

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION No. †2972
ANSWERED ON 06.08.2025

DELAY IN AUCTION AND DECLINE IN PRODUCTION

†2972. SHRI AZAD KIRTI JHA:

Will the Minister of MINES be pleased to state:

- (a) whether it is a fact that the supply of iron ore to various States in the country has sharply declined from the companies over the last several years in Odisha having large share of India's iron ore reserves;
- (b) whether this is due to expiry of mining leases, delay in new auctions and decline in production;
- (c) whether it is also a fact that companies in Odisha preferred to make exports oriented due to increase in global prices, thereby affected domestic supply;
- (d) if so, whether the secondary steel industry across the country including West Bengal is in serious crisis and many units are on the verge of closure due to reduced iron ore supply;
- (e) whether the Union Government is formulating any concrete policy to control or ban the export of iron ore so that priority can be given to the domestic industry; and
- (f) if so, the details thereof?

ANSWER

THE MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)

(a): The production of iron ore in the country has increased over the years. The production of iron ore in the country during the last 5 years is given below:

Sl. No.	Year	Production (in Million Tonnes)
1	2020-21	205
2	2021-22	254
3	2022-23	258
4	2023-24	277
5	2024-25	289

Further, iron ore production in the state of Odisha increased by 13% from 140.93 million tonnes in 2022–23 to 159.22 million tonnes in 2024–25.

(b): So far, a total of 150 iron ore mines have been auctioned in the country out of which 40 mines are in production. As per the provisions of Section 8A(4) of the Mines and Minerals (Development and Regulation) Act, 1957, on the expiry of the lease period, the lease shall be put up for auction. Further, Section 8B of the Act provides that all valid rights, approvals, clearances, licences and the like granted to a lessee in respect of a mine shall continue to be valid even after expiry or termination of lease and such rights, approvals, clearances, licences and the like shall be transferred to and vested in the successful bidder of the mining lease selected through auction.

There is no delay in auction of mineral blocks and production of iron ore in the country and in Odisha has increased.

(c) & (d): The production of crude steel in the country during 2024-25 was 112 million tonnes with an estimated iron ore requirement of 179 million tonnes. The production of iron ore in the country during 2024-25 was 289 million tonnes. Therefore, there is sufficient production of iron ore in the country to meet the demand of steel industry.

(e) & (f): In view of above, question does not arise.
