

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

STARRED QUESTION NO:593  
ANSWERED ON:06.05.2010  
PROMOTION OF STEEL SECTOR  
Bhoi Shri Sanjay

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

- (a) the road map envisaged for the National Mineral Development Corporation (NMDC) to promote and expand steel sector, in view of the growing demand;
- (b) whether the NMDC and Tata Steel have signed a Memorandum of Understanding (MoU) for entering into strategic alliance for acquisition, exploration and development of mines and setting up integrated steel plants;
- (c) if so, the details of the benefits likely to accrue as a result thereof; and
- (d) the extent to which country's steel making capacity is likely to be enhanced through these plants?

**Answer**

THE MINISTER OF STEEL (SHRI VIRBHADRA SINGH)

(a)to(d): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF LOK SABHA STARRED QUESTION NO.593 TO BE ANSWERED ON 06/05/2010 TABLED BY SHRI SANJAY BHOI, MEMBER OF PARLIAMENT REGARDING "PROMOTION OF STEEL SECTOR"

(a) NMDC is fulfilling a substantial part of the demand for iron ore of major domestic steel companies. In view of growing demand of steel sector, NMDC has planned for following actions for contributing in the development and expansion of the domestic steel sector:

- # Capacity expansion of existing iron ore mines to the extent possible to meet the iron ore requirement of the Indian steel industries.
- # Opening up of new mining projects in India for mining of iron ore and other minerals like limestone, magnesite, coal etc.
- # Setting up of projects for value addition to iron ore, like pellet plants.
- # Acquisition of overseas mining assets in iron ore and coking coal.
- # Acquisition of mineral properties through joint ventures.

Besides this, NMDC has planned to set up a 3 million tonne per annum Integrated Steel Plant at Nagarnar, Chhattisgarh to directly contribute to steel production in the country.

(b)to(d): Yes, Madam. NMDC and Tata steel have signed an MoU on 22nd January, 2010 to explore the possibility of entering into a joint venture / ventures for the purpose of acquisition, exploration and development of mines, extraction and processing of minerals, setting up integrated steel plants and any other business which is of mutual interest to both the parties. However, no final decision in respect of setting up of any steel plant in association with Tata Steel has yet been taken by NMDC.