

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:3730
ANSWERED ON:17.12.2012
SPONGE IRON PLANTS
Patle Kamla Devi

Will the Minister of STEEL be pleased to state:

- (a) the number of sponge iron plants set up across the country including Chhattisgarh;
- (b) whether the National Mineral Development Corporation (NMDC) supplies iron ore for these plants and if so, the details thereof;
- (c) whether supply of iron ore by the NMDC is sufficient for meeting the requirements of these plants;
- (d) if not, the steps being taken by the Government to increase the supply of iron ore to these plants;
- (e) whether these plants have been receiving iron ore from Odisha also and if so, the details thereof; and
- (f) whether the State Government of Odisha has imposed any ban on transportation of iron ore outside the State of Odisha and if so, the efforts made by the Government to ensure that atleast five million tonnes of iron ore is made available to the plants set up in Chhattisgarh?

Answer

THE MINISTER OF STEEL(SHRI BENI PRASAD VERMA)

(a) As per information available in the Ministry of Steel, there are about 431 number of Sponge Iron Plants set up across the country including Chhattisgarh (Source: Annual Statistics of JPC for the year 2010-11).

(b)to(d): National Mineral Development Corporation (NMDC) supplies iron ore to some of the Sponge Iron Units in the country and it is not the sole supplier of iron ore to these units.

During the year 2011-12, NMDC supplied 54.99 lakh tonnes of iron ore to various Sponge Iron Manufacturers from its mines in Chhattisgarh. The iron ore produced by NMDC from its mines in Karnataka is e-auctioned to consumers as per directions of the Supreme Court since September 2011.

During 2011-12 iron ore production in the country was about 167 million tonnes (Provisional as per IBM) which was more than the consumption of iron ore in the country during the year.

NMDC has planned to increase its iron ore production from the existing capacity of 32 MTPA to 45 MTPA by the year 2014-15.

To ensure better availability to the domestic consumers, a high rate of Customs Duty of 30% has been imposed on the export of all kinds of iron ore (except pellets).

(e)&(f): Steel is a deregulated sector and a steel producer may source iron ore from anywhere in the country. Ministry of Steel does not keep records about sourcing of iron ore by various steel producers including the secondary sector. No instance of ban on transportation of iron ore by the State of Odisha has come to the notice of this Ministry.