

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:960
ANSWERED ON:02.03.2015
PELLET UNITS OF NMDC
Adhikari Shri Sisir Kumar

Will the Minister of STEEL be pleased to state:

- (a) whether National Mineral Development Corporation (NMDC) proposes for expansion projects for pipelines and set up a pellet unit;
- (b) if so, the details thereof;
- (c) whether due to present tax structure, pellet industry is facing problems during the last two years;
- (d) if so, the details of export and foreign exchange earned therefrom during the said period; and
- (e) the measures taken by the Government to encourage the pellet industry in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF (SHRI VISHNU DEO SAI) STEEL AND MINES

(a)&(b): Yes, Madam. NMDC is proposing to set up slurry pipelines projects from Kirandul to Nagarnar and another from Nagarnar to Vizag. NMDC is setting up following Pellet Plant:-

- (i) 1.2 MTPA Pellet Plant at Donimalai, District Bellary, Karnataka
- (ii) 2.0 MTPA Pellet Plant at Nagarnar, District Bastar of Chhattisgarh
- (iii) 6.0 MTPA Pellet Plant in District Vizag of Andhra Pradesh

(c)&(d): Government has imposed duty of 5% w.e.f. January, 2014 on exports of iron ore pellets which is impacting pellet industry. Details of export of iron ore pellet and foreign exchange earned therefrom during last two years is as following :-

YEAR	QTY. (Ton)	VALUE (US \$)
2012-13	20	3903
2013-14	1712975	247224029
2014-15 (Apr. - Nov.)	367129	50764507

(e) To increase availability of iron ore to domestic steel industry, duty on iron ore has been increased to 30%, this is expected to benefit pellet industry.