

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:3143
ANSWERED ON:20.03.2008
SUPPLY OF IRON ORE BY NMDC
Khairi Shri Chandrakant Bhaurao

Will the Minister of STEEL be pleased to state:

- (a) the details of supply of iron ore to small and medium scale industries by the National Mineral Development Corporation Ltd. (NMDC) during the last three years;
- (b) whether the supply of iron ore being made by NMDC to small and medium scale industries has been discontinued;
- (c) if so, the details thereof alongwith the reasons therefor;
- (d) whether the Government proposes to take any corrective measures keeping in view the difficulties being faced by iron ore based small and medium scale industries; and
- (e) if so, the details thereof?

Answer

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

(a) The supply of iron ore by NMDC is not based on a gradation of small and medium scale industries or otherwise. NMDC has been offering iron ore from Bailadila to various Chhattisgarh based Sponge / Pig Iron units based on recommendations of State Investment Promotion Board (SIPB), Government of Chhattisgarh. A few of these units may be falling under the category of small and medium scale industries as well.

The quantity lifted by Chhattisgarh based Sponge/Pig iron units during the last three years is as follows:

Sl.No.	Year	Quantity lifted (In lakh tonnes)
1.	2004-05	1.4
2.	2005-06	8.5
3.	2006-07	18.3

(b) No, Sir.

(c) Does not arise in view of (b) above.

(d)&(e): Government does not control supply of iron ore to individual steel industries. The supply of iron ore to individual units is dependent upon their individual tie up with iron ore producers. However, it may be stated that the total production of iron ore in India is presently quite high in comparison to the demand of domestic iron and steel industries and iron ore in large quantity is being exported. For example, during 2006-07, the country produced 181 million tonne of iron ore out of which, domestic steel industry consumed about 68.504 million tonne of iron ore (Estimated), whereas 93.79 million tonne of iron ore was exported (Provisional).

(Source: Ministry of Mines for production and domestic consumption and Department of Commerce for Export)