

Telangana's iron ore reserves sufficient for setting up steel plant



The Bayyaram mines in Telangana's Khammam district have reserves of a high quality iron ore which would be enough to set up an integrated steel plant in the region. This was revealed by an ongoing exploration by the Geological Survey of India and the state's mining department. A report will be submitted to the central government for a final decision on a steel plant.

Experts said that for a steel plant to be

economically viable, a region must have iron reserves of 200 to 300 million tonnes and which would support an annual production of 10 million tonnes. Past reports of Bayyaram's reserves indicate the reserves could easily meet this criteria.

Samples collected from three different parts of Bayyaram were found to contain 60% iron, suitable for feeding directly into the making. Setting up an integrated steel plant utilising the huge mineral wealth had been a

strident demand of Telangana over the decades. Despite earlier surveys by government agencies and favourable reports about the quality of iron ore reserves, Visakhapatnam was preferred for the steel plant by the public sector Rashtriya Ispat Nigam Ltd.

The latest survey thus categorically establishes the extent of the reserves and of its quality. It follows a federal assurance that a steel plant will be set up at Bayyaram following the creation of Telangana state. Officials involved in the survey say that the quality of iron could go up further if explored at a deeper level. The present assessment of 60% grading was arrived at by the appearance of samples.

An official at GSI said that "In laboratory tests, the quality could up further."

Bayyaram mines have been at the heart of Andhra-Telangana politics with each side trying to use it for its own benefit. After Visakhapatnam was preferred for a plant ignoring Bayyaram's claim, attempts were made to open Bayyaram reserves. But it met with strong opposition from Telangana supporters.

India to remain world's 4th largest steel maker in 2014 - World Steel

World Steel Association said that India will remain the world's fourth largest steel maker this year even as its production growth outpaced the global average in the first 11 months. India has produced 76.19 million tonnes steel in the January-November period compared to 74.37 million tonnes during the same period last year, clocking 2.4% growth and positioned itself again at the fourth slot. Despite dip in production in some previous months, China has been world's top steel producer in the first eleven months of current year, with output of around 650 million tonnes. Japan produced 101.66 million tonnes during the 11 months, clocking a 0.4% growth over 101.25 million tonnes in the year-ago period.

Production in the US grew by 1.5% in the

first 11 months of the year grew to 80.95 million tonnes from 79.75 million tonnes a year ago. Though the gap in production between India and the US is not wide as of now, that is unlikely to change the order as the US produced more steel even in November.

