

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:577

ANSWERED ON:11.11.2010

INTRODUCTION OF QUARTERLY PRICING MECHANISM

Raghavan Shri M. K.

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

- (a) whether the Government proposes to introduce quarterly pricing mechanism on iron ore for the domestic buyers against the existing annual contracts;
- (b) if so, the likely overall increase in the price of iron ore for the domestic market;
- (c) whether this increase not be a negative impact on the companies otherwise reeling under the rising input costs;
- (d) if so, whether it is likely to affect adversely the common man due to increase in prices;and
- (e) if so, the measures being taken by the Government to not affect the common man with the new system being introduced?

**Answer**

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

(a)to(e): Iron ore is in de-regulated sector and the Government has no direct role to play in fixing the iron ore prices. It is the market demand and supply situation which determines iron ore prices.