

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

UNSTARRED QUESTION NO:994

ANSWERED ON:15.11.2010

EXPORT OF IRON ORE

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

- (a) the details regarding export of iron ore from the country during the last three years;
- (b) whether the Ministry proposes to impose ban or restrict the quantum of export of iron ore in view of rising local demand;
- (c) if so, the details thereof;
- (d) whether the Government has signed agreements with various countries for export of iron ore; and
- (e) if so, the details thereof alongwith the terms and conditions of the Government in this regard?

Answer

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

(a): India's total export of iron ore during the last three years is as under:

(Quantity in Million Tonnes)

2007-08 2008-09 2009-10 (prov.)

104.27 105.87 117.37

(b) & (c):No, Madam.

(d) & (e):MMTC Limited with the approval of the Government has entered into Long Term Agreements (LTAs) for export of iron ore with countries like Japan, South Korea and China. These LTAs are valid for a period of five years commencing from 1.4.2006 to 31.3.2011 as per the following details:

(Million Tonnes)

Annual Quantity to be supplied for 5 years	Minimum	Maximum
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Japanese Steel Mills (JSMs)	3.47	6.75
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POSCO, South Korea	0.80	1.60
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Chinese Steel Mills 2.50 3.10

The annual quantity with the long-term buyers is negotiated and finalized every year, which is within the range of the quantity of the LTA. MMTC is exporting iron ore to JSMs and POSCO, South Korea at benchmark prices which are finalized keeping in view the increase/decrease in the international market. As regards China, the export to LTA buyers is made on spot basis and prices are finalized on transaction to transaction basis.