

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:157

ANSWERED ON:26.07.2010

EXPORT OF IRON ORE

Adsul Shri Anandrao Vithoba;Yadav Shri Dharmendra

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Chief Ministers of the mineral rich States have requested the Central Government to ban iron ore export as unbridled exports of minerals has led to loss of precious natural resources;
- (b) if so, the details thereof;
- (c) whether country will exhaust all its mineral resources in view of the present rate of export ;
- (d) if so, the details thereof and the response of the Central Government in this regard;
- (e) whether the Government proposes to bring a comprehensive policy to ban export of iron ore;
- (f) if so, the details thereof; and
- (g) the steps taken by the Government to ensure iron ore and other such precious minerals are utilized for value addition within the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) : Yes, Madam. One communication has been received from the Chief Minister of Karnataka, inviting reference to the issue of exploitation of mines and illegal mining. It refers to the need for discouraging export of iron ore and for setting up industries locally to produce value added products by utilising iron ore.

(c) & (d) : The resource position of iron ore as on 01.04.2005 is estimated at 25.249 billion tons based on a threshold value of +55% Fe. The total quantity of exports of iron ore during the year 2008-09 was only 105.87 million tons. Iron ore 'fines' constituted about 87% of these exports which were effected due to limited demand for 'fines' in the country and to prevent stockpiling and environmental hazards in mining areas. As India has one of the largest reserves of iron ore in the world, which are expected to increase with technically advanced exploration techniques, it is unlikely that reserves will be depleted with exports.

(e) : No, Madam.

(f) : Does not arise.

(g) : Ministry of Steel is in favour of promoting beneficiation and sintering/pelletisation of iron ore within the country, so as to maximize domestic utilization of iron ore fines. However, most of the integrated steel projects presently set up/proposed to be set up are based on sintering/pelletisation of iron ore to maximize the use of iron ore fines.