

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:328
ANSWERED ON:17.12.2012
SHORTAGE OF RAW MATERIAL
Dhruvanarayana Shri R. ;Joshi Shri Pralhad Venkatesh

Will the Minister of STEEL be pleased to state:

- (a) whether there has been a decline in the production capacity of the steel plants following stoppage or a partial standstill in extraction of various ores including iron ore and manganese in some States including Karnataka;
- (b) if so, the details thereof along with the total steel produced during the last three years and the current year;
- (c) whether this stoppage in the mining exercise has also adversely affected other sectors of the industry; and
- (d) if so, the details thereof along with the corrective measures taken/being taken by the Government in this regard and to ensure adequate availability of iron ore to the domestic steel manufacturers?

Answer

THE MINISTER OF STEEL(SHRI BENI PRASAD VERMA)

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

STATEMENT REFERRED TO IN REPLY TO PART (A) TO (D) OF THE LOK SABHA STARRED QUESTION NO.328 FOR ANSWER ON 17/12/2012 TABLED BY SHRI DHRUVA NARAYANA AND SHRI PRALHAD JOSHI, MEMBERS OF PARLIAMENT REGARDING SHORTAGE OF RAW MATERIAL

(a)to(c): Data on production and capacity of crude steel in the country during the last three years 2009-10, 2010-11, 2011-12 and April-September 2012-13 is given below and does not indicate any decline in either parameter.

India: Crude Steel (unit: million tonnes)

Year/Period	Capacity	Production
2009-10	75.00	65.84
2010-11	80.36	70.67
2011-12#	89.29	73.79
April - September, 2011	-	36.69
April - September, 2012#	-	38.46

Source: JPC;# provisional;

(d) 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) w.e.f. 30.12.2011.