

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.2134
FOR ANSWER ON 29/08/2013

CONSUMPTION/EXPORT OF STEEL PRODUCTS

2134. DR. T. SUBBARAMI REDDY:

Will the Minister of STEEL be pleased to state:

- (a) the total quantum of iron ore and finished steel produced, consumed and exported during each of the last three years, value-wise;
- (b) whether the domestic steel industry is suffering from fall in profits and turnover due to the shortage of iron ore and if so, the details thereof and reasons therefor; and
- (c) the steps being taken by Government to ensure adequate supply of iron ore to the domestic steel industries and discourage the export of raw iron ore?

ANSWER

THE MINISTER OF STEEL

(SHRI BENI PRASAD VERMA)

- (a) The details of iron ore and finished steel produced, consumed and exported during each of the last three years are given below:

Finished Steel				
Year	Production for sale (in million tonnes)	Real consumption (in million tonnes)	Export	
			Quantity (in million tonnes)	Value (in Rs. crores)
2010-11	68.62	66.42	3.64	17511.40
2011-12	75.70	71.02	4.59	21399.80
2012-13 (provisional)	77.62	73.33	5.25	25874.50
Iron Ore				
Year	Production (in million tonnes)	Domestic consumption (in million tonnes)	Export	
			Quantity (in million tonnes)	Value (in Rs. crores)
2010-11	207.16	105.23	97.66	41295.86
2011-12 (provisional)	167.29	110.98	61.74	33911.75
2012-13 (provisional)	135.85	124.80 @	18.37	10372.02

[Source: For finished steel - Joint Plant Committee; Ministry of Steel; For production and consumption of iron ore – IBM, Ministry of Mines; For export of iron ore – MMTC, Department of Commerce; @ - Industry Sources (ASSOCHAM) for estimated iron ore requirement]

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(b) Profits and turnover of steel companies depend upon a number of factors such as source of raw materials, scale of operation, cost of manpower, etc., of which supply of iron ore is only one of the factors. The production of iron ore in India is in excess of the total estimated domestic consumption by the iron and steel industry.

(c) Fiscal measures have already been taken by Government to discourage export of iron ore and to improve availability of iron ore for the domestic iron and steel industry at affordable price. An export duty of 30% ad valorem is presently levied on all varieties of iron ore (except pellets)
