

Title: Need to impose quantitative restrictions on export of iron-ore -laid.

SHRI B. MAHTAB (CUTTACK): With the recent upturn in the world steel prices and revival and financial strengthening of the Indian Steel sector, a number of new and expansion projects both in public and private sector are taking shape on the ground. With clear indication of a healthy GDP growth and increase in steel consumption, the additional steel capacity will cater both to expanding domestic consumption as well as sustained exports, provided quality and price is globally competitive. Ensuring such a edge to India steel industry in both exports and against imports, it is essential to leverage our national advantage in the availability of good reserves of quality iron ore for expansion of the steel industry, with its large economic multiplier, rather than continued emphasis on exports of iron ore. Hence, instead of exporting iron ore, we should put emphasis on value addition and export of steel and steel products. This will lead to forward integration and also get the country more foreign exchange.

In view of the huge requirement of iron ore for captive consumption of the existing and new steel capacities coming up in Orissa and elsewhere in the country, I urge upon the Government to impose quantitative restriction on the export of iron ore, especially on the iron ore of more than 60% Fe content. A scheme of gradual reduction of the export of iron-re could be worked out. Eventually the export of iron ore has to be banned. What is important is that full requirement of domestic industry is to be met at economic prices through suitable restriction on exports. I urge upon the Government that a well-thought out transition plan be devised in consultation with Governments and other stake holders.