

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:3132

ANSWERED ON:16.03.2010

PRODUCTION OF IRON ORE

Ahir Shri Hansraj Gangaram;Patil Shri Sanjay Dina

Will the Minister of MINES be pleased to state:

- (a) whether the present extraction of iron ore is sufficient to meet the domestic demand;
- (b) if so, the details thereof and if not, the reasons therefor alongwith the details of demand by steel plants of public and private sectors;
- (c) whether any target has been fixed for extraction of iron ore during the 11th Five Year Plan;
- (d) if so, the details thereof and the achievement made so far; and
- (e) the steps taken/being taken by the Government to explore/ produce more iron ore in the country so as to regulate the steel prices and supply to steel plants as per their requirement?

Answer

THE MINISTER OF MINES AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI B.K. HANDIQUE)

(a): Yes.

(b): As per available information, during the year 2008-09 the production of iron ore was 215 million tonnes and the domestic demand was 85 million tonnes.

(c) & (d): Mining of minerals depends broadly on availability of mineral resources, economic viability, demand of the market etc. Under the liberalised economic environment, investment decisions, including choice of location, are taken by the entrepreneurs based on their techno- economic judgements and commercial considerations.

(e): The Government has enunciated the new National Mineral Policy, 2008 which envisages streamlining and simplifying the procedures in grant of mineral concessions in order to attract investment into mining sector. The Government has also revised the threshold values for 12 minerals, including iron ore, which would entail stacking and utilisation of low grade ore. These policy initiatives would provide suitable environment for optimum exploitation of the mineral potential of the country.