

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:1096  
ANSWERED ON:01.08.2005  
FALL IN PRICES OF STEEL  
Khairi Shri Chandrakant Bhaurao

**Will the Minister of STEEL be pleased to state:**

- (a) whether there has been a continuous fall in the prices of steel for the last two months;
- (b) if so, the reasons therefor;
- (c) whether the sale of steel in the local market has been at its highest during the last year; and
- (d) if so, the details thereof and the reasons therefor?

**Answer**

MINISTER OF CHEMICALS & FERTILISERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

- (a) Yes, Sir. The steel prices have declined since May 2005 and the trend has continued in July 2005.
- (b) The domestic steel prices are pegged with the steel prices in the international market. There has been a softening of steel prices in the international market and therefore the prices in the domestic market have also declined.
- (c)&(d): The consumption of finished steel during 2004-05 was 33.40 million metric tonnes (provisionally), showing an impressive growth of 7.86% over the consumption during 2003-04. The higher consumption is attributable to strong domestic demand for iron & steel arising due to growth in the industrial sector in general and in the construction activity in particular.