

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.4005
FOR ANSWER ON 02/05/2013

SUPPLY OF IRON-ORE TO INDUSTRIES

4005. DR. V. MAITREYAN:

Will the Minister of STEEL be pleased to state:

- (a) whether the National Mineral Development Corporation (NMDC) is the major supplier of iron-ore to all the iron-ore based industries in the country;
- (b) if so, the details thereof; and the iron-ore supplied in the last three years;
- (c) whether the ore supplied by NMDC is sufficient in both quality and quantity to meet the demands of the indigenous industries;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the steps taken by Government to ensure sufficient supply of iron-ore to all indigenous industries?

ANSWER

THE MINISTER OF STEEL

(SHRI BENI PRASAD VERMA)

(a)&(b): No, Sir. NMDC Limited produced 27.3 million tonnes of iron ore during 2011-12, which is about 16% of the total iron ore production of 167.28 million tonnes (provisional) in the country during 2011-12. During the year 2012-13, NMDC produced 27 million tonnes of iron ore. The details of iron ore supplied to the domestic customers by NMDC Limited in the last 3 years are as under:

Year	Quantity in Million Tonnes
2010-11	23.75
2011-12	26.91
2012-13	24.67

(c)&(d): NMDC Limited produced 27.3 million tonnes and supplied 26.91 million tonnes of iron ore to domestic industries during the year 2011-12, which is around 16% of the country's total production of iron ore of 167.28 million tonnes (provisional) and around 23% of the total estimated consumption of about 116.3 million tonnes of iron ore by the domestic iron and steel industry. Besides NMDC, there are many other public and private sector iron ore mining companies, which supply iron ore to the iron and steel industry in the country.

(e) Iron ore, being in deregulated sector, its supply is secured by the individual companies based on their individual requirement. However, to improve availability of iron ore to domestic iron and steel industry, Government has taken fiscal measures to discourage export of iron ore by increasing the export duty on iron ore to 30% ad valorem on all grades of iron ore (except pellets). NMDC is also taking steps to increase production of iron ore by opening up new iron ore mines and expanding the capacity of existing iron ore mines.
