

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2276
ANSWERED ON:11.03.2010
FIXATION OF PRICES OF STEEL
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Will the Minister of STEEL be pleased to state:

- (a) whether the Government has no role in fixing the prices of steel;
- (b) if so, the details thereof; and
- (c) the views of the experts and steel industry in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP)

(a)&(b): Steel sector in India is completely deregulated and therefore steel prices are determined by market forces like demand and supply, cost of raw materials, landed cost of imports etc. The role of the government in a liberalised environment is that of a facilitator and government intervenes through fiscal and other administrative measures, in order to provide a level playing field to the steel producers and consumers, as well as to boost the steel industry in the country.

(c): The Government embarked upon the process of economic reforms in 1991 and brought in the New Industrial Policy in 1991. The steel sector was also deregulated under the new economic regime.