

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:4173
ANSWERED ON:29.08.2011
PRICE RISE MECHANISM BY SAIL
Ponnam Shri Prabhakar

Will the Minister of STEEL be pleased to state:

(a) whether Steel Authority of India Limited (SAIL) has raised price of steel by cutting discounts as compared to the last three years; and

(b) if so, the details thereof and reasons therefor?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a)&(b): Pricing is basically a factor of demand-supply interplay. Selling prices of steel are governed by many factors which include prices and availability of substitutes, competitors' activities, international steel scenario, inventory available in the system, etc. Prices are operated at various levels at different locations to match the prevailing market prices. Thus, the final prices to the customer may go up or down as per the market conditions and so has been the case if SAIL prices to its various customers in different segments at different locations at different times during the last three years.