

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:359
ANSWERED ON:30.04.2012
PRODUCTION OF IRON ORE
Khaire Shri Chandrakant Bhaurao;Sivasami Shri C.

Will the Minister of STEEL be pleased to state:

- (a) the total demand and production of iron ore in the country during each of the last three years;
- (b) the total quantum of iron ore imported from Australia during the said period, year-wise and value-wise;
- (c) whether many of the small steel plants are on the verge of closure due to non-availability and huge shortage of iron ore in the country;
- (d) if so, the details thereof and the corrective measures taken/being taken by the Government in this regard;
- (e) whether the Government is contemplating a ban on the export of iron ore due to the huge demand of iron ore in the domestic market; and
- (f) if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a)to(f) A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (F) OF LOK SABHA STARRED QUESTION NO. 359 FOR ANSWER ON 30/04/2012 TABLED BY S/SHRI SIVASAMI C. AND CHANDRAKANT KHAIRE, MEMBERS OF PARLIAMENT REGARDING PRODUCTION OF IRON ORE

(a) The total production and demand of iron ore in the country during each of the last three years are given below:

(Quantity in million tonnes)

Year Iron ore produced@ Demand/domestic consumption

2008-09	212.96	86.7@
2009-10	218.55	96.3@
2010-11 (P)	208.00	111.4#
2011-12 (P)	127.7 (upto December,11)	116.3#

@- Source- IBM, Ministry of Mines #- Source- estimates of Ministry of Steel

(b) The total quantum of iron ore imported by India from the Australia during 2008-09 to 2010-11, year-wise and value-wise is given below.

Iron Ore import from Australia Iron ore

2008-09	2009-10	2010-11#
Qty (million tonnes)	- 0.15	-
Value (` Lakh)	- 7800	-

Provisional; Source: Joint Plant Committee (JPC), Ministry of Steel/ DGCIS

(c)&(d): The production of iron ore in India is in excess of the total estimated domestic consumption by the iron and steel industry.

Therefore, overall there has been no scarcity of iron ore for the domestic iron and steel industry.

(e)&(f): Ministry of Steel is of the view that iron ore, being a non-renewable natural resource, should be conserved for long term utilization of domestic steel industry. The Government has decided that though conservation of iron ore resources of the country should be achieved not by banning or capping the export of iron ore but by taking recourse to appropriate fiscal measures. Accordingly, to improve availability of iron ore to domestic iron and steel industry at affordable price, the Government has increased the export duty on iron ore from 20% ad valorem to 30% ad valorem on all grades of iron ore (except pellets) with effect from 30.12.2011.