

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:896  
ANSWERED ON:09.07.2009  
MODERNISATION OF NMDC  
Maadam Shri Vikrambhai Arjanbhai

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

- (a) whether the National Mineral Development Corporation (NMDC) is proposed to be modernized to increase its production and take up fresh exploration;
- (b) if so, the details thereof;
- (c) whether the PSU also proposes to set up pellet plants; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP)

(a)&(b): Yes, Sir. NMDC is undertaking exploration in its existing iron ore mines to establish additional resources. NMDC is also developing new mines (Bailadila deposit 11B in Chhattisgarh and Kumaraswamy iron ore mines in Karnataka) to increase its production. It is also procuring latest and higher capacity machines to increase its production. It has also applied for Prospecting Licence/Mining Lease for many new iron ore mines as well.

Besides, it is exploring for diamond in many areas of Andhra Pradesh. Recently, NMDC has also diversified into exploration of Coal, Platinum, Gold and Beach Sand etc. NMDC is also conducting prospective work for Diamond in 8 areas around Kalyandurg, Andhra Pradesh covering a total area 123 Sq. km. NMDC has also been allocated two coal blocks viz. Shahpur East and Shahpur West in Madhya Pradesh, where NMDC has conducted detailed exploration through M/s. MECL

(c)&(d): Yes, Sir. NMDC plans to set up a 2 million tonne per annum capacity pellet plant at Bacheli in Chhattisgarh and a 1.2 million tonne per annum capacity pellet plant at Donimalai in Karnataka.