

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:534
ANSWERED ON:11.11.2010
INCREASE IN PRICES OF STEEL
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Will the Minister of STEEL be pleased to state:

- (a) whether the prices of steel has been increased in manifold in the recent past;
- (b) if so, the details thereof alongwith the reasons therefor;
- (c) whether the building construction works/workers have been severely affected due to heavy increase in the prices of steel in all parts of the country, particularly in Tamil Nadu;
- (d) if so, the details thereof; and
- (e) the action being taken by the Union Government to reduce the prices of steel in the country?

Answer

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

(a)&(b): The prices of steel in the country vary widely between the various products, categories and the retail market price thereof announced by the individual producers. During the past one year, the retail market price of steel has undergone both increase and decrease as per the details given on quarter-wise basis in the table below:-

Retail Price at Delhi on Quarterly Basis Rs./Tonne

Month	TMT	HR Coils	CR Coils	GP	Sheets
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October 2009	32328	35503	39614	41888	
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January 2010	34570	35690	40250	43270	
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April 2010	40890	45550	47580	52580	
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July 2010	36260	43410	45780	46350	
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October 2010	37240	45090	47260	48750	
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(Source: Economic Research Unit/Joint Plant Committee)

Note: (i) Prices are inclusive of Excise Duty and Sales Tax. (ii) All prices are indicative.

(c)&(d): Ministry of Steel has not been reported about it from any quarter.

(e): Steel prices are deregulated and at any point of time the prices of steel in the domestic market depend upon the demand-supply

scenario, prices of similar products in international market and cost of raw materials. Nonetheless, the Government keeps a close watch on the price movement of commodities such as steel and takes appropriate fiscal measures whenever necessary.

Nonetheless, Government has taken the following policy measures to maintain stability in steel prices:-

- (i) Import duty on steel products has been reduced to 5%.
- (ii) The import duty on melting scrap has been brought down to NIL.
- (iii) Central Excise Duty on steel items is reduced to 10%.