

Lease of NMDC mine in Chhattisgarh

†3648. SHRIMATI CHHAYA VERMA : Will the Minister of STEEL be pleased to state:

- (a) whether it is a fact that a number of discrepancies have come to light with regard to leasing of deposit no. 13 which is operated by National Mineral Development Corporation (NMDC) Limited in Bacheli area of Chhattisgarh;
- (b) the period for which the said mine has been leased out to private sector; and
- (c) the terms and conditions having been relaxed in respect of said lease, the details thereof?

THE MINISTER OF STEEL (SHRI DHARMENDRA PRADHAN) : (a) No, Sir.

(b) The mine has not been leased out to any private sector and the lease is in the name of NMDC-CMDC Limited (NCL).

(c) Does not arise in view of above.

Reasons for high steel price

3649. SHRI SAMBHAJI CHHATRAPATI : Will the Minister of STEEL be pleased to state:

- (a) whether the main reason for high steel price in India despite huge good quality indigenous iron ore is the abnormally higher mining taxes, import of costly iron ore and high coking coal prices;
- (b) if so, the details thereof and the reasons for such a situation;
- (c) whether any effort is being made to increase the iron ore mining to stop import of iron ore and to avoid draining off valuable foreign exchange; and
- (d) what further steps Government proposes to take to reduce the price of steel in the country?

†Original notice of the question was received in Hindi.

THE MINISTER OF STEEL (SHRI DHARMENDRA PRADHAN) : (a) to (d) Steel prices in India are completely market driven and generally lower than the prevailing domestic prices in countries like USA, Japan and higher than those in Chinese domestic markets. However, it is a fact that Effective Tax Rate (ETR) for iron ore mined in the country is one of the highest in the world. ETR in India & other countries is given in Statement (*See below*).

Owing to non-availability of low ash content coking coal in the country, over 92% coking coal requirement is met through imports, and whose prices are determined internationally. In case of iron ore, imports meet only about 7-8% of the country's total consumption and balance being met indigenously.

MMDR Act, 1957 was amended in 2015 in order to streamline the allotment of Mining Leases in the country. Presently all Mining Leases are granted through auction.

Statement

Computation of comparative Effective Tax Rate (ETR) in mineral rich countries

	UoM	India (New Mines)	India (Existing Mines)	Mongolia	Canada (NWT)	Chile	Indonesia (Sulawesi)	Aust- ralia	South Africa	Namibia
Effective Tax Rate (ETR)	\$	59.84%	63.97%	31.30%	39.50%	37.60%	38.10%	39.70%	39.70%	44.20%

Disinvestment of various steel plants under SAIL

3650. SHRI MOHD. ALI KHAN : Will the Minister of STEEL be pleased to state:

(a) whether Government has considered for disinvestment of various steel and alloy plants under Steel Authority of India Limited (SAIL);

(b) if so, the details thereof; and

(c) the detail of steel plants considered for disinvestment?

THE MINISTER OF STEEL (SHRI DHARMENDRA PRADHAN) : (a) to (c) The Government has approved that Visvesvaraya Iron & Steel Plant (Bhadravati), Salem Steel Plant (Salem) and Alloy Steel Plant (Durgapur) units of Steel Authority India