

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:4284
ANSWERED ON:22.03.2013
MINING AND EXPORT OF IRON ORE
Yadav Shri Madhusudan

Will the Minister of MINES be pleased to state:

- (a) whether the iron ore mined in Bailadila iron ore mines is exported to Japan at lower rates in comparison with the rate at which it is given to industries of Chhattisgarh State;
- (b) if so, the rate of iron ore exported to Japan vis-a-vis local industries;
- (c) the period of agreement regarding export of iron ore to Japan along with the quantity of iron ore exported to Japan during each of the last three years and the current year; and
- (d) the quantity of iron ore supplied to local industries of Chhattisgarh from the Bailadila iron ore mines during the said period?

Answer

THE MINISTER OF MINES (SHRI DINSHA PATEL)

(a) and (b): Sales under export agreements are done on Free on Board (FOB) port basis whereas domestic sales are done on Free on Rail (FOR) / Free on Truck (FOT) mine basis and as such these two types of prices are not directly comparable. The export price and domestic prices of iron ore of NMDC Limited (National Mineral Development Corporation), during the year 2012-13, are given below:

Period Domestic price (in Rs./Tonne on FOR mine basis) Export price (in US \$ /DLT-FOB port basis)

Baila Lump Baila Fines Baila Lump Baila Fines
Q1 (April- June, 2012) 5480 2800 146.90 135.20

Q2 (July- September, 2012) 6190 3030 153.60 141.38

October, 2012 6070 2690 131.93 121.43

November, 2012 5380 2610 131.93 121.43

December, 2012 5380 2610 131.93 121.43

January, 2013 5060 2610 116.57 107.30

February, 2013 5060 2610 116.57 107.30

March, 2013 4950 2610 116.57 107.30

(Source: Indian Bureau of Mines)

(c): NMDC Limited has entered into long term contracts with Japanese Steel Mills and POSCO, South Korea for export of iron ore from Bailadila Sector through MMTC Limited, for a period of three years from 2012-13 to 2014-15. The iron ore exported by NMDC Limited to Japan during the last three years and the current year are given below:

(Quantity in lakh tonne)

Year Iron ore export to Japan
by NMDC Limited

2009-10 21.81

2010-11 20.76

2011-12 0.69

2012-13 11.05
(Till February 2013)

(Source: Indian Bureau of Mines)

(d): Iron ore supplies to various Chhattisgarh units during the last three years and current year are as under:

(Quantity in lakh tones)

Year Iron ore supplies to
Chhattisgarh Units by NMDC

2009-10 17.1

2010-11 26.5

2011-12 33.5

2012-13 20.17
(Till February 2013)

(Source: Indian Bureau of Mines)