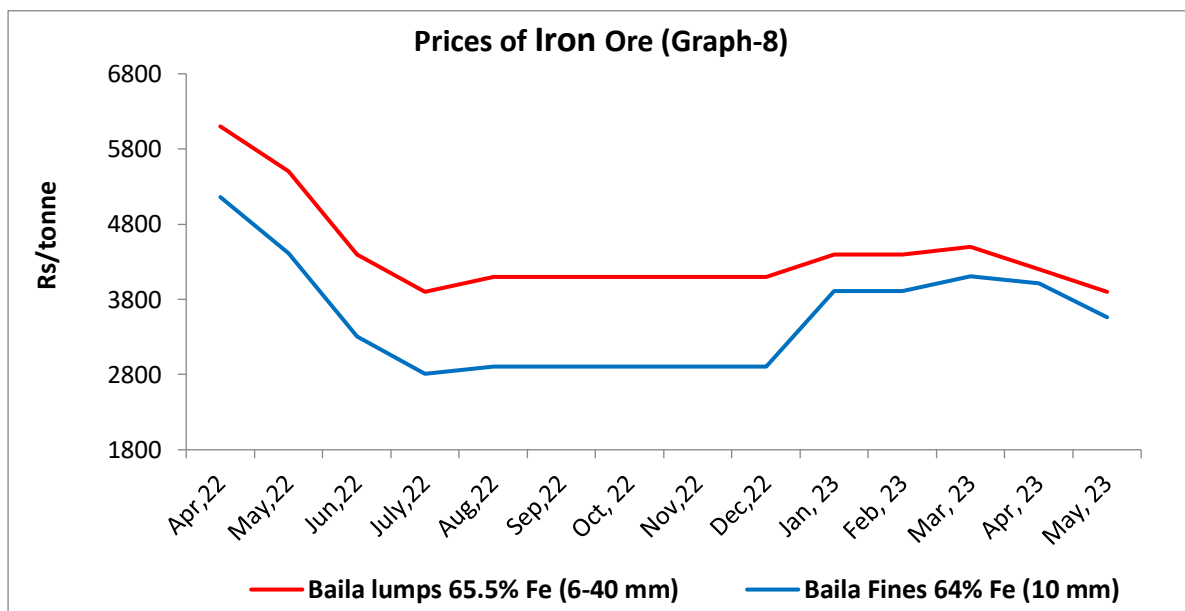
- i. In May '23, India was a net exporter of finished steel. Export of finished steel was 6.93 Lakh Metric Tonne (LMT) in May '23, which decreased by 18.9% M-o-M and by 12.4% over May '22. Imports of finished steel was 4.57 LMT in May '23, showing a decline of 0.7% M-o-M but was 17.5% higher over May '22. During April-May '23, exports at 15.49 LMT declined by 0.2% while imports at 9.17 LMT increased by 27.0% over CPLY.
- ii. Share of China, Korea, Taiwan, Vietnam, Thailand and Nepal increased in total steel import of India in May '23 as compared to May '22 while share of Japan, Sweden, Russia, and Germany declined over this period as may be seen from the following graphs 4 & 5:



- iii. Share of Italy, UK, Spain, Nepal, Mexico, Iraq and Poland increased in total steel export from India in May '23 as compared to May '22 while share of Belgium, UAE, and Turkey declined over this period as may be seen from the following graphs 6 & 7:

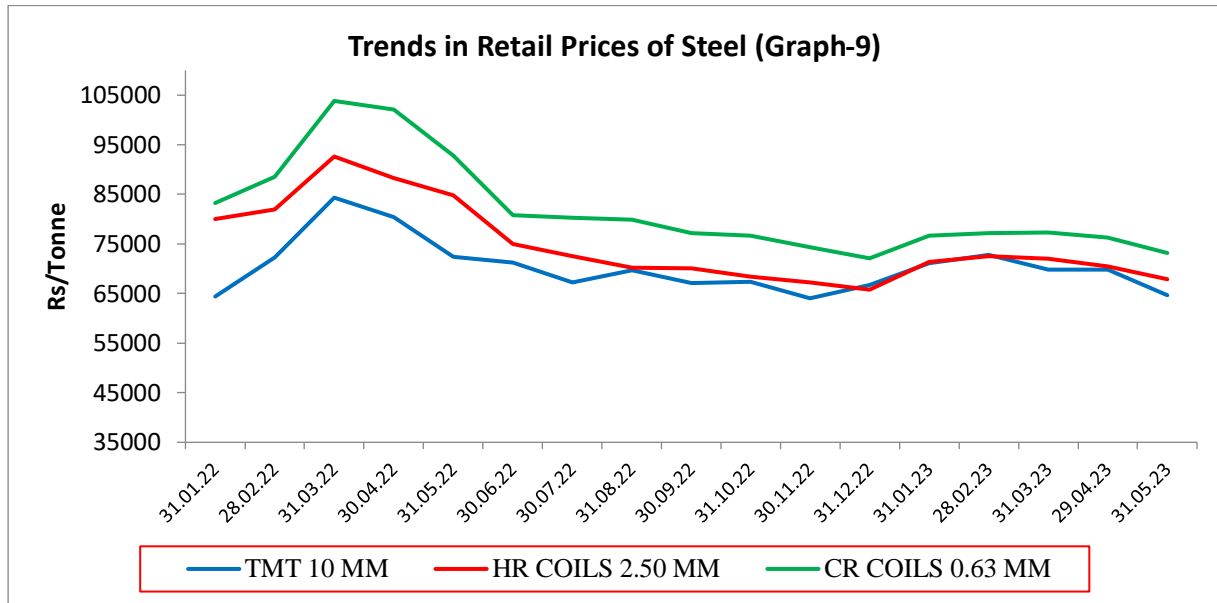


12. The prices of iron ore declined during April '22 to July '22. However, after December '22 it has shown some recovery and declining since April '23 as may be seen from the graph-8.



- i. During the month of May '23, prices of iron ore lump and fines was Rs. 3,900/tonne and Rs. 3,560/tonne, which declined by 7.4% and 11.2% respectively over their respective prices in April '23.
- ii. The prices of HCC Coking coal f.o.b. Australia have decreased from USD 332/tonne on 28.04.2023 to USD 224/tonne on 31.05.2023.
- 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 May '23 over May '22 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.64,600/tonne, Rs. 67,850/tonne and Rs. 73,160/tonne on 31<sup>st</sup> May '23, recording a decline of 7.4%, 3.7% and 4.1% respectively over prices on 29<sup>th</sup> April '23.

13. The global production of crude steel decreased by 2.4% in April '23 over CPLY mainly due to decrease in production in China, Japan, USA, Germany, Brazil, Turkey and Italy. Among the major steel producing countries (with production of over 1 million tonnes for the month), India, Russia and South Korea recorded an increase in production in April '23 over April '22. As for the share of major steel producing countries in the global production of crude steel, it is seen that share of China, India, Russia and South Korea increased during April '23 while that of USA, Brazil, Turkey and Italy declined and share of Germany remained constant during this period as may be seen from the following graphs 10 & 11.

