

No. S-24013/1/2020-EA-RFD  
Government of India  
Ministry of Steel  
(Economic Division)

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Udyog Bhawan, New Delhi  
Dated: 30<sup>th</sup> November, 2022

**OFFICE MEMORANDUM**

**Subject: Monthly Summary for the Cabinet for the month of October, 2022.**

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 October, 2022 for information.

**Encl:** As above.



**(Raj Kumar)**

Deputy Director

Tel: 23061777

Email: rajkumar.66@nic.in,

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)

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

**अक्टूबर - 2022  
October - 2022**

**भारत सरकार /GOVERNMENT OF INDIA**

**इस्पात मंत्रालय/ MINISTRY OF STEEL**

**The important developments in the steel sector during the month of October, 2022 are as following:**

1. Union Cabinet had approved the PLI scheme for specialty steel at an outlay of Rs. 6322 crore in its meeting held on 22.07.2021. The scheme document had been notified in Gazette of India on 29.7.2021. Scheme guidelines were published on 20.10.2021. The application process through online system was started/ available from 29.12.2021 till 15.09.2022. Applications have been evaluated by the Project Management Agency (PMA), viz. MECON Limited. In total, tentative investment of ₹ 46030 Crore with capacity addition of 27.98 million tonne with employment generation potential of 69785 has been committed by the applicants. The recommendations of PMA are being analyzed & evaluated in the Ministry of Steel for selection and signing of MoU, likely by the end of November 2022.

2. Mining major NMDC and RailTel Corporation of India have entered into an agreement covering ICT and Digital Transformation Services of NMDC, both at its Corporate Offices and Mining Complexes. This partnership will focus on optimal utilization of resources and build mineral accountability, paving the way for a robust digital transformation in the mining sector.

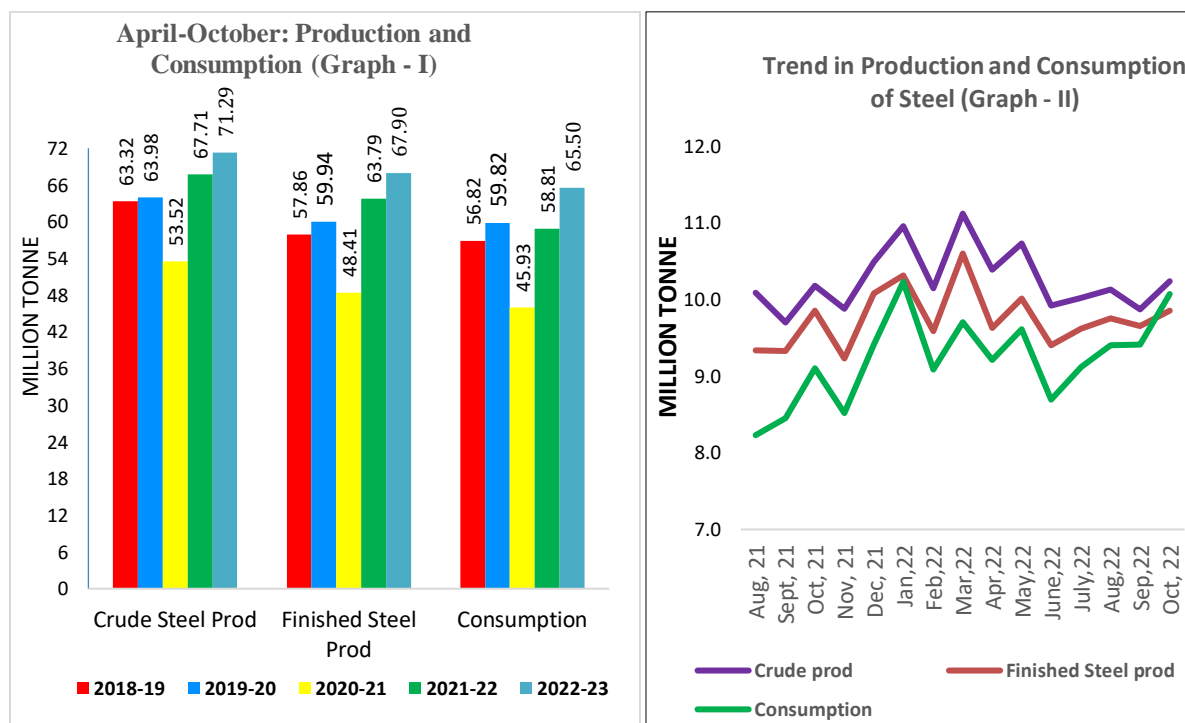
3. A Brainstorming Session was organized by the Ministry of Steel on 21st October, 2022 in New Delhi under the guidance of Hon'ble Steel Minister. The Brainstorming Session was attended by officers from the Ministry of Steel, CMDs, and Functional Directors of CPSEs, under the administrative control of the Ministry of Steel. HSM emphasized the importance of team building to achieve the desired objective of the organization. Deliberations took place during the session on the topics: measures to increase efficiency, improve working environment, promote transparency & leadership spirit; market assessment for the next 5 years for the steel sector and roadmap for reducing Production gaps to overcome the major growth constraint and Steps for reducing Carbon emission, increasing circularity and adoption of technologies thereof.

4. The Steel Authority of India Limited (SAIL) and the Airport Authority of India (AAI), signed an Operation and Management (O & M) agreement on 28th October, 2022 in New Delhi to facilitate commercial operations from Rourkela in the state of Odisha. The Ministry of Civil Aviation has provided financial support for the up-gradation of this airport. The government of Odisha will provide the security, fire, and ambulance services, besides helping with other local clearances. AAI, on behalf of SAIL-Rourkela Steel Plant, will operate and manage the airport. The airport will provide relief to all air travelers from the industrial town of Rourkela and the surrounding areas.

5. The consortium of Rashtriya Ispat Nigam Limited (RINL), Ministry of Electronics and Information Technology (MeitY), Government of India, Government of Andhra Pradesh and Software Technology Parks of India (STPI) has created a Centre of

Entrepreneurship-Kalpataru (COE-Kalpataru) on Industry 4.0 at RINL, Visakhapatnam Steel Plant. The partnership summit was held to share information about RINL's entrepreneurship centre on 28th October, 2022 at RINL.

6. The performance of Steel sector during April-October, FY23 has been encouraging. The cumulative production of crude at 71.29 MT, finished steel at 67.90 MT and consumption of finished steel at 65.50 MT during April-October, FY23 surpassed their respective levels achieved over the corresponding period last two year (CPLY) and pre COVID lines as well, as may be seen from the following graph (Graph-I). The month-wise production and consumption (Graph – II) indicates to an overall increasing trend with month on month fluctuations and that the production and consumption of steel improved in October'22 over their respective levels in September'22.



7. During the month, the steel producing CPSEs viz., SAIL and RINL registered their growth in production over last month (M-o-M). similar production trend was exhibited by ore producing CPSEs viz., NMDC. However, the production of ore by MOIL was lower than previous month and over CPLY. The detailed performance of the Steel CPSEs are as follows:

- i. During October'2022, SAIL produced 16.18 lakh metric tonne (LMT) of Hot Metal, 15.33 LMT of Crude Steel, and 14.53 LMT of Saleable Steel recording a growth of 5.1%, 4.5%, and 7.2% respectively over previous month. However, as compared to

corresponding period last year (CPLY), production of Hot Metal by SAIL declined by 1.9%, Crude Steel by 0.4% and Saleable Steel by 2.5% respectively. The cumulative production of SAIL during April-October 2022, for Hot Metal at 108.39 LMT, Crude Steel at 101.62 LMT and Saleable Steel at 96.19 LMT showed a hike of 2.5%, 3.9% and 0.4% respectively, over CPLY. During the month SAIL produced around 26.97 LMT of iron ore recording an increase of 8.9% M-o-M, but decline by 12.0% over CPLY. The cumulative production of iron ore by SAIL during April-October 2022 at 188.08 LMT was 3.3% lower than CPLY.

- ii. Production of iron ore by NMDC at 35.27 LMT in October 2022 registered an increase of 29.2% M-o-M and 5.8% over CPLY. The cumulative production of iron ore by NMDC during April-October 2022 at 197.06 LMT declined by 6.3% over CPLY. Sale of iron ore by NMDC at 30.38 LMT in October 2022 was higher by 4.3% M-o-M, but lower by 15.1% over CPLY. During April-October 2022, sale of iron ore by NMDC at 194.4 LMT was lower by 11.9% over CPLY.
- iii. During the month KIOCL sold 0.81 LMT of Pellets which was higher by 237.5% M-o-M but lower by 22.1% over CPLY. During April-October 2022, production and sales of Pellets by KIOCL at 5.29 LMT and 5.15 LMT respectively recorded a decline of 53.4% and 50.7% respectively over CPLY.
- iv. During October 2022, production of Manganese ore by MOIL had been by 6.3% M-o-M and 28.6% over CPLY. Sale of Manganese ore by MOIL during October 2022 was lower by 11.3% M-o-M and 44.1% lower than CPLY. During April-October 2022, production of Manganese ore was higher by 3.4% and its Sale was lower by 12.0% over CPLY.
- v. During October 2022, RINL achieved production of 3.14 LMT of Liquid Steel, 3.13 LMT of Hot Metal and 3.01 LMT of Crude Steel which is 11.7%, 11.4%, and 11.5% higher than its production in September 2022 respectively, but lower by 12.8%, 20.4% and 12.5% over CPLY respectively. RINL achieved the production of 2.90 LMT of Saleable Steel which is 2.4% lower than its production in September 2022 and 36.4% lower than CPLY. During April-October 2022, production of Liquid Steel at 22.09 LMT, Hot Metal at 22.71 LMT, Crude Steel at 21.15 LMT and Saleable Steel at 19.86 LMT by RINL was 32.0%, 34.4%, 31.9% and 35.4% lower than their respective counterpart during CPLY.

8. The Ministry gave major thrust to Steel Quality Control Order since 2015 thereby banning substandard steel products. Quality Control Order (QCO) of Indian Standards for 145 steel and steel products has been notified in which a total 143 Indian Standards is enforced.

9. Presently, nine ongoing projects of steel CPSEs (SAIL-6, NMDC-3) with total project cost of Rs 30,334 crore are uploaded on the OCMS portal of MoSPI. An expenditure of Rs 24203 (79.8%) has been incurred till October'22.

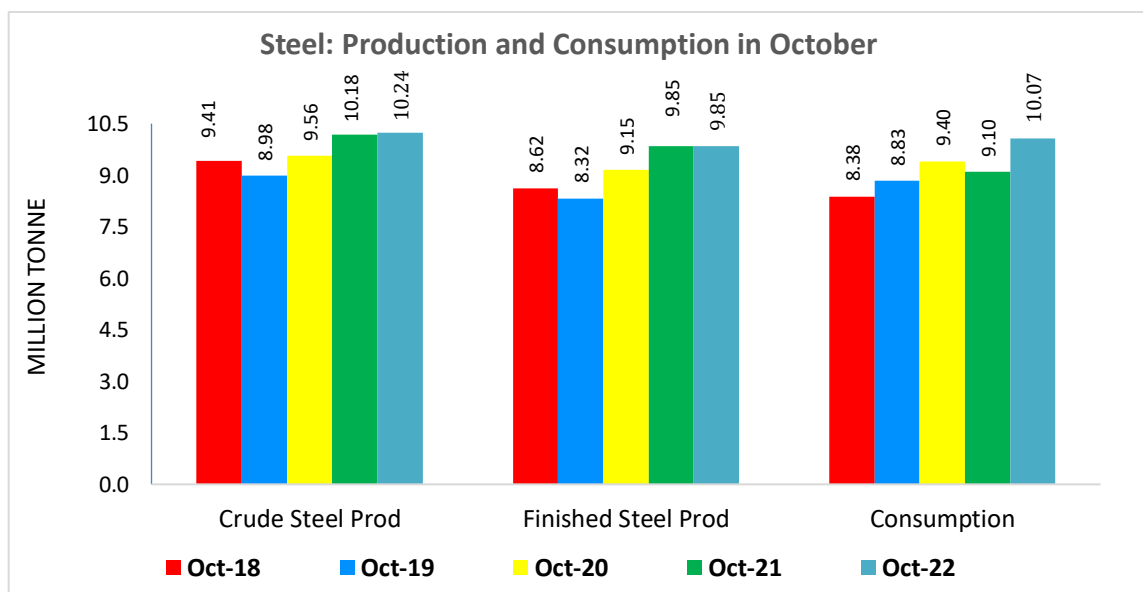
10. Eight National Infrastructure Pipeline (NIP) Projects related to slurry pipelines of various steel companies having a total cost of Rs. 25,680 crore are uploaded on IIG/NIP Portal. An expenditure of Rs. 3086 cr. has been incurred on these projects till Octoberr'22 during the current fiscal.

11. The CAPEX by Steel CPSEs in October 2022 stood at Rs. 714.53 crore which was 8.2% lower compared to previous month and 45.6% lower over CPLY. The cumulative CAPEX by steel CPSEs for April-October 2022 at Rs. 4468.96 crore which was 2.9% lower compared with CPLY. Steel CPSEs are being encouraged and being directed to ensure achieve their CAPEX target.

12. The status of pending payments to MSMEs by CPSEs of the Ministry is being monitored on weekly basis. Payment of Rs. 537.32 crore was made by Steel CPSEs to MSMEs during October 2022 which was 17.8% higher compared to CPLY but lower by 23.3% compared to last month. During April-October 2022, Steel CPSEs have made payment of Rs. 4157.75 crore to MSME, which is 42.3% higher than Rs 2921.41 crore made during CPLY.

### 13. Production and Consumption Scenario:

- i. During the month of October 2022, the production of crude and finished steel and the consumption of finished steel attained their highest values in last five years as may be displayed in the following graph:

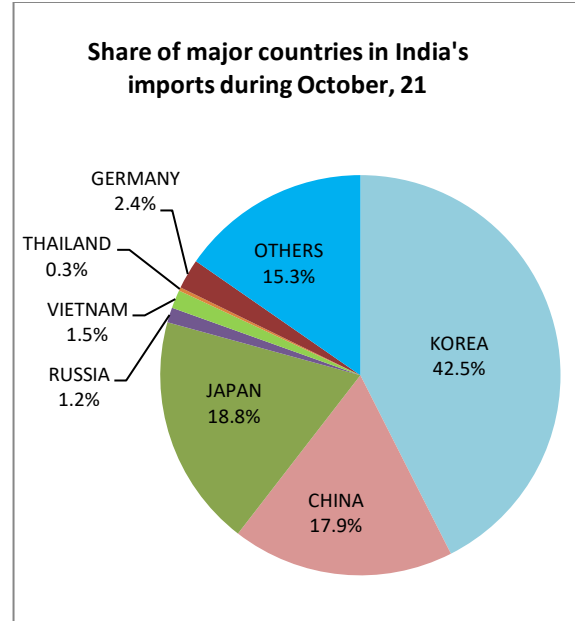
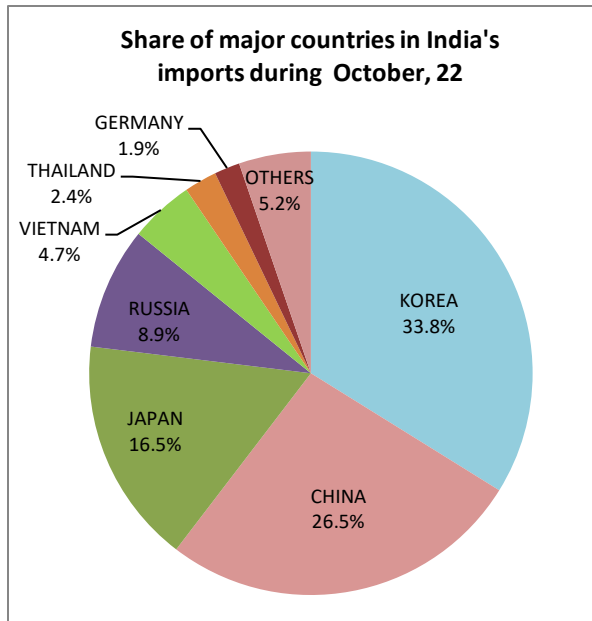


- ii. Production of crude steel in October 2022 increased by 0.6% over CPLY and by 3.8% M-o-M.
- iii. Production of finished steel in October 2022 remains constant over CPLY but increased by 2.1% M-o-M.
- iv. Consumption of finished steel in October 2022 increased by 10.7% over CPLY and by 7.0% M-o-M.

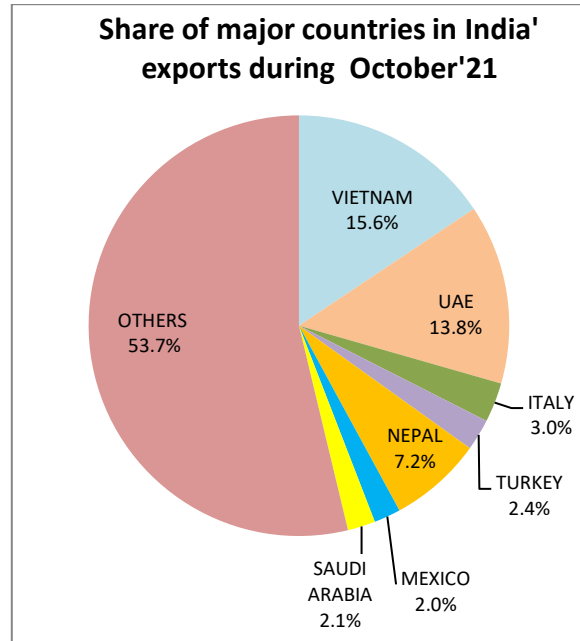
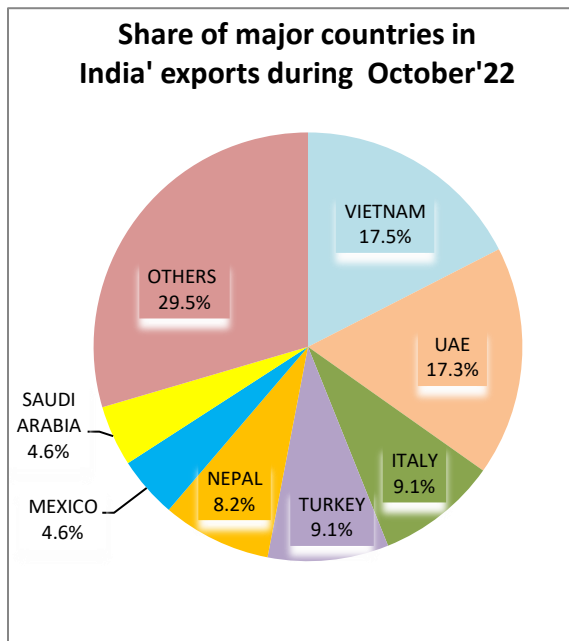
14. **Export-Import Scenario:** The wise trend in export and import of finished steel during recent months has been displayed in the following graph:



- i. Export of finished steel in October 2022 (3.60 LMT) decreased by 37.6% M-o-M and by 65.9% over CPLY while import (5.93 LMT) increased by 18.8% M-o-M and by 56.9% over CPLY. During April-October 2022, exports (39.61 LMT) declined by 55.0% while imports (31.51 LMT) increased by 14.5% over CPLY.
- ii. In October, 2022 India's export was lower than its imports and the country was a net importer of finished steel.
- iii. Share of China, Russia, Vietnam, Thailand, Nepal and Taiwan increased in total steel import of India in October 2022 as compared to October 2021 while share of Korea, Japan and Germany declined over this period as may be seen from the following graph:

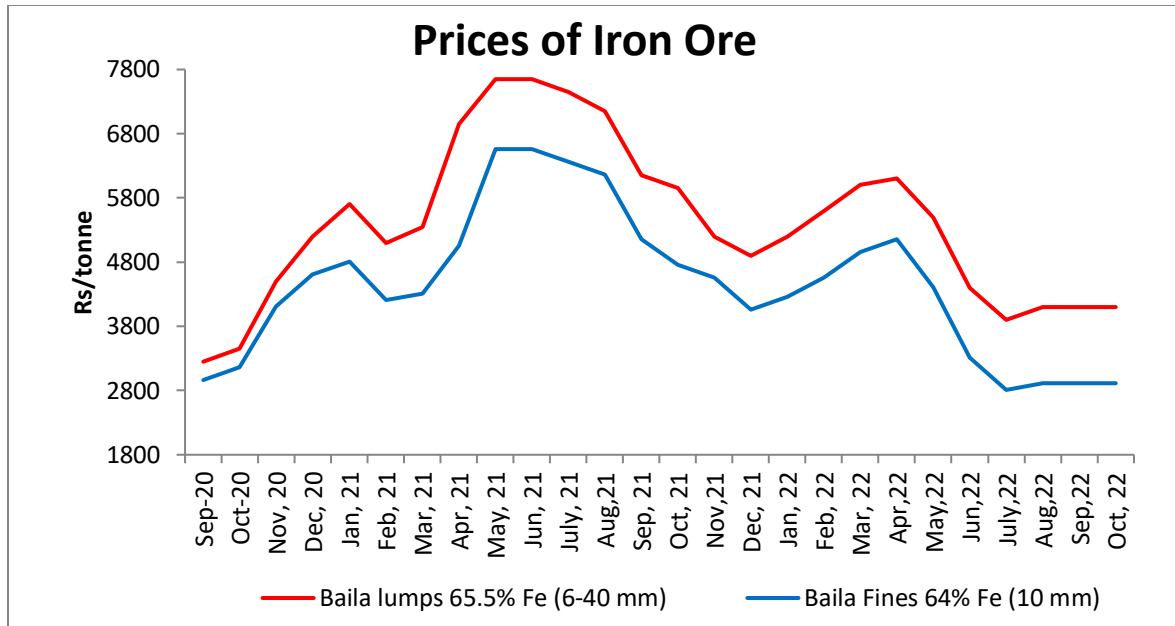


iv. As explained in the following graph, the share of Turkey, Italy, UAE, Spain, Mexico, Saudi Arabia, Vietnam, Oman and Nepal was higher in total steel export from India in October 2022 as compared to October 2021:

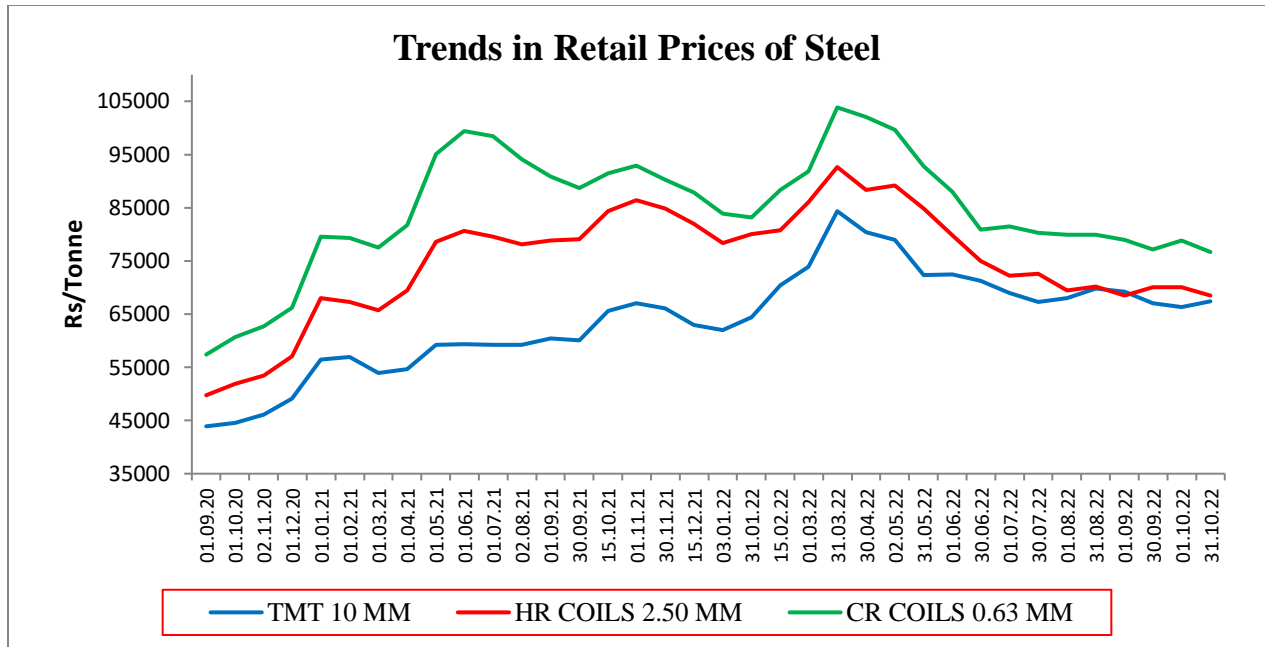


15. **Price scenario:** Prices of iron ore, hit its peak in May-June'21. Thereafter followed a declining trend since July 2021 till December 2021 but started to increase again from January 2022 and the uptrend continued till April 2022. During recent months the prices stabilized as shown in the following graph:





- i. During the month of October 2022, prices of iron ore lump and fines at Rs. 4100/tonne and Rs. 2910/tonne respectively remained at the same levels as their respective prices in September 2022.
- ii. The prices of CRC, HRC and Rebar, peaked in March 2022 and started moderating thereafter. The reduction in the prices might partly be attributed to decline in the cost of inputs. Prices of Australian coking coal declined to the level of below USD 200/tonne by the end of July, 2022 as against about USD 650/tonne recorded in March, 2022. Prices of iron ore also declined. In addition, declining international prices of steel and policy intervention in terms of imposition suitable modifications in tariff lines have also contributed to this trend of moderation in the domestic prices of steel.



16. The global production of crude steel increase by 3.7% in September 2022 as compared to CPLY which is majorly due to an increase in production in China as depicted in the following graph:

