

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:538

ANSWERED ON:28.02.2008

SETTING UP OF STEEL PLANTS

Gamang Shri Giridhar;Khaire Shri Chandrakant Bhaurao

**Will the Minister of STEEL be pleased to state:**

- (a) the details of MoUs signed alongwith the name of companies for setting up of steel plants in the various States, particularly Jharkhand and Orissa during the last three years and the present status of projects, State-wise and Project-wise;
- (b) the assessment made by the Government and the State Governments about iron ore reserves and its utilization by the Public Sector and Private Sector so far and future availability of iron ore for both the sectors;
- (c) the policy guidelines adopted and issued to States for leasing the iron ore mines there;
- (d) whether the present or proposed New National Mineral Policy is not conducive to setting up of steel plants in the States, as mining lease/iron ore blocks are not allotted on time to the manufacturers; and
- (e) if so, the steps the Government proposes to take to ensure that steel production does not suffer on account of non-availability of iron ore/iron ore blocks?

**Answer**

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

- (a) The details of MoUs signed alongwith the name of companies for setting up of iron and steel plants in Jharkhand and Orissa during the last three years and the present status of projects, state-wise and project-wise are annexed.
- (b) As per available information India has sufficient resources of iron ore. As on 01.04.2005 these resources are estimated at 25.25 billion tonne, consisting of 14,630 million tonnes of Haematite and 10,619 million tonnes of Magnetite, and they are continuing to increase with further exploration. Domestic consumption of iron ore in the year 2006-07 was 72 million tonnes (estimated). The production of iron ore in India far exceeds the demands of the domestic steel industries. Total production of iron ore in 2006-07 was 180.92 million tonnes (provisional).
- (c)&(d): National Mineral Policy 2007 is under consideration of the Government. The allocation of iron ore is governed under Mines and Minerals (Development & Regulation) Act 1957 (MMDR Act) read with rule 35 of the Mineral Concession Rules, 1960 providing for end use of minerals. Under this act, the concerned State Governments examines and recommends the applications for mining lease under Section 11(3) of the MMDR Act 1957. Rule 63 A of MC Rules 1960 also provides for a time frame to dispose of the complete applications for mining lease. In case of delay, the same has to be explained in writing.
- (e) An Inter Ministerial Group (IMG) has been constituted to co-ordinate and monitor issues concerning major steel investments in the country which also includes the problems relating to availability of iron ore.