

**LOK SABHA**  
**UNSTARRED QUESTION NO.2767**  
FOR ANSWER ON 12/12/2011

**EXPORT OF IRON ORE**

2767. KUMARI SAROJ PANDEY:

Will the Minister of STEEL be pleased to state:

- (a) whether high quality of iron ore is being exported and poor quality of iron is being provided to indigenous industry;
- (b) if so, whether steel industry of the country is severely being affected by it and is not able to make a mark globally; and
- (c) if so, whether the Government propose to review its policy?

**ANSWER**

THE MINISTER OF STEEL

(SHRI BENI PRASAD VERMA)

(a)&(b): During the year 2010-11, 97.66 million tonnes of iron ore was exported out of the total estimated production of 208.11 million tonnes of iron ore in the country. Out of the total export, only about 2.93 million tonnes (about 3%) of iron ore was of high quality (with Fe content 64% and above). The total domestic consumption of iron ore (including both private sector and public sector steel plants) during 2010-11 was estimated as 111.4 million tonnes. The production of iron ore in the country is about double the consumption of iron ore by the domestic iron & steel industry and therefore, is sufficient to meet the present requirement of domestic iron and steel industry.

(c) Ministry of Steel is of the view that iron ore, being a non-renewable natural resource, should be conserved for long term utilization of domestic steel industry. The Government has decided that conservation of iron ore resources of the country should be achieved not by banning or capping the export of iron ore but by taking recourse to appropriate fiscal measures. Presently, an export duty of 20% ad valorem is levied on all grades and varieties of iron ore (except pellets).

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