

GOVERNMENT OF INDIA
MINISTRY OF STEEL

RAJYA SABHA
UNSTARRED QUESTION NO.433
FOR ANSWER ON 06/02/2019

**SUSPENSION OF OPERATIONS IN DONIMALAI IN KARNATAKA BY
NMDC**

433. SHRI MAJEED MEMON:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that National Mineral Development Corporation (NMDC) have suspended operations in Donimalai over imposition of 80 per cent premium on sales from the mine to Karnataka;

(b) whether it is also a fact that NMDC participated in previous auctions for mines in Karnataka offering 95 per cent and 105 per cent as premium; and

(c) the steps taken by Government to resolve this issue?

ANSWER

THE MINISTER OF STATE FOR STEEL

(SHRI VISHNU DEO SAI)

(a) Yes, Sir.

(b) Yes, Sir.

(c) Ministry of Steel has requested the State Government of Karnataka to re-examine the issue related to imposition of 80 % premium in view of clarification given by Ministry of Mines, Government of India. Since Government of Karnataka has not withdrawn the condition, NMDC Ltd. has filed a Writ Petition in Hon'ble High Court of Karnataka on 17.12.2018.
