05 IRON AND STEEL

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A. ENVIRONMENT CLEARANCE

■ In 2009-10, India produced 65 million tonnes of steel (crude) with an installed capacity of 73 million tonnes per annum (MTPA) (*see Table 1: Steel and sponge iron capacity and production*). Twenty one million tonnes of sponge iron was also produced with an installed capacity of 31 million tonnes.

Table 1: Steel and sponge iron capacity and production

	Capacity (in MTPA)	Production (in million tonnes)
Steel	73	65
Sponge iron	31	21

■ In the 11th five year plan (FYP) period (till August 2011), 188 steel plants (including sponge iron) were granted environment clearance (EC) (*see Table 2: Environment clearance granted in 11th FYP period*).

Table 2: Environment clearance granted in 11th FYP period

State	Number of iron and steel plants
Andhra Pradesh	27
Chhattisgarh	36
Goa	1
Gujarat	9
Jharkhand	17
Karnataka	17
Maharashtra	5
Madhya Pradesh	2
Odisha	37
Punjab	1
Tamil Nadu	6
West Bengal	30
Total	**188**

■ About 29 MTPA of sponge iron capacity and 89 MTPA of steel capacity were granted EC (*see Table 3: Sponge iron and steel capacity granted environment clearance*).

■ **Thus, MoEF has already granted clearance to more than the existing capacity of sponge iron and steel in the country during the 11th FYP period.** As per the National Steel Policy 2005, 100 million tonnes of steel production will be required by 2019-2020. **MoEF has already granted clearances to a total steel capacity of 89 million tonnes which will take the capacity in the country close to 160 million tonnes.**

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Table 3: Sponge iron and steel capacity granted environment clearance

State	Capacity (in MTPA)	
	Sponge iron	Steel
Andhra Pradesh	1.77	2.81
Chhattisgarh	8.38	20.44
Goa	0	0
Gujarat	0.35	5.02
Jharkhand	3.69	24.93
Karnataka	1.94	8.48
Maharashtra	1.14	1.82
Madhya Pradesh	1.01	2.69
Odisha	6.03	14.19
Punjab	0	0.11
Tamil Nadu	0.42	1.32
West Bengal	3.82	7.49
Total	**28.55**	**89.30**

■ During the 11th FYP period, maximum capacity of steel and sponge iron was granted EC in 2010 (*see Table 4: Year-wise environment clearance granted for the 11th FYP period*). The 188 plants that will come up as a result, will require close to 30,000 ha of land and 1.1 billion m^3 of water per year.

Table 4: Year-wise environment clearance granted for the 11th FYP period

Capacity (in MTPA)	2007	2008	2009	2010	2011*
Steel	13.37	27.2	13.81	30.13	4.79
Sponge Iron	1.78	4.28	9.85	9.78	2.7

**Till August 2011*

■ Most of the capacities are concentrated in Jharkhand, Chhattisgarh and Odisha. The top 10 districts in terms of steel capacity account for 64 per cent of the total steel capacity granted EC. The district where most of the EC for steel capacity have been granted is Jharkhand's East Singhbum – about 10 MTPA (*see Table 5: Top 10 districts for steel*). Bellary is next with over eight MTPA steel capacity granted EC followed by Raigarh with seven MTPA capacity.

Table 5: Top 10 districts for steel

District	Capacity (in MTPA)
East Singhbum	9.83
Bellary	8.44
Raigarh	6.73
Hazaribagh	6.02
Jagatsinghpur	6
Bastar	5.5
Surat	5
Saraikela-Kharswan	3.4
Bokaro	3.04
Jagdalpur	3
Total	**56.96**

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■ Raigarh is also the top district in terms of sponge iron capacity addition – three MTPA followed closely by Saraikela-Kharswan with 2.85 MTPA (*see Table 6: Top 10 sponge iron districts*). Next are Jharsuguda (2.47 MTPA) and Raipur (2.35 MTPA). These districts together account for 67 per cent of the sponge iron capacity granted EC in the country.

Table 6: Top 10 sponge iron districts

District	Capacity (in MTPA)
Raigarh	2.96
Saraikela-Kharswan	2.85
Jharsuguda	2.47
Raipur	2.35
West Midnapore	1.95
Bellary	1.47
Sambalpur	1.36
Rajnandgaon	1.26
Purulia	1.12
Durg	1.12
Total	**18.91**