

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:5496  
ANSWERED ON:29.04.2010  
SUPPLY OF IRON ORE BY NMDC  
Khairi Shri Chandrakant Bhaurao

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

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- (a) the details of supply of iron ore to small and medium scale industries by the National Mineral Development Corporation (NMDC) during the last three years;
- (b) whether the supply of iron ore being made by NMDC to the said industries has been discontinued;
- (c) if so, the details thereof alongwith the reasons therefor; and
- (d) the steps being taken by the Government to ensure the smooth supply of iron ore to small and medium scale industries?

**Answer**

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

(a) The supply of iron ore by NMDC is not based on 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. As per State Investment Promotion Board (SIPB), Chhattisgarh, generally units up to 50 tonnes per day (50 TPD) capacity are classified as "small" (investment below Rs.5 crores) and units up to 100 tonnes per day (100 TPD) capacity are classified as "medium" (investment below Rs.10 crores).

Based on this criteria, out of approximately 85 units to whom NMDC is supplying iron ore in the State of Chhattisgarh as recommended by SIPB, Chhattisgarh, only 31 units are covered under "small & medium scale". The details of iron ore supplied by NMDC to these industries during past 3 years are as follows:

(Quantity in Lakh Tonne)

Type of enterprise/ industry Nos. 2007-08 2008-09 2009-10

Small Scale	10	0.31	0.22	0.03
Medium Scale	21	1.83	2.07	1.96
Total (Small + Medium)	31	2.14	2.29	1.99

(b) No, Madam.

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

(d) 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.