

- (b) how the NIMZ is different from Special Economic Zones (SEZ); and
- (c) to what extent the proposed NIMZ helps in increasing the share of manufacturing sector in the country's GDP?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN): (a) and (b) The Government of India has announced the National Manufacturing Policy on 4th November, 2011 with the objective of enhancing the share of manufacturing in GDP to 25% and creating 100 million jobs over a decade or so. It also seeks to empower rural youth by imparting necessary skill sets to make them employable. National Investment and Manufacturing Zones (NIMZs) are an important instrumentality of the policy. These zones are conceptualized as integrated industrial townships with the elements necessary to help the growth of manufacturing, *e.g.* state-of-the-art infrastructure; clean and energy efficient technology; simplified business regulations; and the necessary social and institutional infrastructure. NIMZs are different from SEZs in terms of size; level of infrastructure planning; governance structures related to regulatory procedures; exit policies; and fiscal incentives.

- (c) It is not possible to assess the impact of specific National Investment and Manufacturing Zones (NIMZs) on the share of manufacturing in the country's GDP at this stage, as the zones are in the initial phases of development.

#### **Export of iron ore**

640. SHRI AAYANUR MANJUNATHA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether India exports iron ore to several countries including Japan, South Korea and China at cheaper rates and, in turn, imports steel from these countries comparatively at much higher prices;

- (b) if so, the details thereof along with the country-wise details of total quantity of various ores including iron ore exported and steel and other allied products imported from these countries and the foreign exchange earned during each of the last three years and the current year and the reasons therefor; and

- (c) the steps taken/being taken to improve the domestic production of iron ore and steel in the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND

INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN): (a) and (b) India exports iron ore to Japan, South Korea and China. As far as sale price for export to Japan and South Korea is concerned, it is linked to quarterly international benchmark prices as per a Long Term Agreement finalised by India with these countries. The sale price of iron ore exported to China is on 'spot basis' which is finalised on transaction to transaction basis. Regarding import of steel, it is stated that steel sector has been de-regulated in the economy and the price and quantity of import of steel depends on global and domestic market conditions. As this is transaction between willing buyers and sellers, it is difficult to make comparisons.

India's country-wise iron ore export is as follows:

(Quantity in Million Tonnes, Value in Rs. Crore)

Country	2010-11		2011-12 (P)		2012-13 (P)		2013-14 (Apr-June) (P)	
	Qty.	Value (Est.)	Qty.	Value (Est.)	Qty.	Value (Est.)	Qty.	Value (Est.)
China	89.73	38,001.11	57.73	31,764.63	15.85	9,030.78	1.96	NA
Japan	5.45	2,371.50	2.45	1,219.49	2.16	1,132.27	0.49	NA
S. Korea	1.46	582.12	1.02	639.74	0.14	78.53	-	NA
Europe	0.67	211.11	0.38	233.29	0.19	113.87	-	NA
Others	0.35	130.02	0.16	54.60	0.03	16.57	0.057	NA
<b>TOTAL</b>	<b>97.66</b>	<b>41,295.86</b>	<b>61.74</b>	<b>33,911.75</b>	<b>18.37</b>	<b>10,372.02</b>	<b>2.51</b>	<b>NA</b>

(c) As far as iron ore production is concerned, Government has increased export duty on iron ore to 30% *ad-valorem* w.e.f. 30.12.2011 and railway freight on iron ore movement for export purpose has also been increased to improve domestic availability of iron ore. As far as production of steel is concerned, basic customs duty on import of plants/equipment used in initial set up of iron ore pellets and iron ore beneficiation plants has been reduced to 2.5% from 7.5% in the general budget 2012-13.

#### FDI proposals cleared by FIPB

641. SHRI JAI PRAKASH NARAYAN SINGH:

SHRI SALIM ANSARI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state: