

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:1239  
ANSWERED ON:08.08.2011  
STEEL PLANTS WITH CAPTIVE ORE MINES  
Kumar Shri Vishwa Mohan

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

- (a) whether a number of steel plants in the country including Bihar and Jharkhand do not have their own captive iron ore mines;
- (b) if so, the details thereof;
- (c) whether the cost of production of steel is higher in these plants as compared to those plants which have captive iron ore mines; and
- (d) if so, the remedial steps being taken by the Government in this regard?

**Answer**

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a)&(b): As per information available in the Ministry of Steel, amongst the large integrated steel plants, Steel Authority of India Limited having its integrated steel plants at Bokaro (Jharkhand), Durgapur (West Bengal), Rourkela (Orissa), Bumpur (West Bengal), Bhilai (Chhattisgarh) and Tata Steel Limited, Jamshedpur (Jharkhand) meet a large portion of their requirement of iron ore from their own captive mines. All other major steel producers either partially meet their requirement from captive sources or obtain the entire requirement of iron ore from the market.

(c) Cost of production of steel is dependent upon several factors such as raw material, cost of transportation, technology, manpower, energy etc. However, iron ore being one of the major raw material inputs for iron and steel making, the primary steel producers having captive iron ore mines enjoy the relative benefit on cost of steel production.

(d) A Draft Mines and Minerals (Development & Regulation), Bill, 2010 proposed to replace the existing Mines and Minerals (Development & Regulation), Act, 1957, which governs the grant of mineral concessions for various minerals including iron ore is under consideration of a Group of Ministers (GoM) constituted in this regard.