

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1163

ANSWERED ON:24.07.2017

Export of Iron Ore

Choudhary Shri Ram Tahal; Giluwa Shri Laxman

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the export of iron ore is increasing every year whereas the domestic need of iron ore is not being met ;
(b) if so, the details thereof and the total demand of iron ore in the country along with the total export of iron ore from the country during the last three years and the current year;
(c) whether various industries are on the verge of closure due to non-supply of iron ore and are unable of utilize their capacity; and
(d) if so, the details thereof along with the reaction of the Government thereto and the corrective measures taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b): As per DGCI&S data, export of iron ore during last three years and current year has shown a fluctuating trend. Details of total demand (consumption) and export of iron ore for this period are given in the table below:

(in million tonnes)

Year Demand (Consumption) Export

2014-15 113.48 7.29

2015-16 122.10(E) 5.44

2016-17 131.38(E) 30.54 (P)

2017-18

(Upto May'2017) NA 6.08 (P)

Source: Demand (Consumption) – JPC/IBM and Export - DGCI&S, Kolkata.

(P) = Provisional, (E) = Estimates on the basis of GDP growth rate @7.6%.

(c) & (d) : Production of iron ore during the last three years is more than the domestic consumption and exports. Production of iron ore in the country is sufficient to meet the domestic requirement. Iron & Steel being deregulated sector, capacity utilization of plants is based on commercial consideration. Iron ore of Fe content above 64% (other than of Redi origin to all markets and Iron ore of Goa origin when exported to China, Europe, Japan, South Korea and Taiwan irrespective of the Fe content) is regulated under Foreign Trade Policy 2015-20 by way of canalization through MMTC Limited. Government has levied a n export duty @ 30% o n iron ore lumps/fines above 58% Fe content. This is done to ensure that the overall demand for high grade iron ore in the domestic market is taken care of. Therefore, steps/measures are already in place to regulate exports of iron ore. Government has also notified Mines and Minerals (Development and Regulation) Amendment Act, 2015 to streamline grant of mining leases in order to maintain sufficient availability of raw materials for the various sectors including steel sector.
