

DEVELOPMENT OF STEEL INDUSTRIES IN ODISHA

- I. Odisha having Country's one-third of the total Iron Ore reserves stands as the largest Steel and Stainless-Steel producer in the Country. To promote investment in Iron and Steel sector, the State Govt. have signed MoU with 49 No. of Steel Plants of having capacity 80.76 MTPA. Approved capacity of MoU Plants has been increased from 80.76 MTPA to 134 MTPA, keeping in view of the necessity of Steel plants. Subsequently, 4 Nos. of Project proponents (Total MoU capacity of 29.48 MTPA) have withdrawn from the establishment of Integrated Steel Projects. There are 35 Nos. of MoU Signed Steel Plants and one Pellet Plant are in partial/full production. At present, the installed capacity of MoU Steel Plants is 25.27 MTPA which is increased by 20 % (approx.) over the year 2016-17. Besides, 49 Nos. of Steel plants are coming up through Non-MoU route out of which 16 Nos. with Installed capacity of 7.86 MTPA are already in production. In addition, Sponge Iron units and Pellet Plants have also been established to a large extent utilizing the vast Iron Ore resources in the State. Sponge Iron units and Pellet Plants in the State have been established to a large extent utilizing the vast Iron Ore resources in the State for value added products which is contributing to a great extent in Domestic Steel Production in the Country.
- II. Government in Steel & Mines Department have implemented the policy of Long-Term Linkage (LTL) for supply of Iron-ore, Chrome Ore, Bauxite Ore and other minerals to the State based industries of Odisha through M/s. Odisha Mining Corporation Ltd. In order to make iron ore available to the end-user industries, Government have also implemented the pre-emption policy mandating the stand-alone iron ore lessees to sell at least 50% of their production to the state-based industries.
- III. The aforesaid projects have been facilitated as part of the mineral development policy of the State Government with the aim of pursuing value additions, mass employment generation and welfare-oriented revenue collection.
- IV. As of now, there are 51 Steel Plants (MoU: 35 & Non-MoU: 16) with total installed capacity of around 33.13 MTPA are in operation which is one fourth of country's total installed capacity.

- V. Also, State have taken initiative in metal sector for development of downstream units and ancillary units and accordingly, Industrial promotion resolution has been suitably modified to attract more such industries in the State. Kalinganagar is going to be a manufacturing hub in the State.
- VI. The National Steel Policy 2017 envisages the increase in per capita steel consumption from the present level of 72 Kg to 158 Kg by 2030. State is aiming to contribute 100 Million Ton to National target. In fact, 12 MTPA mega green field project proposed by JSW Utkal has been given approval and the proposed unit, project proponent has now obtained forest clearance from MoEF, Gol. Also HLCA has approved 24 MTPA Steel Project for ARECELLOR MITTAL NIPPON STEEL INDIA LTD at Kenderapada. In addition, Tata Steel Kalinganagar, Dubri is going for capacity enhancement in 6 MTPA to 8 MTPA, Jindal Steel and Power Ltd is going from 6 MTPA to 25.20 MTPA, Bhusan Steel and Power Ltd. from 2.8 MTPA to 15 MTPA and Rungta Mines Ltd. From 2 MTPA to 8.45 MTPA expansion.
- VII. The Production Scenario of Iron Ore based Industries in the State for last 3 Years and current financial year 2021-22 (April to Dec.) is given below.

Production Scenario of Iron Ore based Industry

ALL IN MTPA

PRODUCTION	Approved Capacity	Installed Capacity	2018-19	2019-20	2020-21	2021-22 (April to Dec.)
STEEL BY MOU PLANTS	134	25.27	14.04	15.03	16.10	13.59
STEEL BY NON-MOU PLANTS	51	7.86	5.23	4.62	4.40	3.50
STEEL	185	33.13	19.27	19.65	20.50	17.09
SPONGE IRON	-	15.29*	6.82	7.67	7.87	6.72
PELLET	45.30	35.80	19.89	22.34	22.87	17.21

* Estimated Capacity
