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## **Parliamentary Consultative Committee wants Chiria Mines to be handed over to SAIL**

*Friday, 24 Oct, 2008*

It is reported that the Parliamentary Consultative Committee attached to the Ministry of Steel, Chemicals and Fertilizers has voiced its concern in the delay in handing over of the Chiria mines by the Jharkhand government to the Steel Authority of India Limited.

The Committee also urged the Minister to convene a meeting of the Members of Parliament from Jharkhand and the State government to discuss the issue. They said in the absence of the mining lease, the expansion program of SAIL has been struck up and in view of rise in steel demand, building up from capacity in steel sector is highly essential. The Steel Authority wants to add 19 million tonnes capacity in the state through brownfield and Greenfield expansion route.

Members also reiterated their demand for banning of iron ore export. The Committee which met here today under Mr Ram Vilas Paswan chairmanship of the Minister for Steel, Chemicals and Fertilizers to discuss the expansion program of National Mineral Development Corporation expressed satisfaction that only 11% of NMDC's output of iron ore is exported. He said that NMDC's export is due to the long term contracts which will also expire in near future. Members emphasized the need to have raw material security.

They said that the country should not export high grade iron ore without making provision for at least 50 years requirement including the requirement of the Greenfield projects that might come up in coming years.

Members added that the Ministry to take step for the merger of the Bird Group of companies with other project making PSUs under the Steel Ministry.

Mr PK Rastogi Secretary of Steel said that the government has initiated steps to restructure the equity of some of the Bird Group of companies and the merger issue will be taken up after the restructuring is over.

Members complimented the government for timely steps to contain steel prices. They also advised NMDC to expedite its INR 21,000 crore expansion program.

Mr Rana Som chairman of NMDC gave out details of the expansion program. He said that the company, whose core strength is mining is now entering steel making and other value added activities. He added that the 3 million tonnes capacity plant to come up in Chhatisgarh will provide direct and indirect employment to about 20,000 persons. NMDC will also set up pellet plants in Bailadila and Donimalai and expand the capacity of sponge iron making after Sponge Iron India Limited is merged with it. He said that NMDC is also entering coal mining with 2 projects in Madhya Pradesh and west Bengal and is tying up with NALCO for Nickel extraction.

Mr Jitin Prasada minister of State for Steel was welcomed by the Members. Mr SK Roongta chairman of Steel Authority of India, Mr BS Meena additional Secretary and other senior officials were present. Members of Parliament who attended meeting included Ms Jhansi Lakshmi Botcha, Mr Ganesh Prasad Singh, Mr Chandrakant Bhaurao Khaire, Mr Virjibhai Thummar and Mr Bagun Sumbrui from the Lok Sabha and Mr K Chandran Pillai, Mr Tapan Kumar Sen, Mr Mahendra Sahani and Mr Kumar Deepak Das from the Rajya Sabha.

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