

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:429
ANSWERED ON:09.12.2010
INCREASE IN PRICES OF IRON ORE
Lal Shri Kirodi

Will the Minister of STEEL be pleased to state:

- (a) whether the National Mineral Development Corporation (NMDC) has increased the prices of iron ore;
- (b) if so, the reasons therefor;
- (c) whether the increased prices of iron ore has adversely affected small and medium steel industries;
- (d) if so, whether the Government has received any complaint regarding the non-supply of iron ores required for steel plants despite the said increase in the prices of iron ores by NMDC;
- (e) if so, the follow-up action taken by the Government in this regard; and
- (f) the steps taken by the Government to ensure supply of iron ore to small and medium steel plants as per their requirement?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI VIRBHADRA SINGH)

(a)to(f): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (F) OF THE LOK SABHA STARRED QUESTION NO.429 FOR ANSWER ON 09/12/2010 TABLED BY DR. KIRODI LAL MEENA REGARDING INCREASE IN PRICES OF IRON ORE

(a)&(b): No, Madam. On the other hand, in the 3rd Quarter of 2010-11, NMDC Limited has reduced its domestic prices of iron ore by about 5% over the 2nd Quarter prices.

(c)to(e): Does not arise in view of (a) & (b) above.

(f) Iron ore is in decontrolled sector and the Government does not control either its prices or its allocation/ supply to individual steel companies. Beside NMDC, there are a number of iron ore producers in the country, both in the public sector as well as in private sector. Supply of iron ore to various steel units is dependent upon their individual tie-up with NMDC and other iron ore producers.