

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:4141
ANSWERED ON:22.03.2013
SHARE OF IRON ORE
Krishnaswamy Shri M.

Will the Minister of MINES be pleased to state:

- (a) whether the Government has taken note that the country is losing its share in the iron ore market during the last three years in view of closure of mines on directions of the Hon`ble Courts;
- (b) if so, the details thereof, State/UT-wise;
- (c) the losses incurred by the Government thereby; and
- (d) the corrective measures taken by the Government in this regard?

Answer

THE MINISTER OF MINES (SHRI DINSHA PATEL)

(a) to (d): Export of iron ore is regulated by the Export-Import (EXIM) Policy of Government of India which presently provides that export of iron ore upto 64% Fe grade is free and any iron ore higher than 64% Fe grade shall be exported through MMTC Limited. Export of Iron ore is dependent upon demand and supply in the international market. The quantum of iron ore export during the years 2009-10 to 2011-12 is as follows:

(Quantity in Million tonnes)

Year 2009-10 2010-11 2011-12 (P)

Iron ore 117.37 97.66 61.74
exported

(Source: GMOEA, KIOCL & MMTC) P: Provisional

Increase in the export duty on iron ore from 20% to 30% advalorem on all grades of iron ore (except pellets) with effect from 30.12.2011, differential railway freight on movement of iron ore for exports as compared to railway freight on movement for domestic consumption and restriction in iron ore production in the States of Karnataka and Goa may also have contributed in decrease in export of iron ore