

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:515
ANSWERED ON:09.07.2004
EXPORT QUOTA
Shiwankar Shri Maha Deo Rao

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government has decided that the chrome ore export quota for this year will not increase and would be same as that of 2003;
- (b) if so, the policy of the Govt. in the past and at present;
- (c) the reasons for not increasing the quota in comparison to the year 2003;
- (d) whether the Union Government are aware that the Steel Manufacturers are facing difficulties due to absence of revision of the export quota; and
- (e) the efforts being made/proposed to be made by the Government to remove the difficulties being faced by the Steel Manufacturers?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI E.V.K.S. ELANGO VAN)

(a)&(b) Yes, Sir. The Ministry of Steel have recommended that the chrome ore export quota for this year should be the same as that for the year 2003. Under the Exim Policy for the years 2002-2007, Friable and Lumpy Chrome ore is regulated under the State Trading regime, and exported through MMTC, with a quantitative cap of 4 lakh metric tonnes per annum in the following manner:

(a) Chrome ore other than

(i) beneficiated chrome ore fines/ concentrates (average feed grade to be less than 42% Cr₂O₃) and at (b) to (d) below

Restricted (Export - No ceiling permitted under licence other than categories below)

(ii) those categories of chrome ores mentioned in (b) to (d) below as permitted through STEs (State Trading Enterprise)

(b) Low silica friable/fine ore with Cr₂O₃ not exceeding 52% and silica exceeding 4% And
STE (For export 3.6 Lakh Within the ceiling of 4.0 Lakh Tonnes overall)

(c) Chrome lumps with Cr₂O₃ not exceeding 40%

(d) Low silica friable/ fine chromite ore with Cr₂O₃ (For export 0.4 Lakh - Tonnes)

in range of 52%-54% and through MMTC)
silica exceeding 4%

However, in the year 2002-03, under a special dispensation, the annual quantitative cap of 4 lakh metric tonnes was enhanced by 1 lakh metric tonne.

(c) The chrome ore, being a scarce and exhaustible mineral, with no further exploration being done to estimate higher availability of reserves, domestic value addition, like ferro chrome and charge chrome is preferred rather than exporting the ore. Further, the increased export of chrome ore to the countries, which are competing with India in export of value-added chrome products, may adversely affect the interests of the domestic industry.

(d) No, Sir.

(e) Does not arise in view of reply to (d) above.