

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:816

ANSWERED ON:31.07.2006

EXPORT OF IRON ORE

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Will the Minister of STEEL be pleased to state:

- (a) whether the Government has entered into an agreement with Japan and Korea for export of iron-ore;
- (b) if so, the details thereof including the period and the quantum of iron-ore to be exported to these countries;
- (c) whether there are sufficient deposits in the country to meet the export targets/obligation; and
- (d) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

(a) Yes, Sir. MMTC and NMDC have entered into long term agreements with Japanese Steel Mills (JSMs) and POSCO, South Korea (POSCO) for export of iron ore.

(b) The long term agreements with JSMs and POSCO have been entered into for a period of five years effective from 1st April, 2006 to 31st March, 2011. The quantity finalised with Japan and Korea against the long term agreements is as follows

Quantity (in Million Tonnes)

Buyer	Range	
	From	To

JSMs	3.47	6.75
POSCO	0.80	1.60
Total	4.27	8.35

(Source: MMTC)

(c)&(d): India's total iron ore reserves as per United Nations Framework Classification (now adopted by Indian Bureau of Mines, Nagpur) in quantitative terms as on 1.4.2000 is as under:

(Qty. Million Tonnes)

Haematite	11,426
Magnetite	10,682
Total	22,108

(Source: Indian Mineral Yearbook, 2004 published by IBM, Nagpur)

As per National Steel Policy, a judicious balance would continue to be maintained between exports and domestic supply of iron ore. As investments are made into beneficiation, sintering and pelletization in India, export of iron ore is likely to decline.