

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA): (a) The Steel Authority of India Limited (SAIL) has undertaken modernisation and expansion at its five integrated steel plants at Bhilai Steel Plant (BSP) at Bhilai, Bokaro Steel Plant (BSL) at Bokaro, Rourkela Steel Plant (RSP) at Rourkela, Durgapur Steel Plant (DSP) at Durgapur & IISCO Steel Plant (ISP) at Burnpur and special steel plant at Salem. The expansion of Salem Steel Plant (SSP) has been completed in September' 2010 and facilities are in use for production. As regards expansion of other plants, all major packages have been ordered and these packages are under various stages of execution.

(b) No, Sir.

(c) and (d) Upon completion of the current phased modernisation and expansion, the crude steel production capacity of SAIL would gradually increase to 21.4 million tonne per annum (MTPA) from existing 12.8 million tonne per annum (MTPA). Apart from increasing the production capacity, the modernisation project would address vital issues such as elimination of technological obsolescence, installing energy efficient and environment friendly technologies etc.

Revaluation of agreement by NMDC

3991. SHRI A. ELAVARASAN: Will the Minister of STEEL be pleased to state:

(a) whether the steel PSU National Mineral. Development Corporation (NMDC) has decided to reevaluate its two year old agreement with Anglo-Australian mining company to jointly work on iron ore assets in our country and abroad;

(b) if so, whether these two companies had already signed in 2008 but left with no progress after a year on the deal and also faced environmental and structural problems; and

(c) if so, the details thereof?

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA): (a) No, Sir. NMDC Limited has no agreement with Anglo-Australian Mining Company to jointly work on Iron Ore Assets in this country and abroad. However, NMDC Ltd. had signed a Memorandum of Understanding (MoU) with Rio-Tinto India Ltd., for jointly collaborating on proposals of mutual benefit both in India and abroad. This was mainly focused to jointly develop resources globally.

(b) and (c) The MoU between NMDC Ltd. and Rio-Tinto India Ltd. was signed on 18.08.2008

for an initial period of 18 months, which was further extended for 18 months and has expired on 17.08.2011. Various proposals in India and Australia under the MoU were reviewed by NMDC Ltd. The proposals from Australia were not of merit to NMDC Ltd. and were not pursued for development.

Ban on iron ore export

3992. SHRI A. ELAVARASAN: Will the Minister of STEEL be pleased to state:

(a) whether Government has called for a complete ban of export of iron ore, a key input in steel and sought levy of 20 per cent duty on iron ore consignment shipped out of the country as an immediate step towards restricting exports;

(b) if so, whether this ban of iron ore export is aimed at increasing availability of iron ore for domestic steel makers as a ban of iron ore export has been a long standing demand of the steel industry; and

(c) if so, the details thereof and decisions taken by Government in this issue?

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA): (a) to (c) There is presently no ban on export of iron ore. Ministry of Steel is of the view that iron ore, being a non-renewable natural resource, should be conserved for long term value addition by 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. Ministry of Steel has been taking up this matter regularly with Department of Revenue for levying an appropriate export duty on iron ore to discourage its export. With a view to conserve iron ore, the Government of India has increased the ad valorem export duty on iron ore from 5% on fines and 15% on lumps to 20% ad valorem on all grades and varieties of iron ore (excluding pellets) with effect from 1st March, 2011.

Supply of coking coal to steel plants

3993. SHRI DHIRAJ PRASAD SAHU: Will the Minister of STEEL be pleased to state:

(a) whether availability of coking coal from the indigenous sources is adequate to meet the requirement of captive consumption of steel plants in the country;

(b) if not, the alternative arrangement made by Government for security metallurgy coal and thermal coal assets from overseas for steel plants in the country;