

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:3780
ANSWERED ON:17.08.2010
GUIDELINES FOR MINING COMPANIES
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Will the Minister of MINES be pleased to state:

- (a) whether the Government has issued any guidelines to public/private sectors mining companies for supplying iron-ore to domestic steel companies on priority basis;
- (b) if so, whether the said guidelines are being adhered to;
- (c) if not, the reasons therefor;
- (d) whether any action has been taken against the companies not adhering to the guidelines;
- (e) if so, the details thereof;
- (f) whether the Government has formulated any policy for providing sufficient quantity of iron-ore to domestic steel companies; and
- (g) if not, the time by which such policy is likely to be formulated?

Answer

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

(a) to (g): The Government of India has not issued any guidelines to public/private sectors mining companies for supplying iron-ore to domestic steel companies on priority basis. However, the Government has approved the National Mineral Policy, 2008, on 13th March 2008, which enunciates that in order to be assured of uninterrupted supply of the mineral raw material from domestic sources the user industry will be encouraged to develop long-term linkages with the mineral producing units including equity participation in such mining companies. The mineral processing unit should not only get an assured supply of the mineral raw material but should also have close links with the production and marketing agencies of the mineral based end products. Mining as a backward linkage and Value addition within the same state as a forward linkage will, therefore, be encouraged. The National Mineral Policy 2008 has been tabled in both Houses of the Parliament and is available on the website of the Ministry of Mines(<http://mines.nic.in>).