

Development of Steel Industries of Odisha

When we talk about the growth potential of Iron Ore based Industries in Odisha, our state is considered to be mineral hub of India with 92% chromite, 92% Nickel, 52% Bauxite, 44% Manganese, 33% Iron Ore and 24% Coal reserves of the country. The state is the largest producer of stainless steel in the country and has more than 20% of steel making capacity of the country. Major Steel producers like TATA steel, Bhusan Steel Limited (BSL), Bhusan Power and Steel limited (BSPL), Jindal Stainless Steel (JSL) and Jindal Steel and Power Limited have their mother plants in the state besides ESSAR Steel Limited which has started pellet production in the 1st phase to be followed with setting up an integrated Steel Plant.

Surrounded by these large mother plants, a National Investment and Manufacturing Zone (NIMZ) is being developed at Kalinganagar. Spread over 160 sq km, the zone is envisaged to become a self contained ecosystem along with residential, commercial and social amenities and will enable the potential investors to set up value added downstream facilities. The Union steel ministry is confident that the Kalinganagar industrial complex in Odisha can contribute 20 per cent of the country's targeted 300 million tonne steel capacity by 2030. *"Odisha is blessed with all kind of minerals. There is scope for a steel hub here. We are expecting at least 20 per cent of the new capacity to meet the targeted 300 million tonne steel output capacity by 2030-31 will come from Kalinganagar"*, said Union steel minister Chaudhary Birender Singh, who attended the Steel Consumers Council meeting at Bhubaneswar some times in June 2017. The NIMZ is expected to attract investment of Rs 1.5 lakh crore and generate employment for 4,50,000 people after its completion. The manufacturing zone is expected to attract investment from varied sectors like metal and mines, automotive, steel, and downstream industries. The steel ministry is eyeing to grab about 10 per cent of the Rs 4 lakh crore infrastructure budget allocated to various sectors by maximising the utilisation of the steel.

Leaving aside these mega steel projects, our state have number of small and medium steel plant who are producing steel through secondary route i.e. SIP-EAF/IF-Rolling mills. These units are also contributing a lot in enhancing the steel production of our state. Also, there are number of standalone sponge Iron Plants and Pellet plants who are also producing various input materials for making steel.

When we talk about the growth of steel, our state has made significant contribution in national steel growth with respect to capacity building in terms of installed capacity.

M/s Jindal Steel works (JSL)has proposed a mega steel project of 10 MTPA with 900 MW power plant with an investment of Rs.50,000Cr and M/s Bhusan power &Steel Limited have proposed for addition of downstream facilities and CPP of 150 MW with an investment of 4252 Crs which are active consideration of Govt.

In fact, an exclusive Directorate has also been established recently to facilitate further growth in the steel sector.

There is a significant production growth in 2016-17 in compare to 2015-16.

The steel scenario of Odisha for 2 years is summarised below.

Annual Production Summary Report

COMPANY TYPE		MOU / APPROVED CAPACITY	INSTALL CAPACITY	IN MTPA		Annual Growth (%)
				2015-16	2016-17	
A	MOU(STEEL)	80.76	20.96	6.799	10.172	49.61
B	NON MOU(STEEL)	27.97	7.13	3.167	3.219	1.65
C	SI UNITS PRODUCING STEEL	-	0.40	0.000	0.068	
TOTAL(STEEL)				9.966	13.459	35.05
D	SPONGE IRON	ESTIMATED CAPACITY: 13.46		5.813	6.209	6.81
E	PELLET	CAPACITY : 28.85		9.900	14.702	48.51
F	PIG IRON / FERROSHOTS	-	-	0.000	0.867	
GRAND TOTAL(IRON ORE BASED INDUSTRIES)				25.679	35.238	37.22
