

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:2494  
ANSWERED ON:11.03.2010  
SUPPLY OF IRON ORE TO STEEL PLANTS  
Ahir Shri Hansraj Gangaram

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

- (a) the quantity of steel being produced by the steel plants of the public sector undertakings in the country;
- (b) the demand and supply of iron ore in the steel plants and the actual quantity being supplied to these plants;
- (c) whether the Government has to import iron ore due to its heavy demand;
- (d) if so, the details thereof; and
- (e) the other steps being taken to make iron ore available as per the demand of steel plants in the country?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP)

(a) The quantity of saleable steel produced by steel plants of Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL), public sector undertakings producing steel during last two years and during 2009-10 (April 2009-February, 2010) is as follows:

Saleable Steel Production by public sector undertakings

Unit: Million tonnes

Name of company	2007-08	2008-09	2009-10#
		(April-February)	

SAIL	13.044	12.494	11.384
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RINL	3.074	2.701	2.842
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# Provisional

(b) Entire requirement of iron ore for five integrated steel plants of SAIL located at Bhilai, Durgapur, Rourkela, Bokaro and Burnpur is being met from captive mines. During 2008-09, 23.28 million tonnes of iron ore was supplied to these steel plants. However, Visveswaraya Iron & Steel Plant, a special steel plant of SAIL in Karnataka meets its iron ore requirement by purchase from market.

The present requirement of iron ore in RINL is about 6.3 million tonnes. RINL is dependent on NMDC Ltd., another PSU under Ministry of Steel for meeting most of its iron ore requirement. However, a small quantity of iron ore is also being procured from SAIL and Orissa Mineral Development Corporation (OMDC) to meet exigencies.

(c) to (e) No, Madam. None of the public sector steel plants import iron ore. The production of iron ore in the country is much higher than its present domestic consumption. During 2008-09, the country produced 215.44 million tonnes of iron ore, while the domestic consumption of iron ore was estimated to be only 88.22 million tonnes and 105.87 million tonnes of iron ore was exported from the country. However, to conserve iron ore resources of the country for long term utilization of the domestic steel industries, export duty has been imposed on iron ore. Presently, 5% export duty has been imposed on iron ore fines and 10% export duty has been imposed on iron ore, other than fines.