

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1087

ANSWERED ON:27.07.2015

Export of Iron Ore

Chavan Shri Harishchandra Deoram;Malyadri Shri Sriram;Sawaikar Shri Advocate Narendra Keshav

Will the Minister of STEEL be pleased to state:

- (a) whether the Government has recently approved a proposal of National Mineral Development Corporation (NMDC) to supply 16.5 million (MT) of high grade iron ore to South Korea and Japan;
- (b) if so, the details thereof and the foreign exchange, the Government is expected to earn therefrom, country-wise;
- (c) whether the Government has taken adequate steps to ensure that the export of iron ore will not adversely affect the domestic demand of iron ore; and
- (d) the other measures taken by the Government to ensure adequate supply of iron ore for domestic steel sector?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF (SHRI VISHNU DEO SAI)
STEEL AND MINES

- (a) Government has approved exports under the Long Term Agreements (LTAs) to Japan and South Korea through MMTC for supplying 16.5 million tonne (MT) of high grade iron ore.
- (b) The foreign exchange expected to be earned is around US \$311.05 million per annum at current sale prices against export of iron ore under LTAs.
- (c) At present production of iron ore in the country is sufficient to meet the demand of domestic steel industry however there may be regional shortages in some states like Karnataka due to legal and regulatory issues.
- (d) Export duty at the rate of 30% ad valorem on all varieties of iron ore with effect from 30.12.2011 and 5% ad valorem on iron ore pellets with effect from 27.1.2014 imposed. Further, export duty at the rate of 10% has been levied on iron ore containing Fe less than 58% with effect from 30.4.2015.
