

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:217
ANSWERED ON:07.08.2006
PRODUCTION/ EXPORT OF IRON ORE
Dhanaraju Dr. K.;Mehta Shri Alok Kumar

Will the Minister of STEEL be pleased to state:

- (a) the total deposits of iron ore in the country as on date, State-wise;
- (b) whether it is sufficient to meet the steel vision projected in the new steel policy;
- (c) if not, whether the Government proposes to completely ban the export of iron ore;
- (d) if so, the details thereof;
- (e) if not, the reasons therefor;
- (f) the number of agreements made during the last three years for export of iron ore with different countries, country-wise;
- (g) the total requirement/consumption of iron ore in the country as compared to the quantity being exported;
- (h) whether the Government proposes to introduce price control mechanism for iron ore and steel in view of their limited availability;
- (i) if so, the details thereof; and
- (j) if not, the reasons therefor?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a)to(j): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (j) OF THE LOK SABHA STARRED QUESTION NO.217 TO BE ANSWERED ON 7TH AUGUST, 2006, TABLED BY SHRI ALOK KUMAR MEHTA, DR. K. DHANARAJU, MEMBERS OF PARLIAMENT REGARDING PRODUCTION/EXPORT OF IRON ORE

(a) The total deposits of total iron ore (haematite and magnetite) in the country, state-wise as on 1.4.2000 as indicated in Indian Minerals Yearbook '2005 published by Indian Bureau of Mines, Nagpur is annexed(Annexure-I).

(b) Yes, Sir.

(c)to(e): In view of sufficient reserves position of iron ore, there is no proposal to completely ban the export of iron ore at present.

(f) Three agreements were signed as per details annexed (Annexure-II)

(g) The position for the last five years is as follows:

(Quantity in Million tonnes)
Year Domestic consumption Export

2001-02	41.36	41.64
2002-03	49.98	48.47
2003-04	51.62	62.57
2004-05 (Provisional)	54.00	78.14
2005-06 (Provisional)	58.00	89.27

(h)to(j): The prices of iron ore as well as steel are deregulated and are governed by market forces. There is no proposal for introducing price control mechanism.

Annexure-I

STATEWISE RESERVES/RESOURCES AS ON 1.4.2000

(Qty. in million tonnes)

STATE	RESERVES	REMAINING	TOTAL	Total			
	RESOURCES	(Haematite+	Magnetite)				
Haema-	Magne-	Haema-	Magne-	Total			
tite	tite	tite	tite	Total			
tite	tite						
JHARKHAND	2544.78	2.98	499.68	6.93	3044.46	9.91	3054.37
ORISSA	1822.31	-	1967.08	-	3789.39	-	3789.39
CHHATTISGARH	664.59	-	1455.44	-	2120.03	-	2120.03
KARNATAKA	527.97	220.50	620.35	7663.35	1148.32	7883.85	9032.17
GOA REGION	397.51	62.83	244.60	152.72	642.11	215.55	857.66
TAMIL NADU	-	-	481.88	-	481.88	-	481.88
ANDHRA RADESH	15.493	-	124.523	1463.54	140.016	1463.54	1603.556
RAJASTHAN	2.016	0.047	17.426	522.55	19.442	522.60	542.042
OTHERS	50.341	0.202	471.676	104.68	522.012	104.881	626.892
GRAND TOTAL	6025.01	286.559	5400.775	10395.65	11425.78	10682.21	22107.99

(Source: Indian Mineral Year Book, 2005 published by Indian Bureau of Mines(IBM))

Reserves refer to proved and probable resources

Proved: Iron ore deposits have been proved by way of pitting, drenching & drilling. Metallurgical & ore dressing test by drawing bulk sample is also done. Thereafter we get to know the surface limit and bottom of the pit-upto which iron ore can be mined. Probable: No exploration work has been done or if at all, it has been done on wider exploration grid.

Remaining Resources includes feasible, pre-feasible, measured, indicated, inferred

Annexure-II

No Long term agreements (LTA) were signed during the years 2003-04, 2004-05, 2005-06.

LTA signed in 2006-07 are as follows:

S.No. Country Period Duration of LTA

1. Japan (5 Steel Mills) May, 2006 Financial Year(FY) 2006-10
2. South Korea (1 Steel Mill) June, 2006 FY 2006-10
3. China (1 Steel Mill) July, 2006 FY 2006-10