

CHAPTER-I

THE YEAR AT A GLANCE

Performance in 2002-03 (from 1.4.2002 to 31.12.2002)

- Total production of finished steel from 1.4.2002 to 31.12.2002 was 23.83 million tonnes as against the production of 22.4 million tonnes during the corresponding period of 2001-02 - an increase of 6.3%.
- Total production of pig iron from 1.4.2002 to 31.12.2002 has been estimated to be 3.9 million tonnes as against the production of 2.9 million tonnes during the corresponding period of 2001-02 - an increase of 34%.
- Export of steel from 1.4. 2002 to 31.12.2002 has been estimated to be 27.5 lakh tonnes marking an increase of 21.6% as compared to the corresponding period of 2001-02.
- Apparent consumption of finished steel items till December 2002 was 20.65 million tonnes. This is 5% higher than the apparent consumption during the corresponding period of 2001-02.
- Consumption of pig iron upto December, 2002 was 28.3% higher as compared to the consumption during the corresponding period of 2001-02.
- India has emerged as the largest producer of sponge iron in the world. The total production of sponge iron from 1.4.2002 to 31.12.2002 was 4.5 million tonnes.

Performance in 2001-02

- The year 2001-02 saw the Indian steel industry attain a growth rate of 4.29%.
- Total production of finished steel including Carbon and Alloy Steel in 2001-02 was 31.63 million tonnes. India is the 8th largest steel producing country in the world. The Public Sector contributed 10.13 million tonnes (32%) and the Private Sector 21.50 million tonnes (68%).
- Total production of pig iron in 2001-02 was 4.07 million tonnes. The share of main producers was 1.02 million tonnes (25%) and share of secondary producers was 3.05 million tonnes (75%).

- The Indian Iron and Steel sector continued to be one of the leading exporting sectors of the economy. During 2001-02, India exported 3.3 million tonnes of iron and steel - an increase of 6.7%.
- Total assessed domestic demand for finished steel in 2001-02 was 28.92 million tonnes. Total availability of finished steel net of exports and imports was 27.33 million tonnes and the apparent consumption was 27.44 million tonnes.
- Total production of sponge iron in 2001-02 was 5.66 million tonnes which established India as the largest producer of sponge iron in the world.

Steel Authority of India Limited (SAIL)

- The production of saleable steel in the four integrated and special steel plants of SAIL during the year 2002-2003 (upto December 2002) was 7.53 million tonnes against the target of 7.79 million tonnes. During the year 2001-2002 production of saleable steel was 9.70 million tonnes almost matching the production of the previous year.
- Production of saleable steel in IISCO, a subsidiary of SAIL, in 2002-2003 (upto December 2002) was 0.215 million tonnes representing 82% achievement of the target. Production in 2001-2002 was 0.302 million tonnes as against 0.277 million tonnes in 2000-2001.
- During the period ended December, 2002, SAIL has posted a net loss of Rs. 545.96 crores. During the 2001-02, SAIL achieved a turnover of Rs. 15,502 crores. The post tax net loss recorded during the year was Rs. 1707 crores as against post tax net loss of Rs. 729 crores during 2000-01.

Rashtriya Ispat Nigam Limited (RINL)

- The production of hot metal, liquid steel and saleable steel during the year 2002-03 (upto December,2002) was 2.94 million tonnes, 2.5 million tonnes and 2.23 million tonnes respectively. The corresponding production figures for the whole year 2001-2002 were respectively 3.49 million tonnes; 3.08 million tonnes and 2.76 million tonnes.
- The year 2001-02 was significant for RINL as the rated capacities of its Vishakhapatnam Steel Plant were surpassed for the first time and the production of value added steel products increased to over 4 lakh tonnes representing a growth of 33% over the production of 2000-2001.

National Mineral Development Corporation Limited (NMDC)

- In the year 2002-2003 (upto December, 2002), NMDC produced 11.61 million tonnes of iron ore and 57,010 carats of diamonds. During the year 2001-02, NMDC produced 15.63 million tonnes of iron ore and 81,251 Carats of diamonds. For the year 2001-02, NMDC paid a dividend of Rs.33.04 crores which was 25% of its equity capital. This was the twelfth successive year of payment of dividend by the Company.

Kudremukh Iron Ore Company Limited. (KIOCL)

- During the year 2002-2003 (upto December, 2002), KIOCL produced 3.695 million tonnes of iron ore concentrate and 2.570 million tonnes of pellets. During the year 2001-2002 production of concentrate and pellets was 5.410 million tonnes and 3.215 million tonnes respectively.
- The Hon'ble Supreme Court pronounced its judgement in IA NO 670 of 2001 in WP(C) NO 202 of 1995 allowing mining operations of the company at Kudremukh only upto 31st December, 2005. Even during the period allowed for mining, the company has been allowed to mine only the secondary weathered ore in the already broken up area within the leased area.

Manganese Ore (India) Ltd. (MOIL)

- During 2002-03, MOIL has achieved a turnover of Rs. 123.53 crores and earned a profit before tax of Rs. 18.42 crores upto the end of December, 2002.
- MOIL produced of 509.52 thousand tonnes of manganese ore during the period 1.4.2002 to 31.12.2002.
- Production of electrolytic manganese dioxide and ferro manganese during the period 1.4.2002 to 31.12.2002 was 678 tonnes and 4311 tonnes respectively.
- MOIL achieved its highest ever turnover of Rs. 167.92 crores in 2001-2002 despite the slow-down in the steel sector. MOIL earned a net profit of Rs. 19.52 crores during the same year. The Company has paid 27% dividend for the year 2001-02.

MSTC Limited

- The total volume of business of MSTC Ltd. during the year 2002-03 (upto December, 2002) was Rs. 1651 crores as against the total volume of business of Rs. 1011 crores during 2001-02.

Sponge Iron India Limited (SIIL)

- During 2002-03 (upto December, 2002), SIIL produced 52,069 tonnes of sponge iron as against production of 64,507 tonnes during 2001-02.

MECON Limited.

- The Ministry of Power, Industrial Development Bank of India and various State Governments have registered MECON as an authorised Energy Auditor to carry out the mandatory energy audit for power intensive industries.

Hindustan Steel Works Construction Limited. (HSCL)

- During the year 2002-03 (upto December, 2002), HSCL secured orders of value Rs. 141 crores including orders for Rs. 61.65 crores from the steel sector.

Bharat Refractories Limited (BRL)

- BRL produced refractories worth Rs. 40.61 crores during the year 2002-03 (upto December, 2002) as against production worth Rs. 45.03 crores during 2001-02.

Tata Iron and Steel Company Ltd. (TISCO)

- Production of finished steel and crude steel during the year 2002-03 (upto December, 2002) was 2.478 million tonnes and 2.992 million tonnes respectively.
- Tata Steel, after completion of their four phases of modernisation at a cost of Rs. 7000 crore approximately has achieved a production of 3.067 million tonnes of finished steel and 3.749 million tonnes of crude steel in 2001-02, surpassing all previous records.
- Despite higher volume, richer product-mix and considerable achievement in the areas of cost reduction and improvement initiatives, there was a 1.96 % decrease in turn over from Rs. 7759 crores in 2000-2001 to Rs. 7607 crores in 2001-2002 due to recession, depressed demand and restrictive trade policies pursued by some countries.

New/Up-Coming Steel Plants

- With the commissioning of one more plant, the number of new/green field steel plants which have been fully commissioned, increased from 8 to 9

with a total capacity of approx. 5.75 million tonnes per annum. Three additional projects have been partly commissioned involving a capacity of 3.7 million tonnes per annum.

Development of Information Technology in Ministry of Steel

- As a part of e-governance programme, the Ministry-wide Intranet portal (<http://nt-steel>) has been setup. The portal facilitates on-line lodging of General Administration related complaints; e-submission of indents for stationary items, e-filing of Casual leave applications etc. It also provides steel statistics in the area of steel production, steel exports and imports, apparent consumption, demand and availability, market price and market analysis.

Welfare of Scheduled Castes/Scheduled Tribes

- The Public Sector Undertakings under the administrative control of the Ministry of Steel continued their efforts for filling up the backlog vacancies in respect of Scheduled Castes/Scheduled Tribes/Other Backward Classes. The Public Sector Undertakings have also continued the process of identifying and implementing programmes aimed at the upliftment of these communities in the peripheral areas around their area of operation.

Implementation of Official Language Policy

- The progressive use of Hindi in the Ministry, its attached office and Public Sector Undertakings has been widely encouraged. PSUs are given incentives by awarding Ispat Rajbhasha Shield (First Prize), Ispat Rajbhasha Trophy (Second Prize) and Ispat Rajbhasha Trophy (Third Prize); a Rajbhasha Shield for the PSUs located in Region "C" and a special Ispat Rajbhasha Millennium Shield.
- Under an incentive Scheme, cash prizes of Rs. 15,000/-, Rs. 10,000/- & Rs.7, 500 are awarded to the writers of original books in Hindi on Steel and its allied subjects.
- Hindi Fortnight was also organized in the Ministry from 02.09.2002 to 16.09.2002.
