

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:270
ANSWERED ON:16.03.2015
STEEL PRICES
Singh Shri Ravneet

Will the Minister of STEEL be pleased to state:

- (a) whether there has been significant variation in the prices of steel products during the last three years and the current year and if so, the details thereof including the indicative retail prices of various steel products during the said period and the reasons therefor;
- (b) whether the domestic small scale steel manufacturing units have been adversely affected by fluctuation in price of raw materials in domestic market and if so, the details thereof indicating price movement of critical raw materials like iron ore and coking coal during the last three years and the current year along with the corrective steps taken by the Government in this regard;
- (c) whether the Government proposes to set up a Steel Pricing Regulatory Authority to regulate price and if so, the details thereof and if not, the reasons therefor; and
- (d) the measures taken by the Government to help steel industry to augment production and supply to the consumers at affordable prices?

Answer

THE MINISTER OF STEEL AND MINES (SHRI NARENDRA SINGH TOMAR)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF THE LOK SABHA STARRED QUESTION NO.270 FOR ANSWER ON 16/03/2015 TABLED BY SHRI RAVNEET SINGH, MEMBER OF PARLIAMENT REGARDING STEEL PRICES.

(a) The prices of steel items in the domestic market have been fluctuating inter-alia in accordance with the domestic market conditions, international steel market prices, price movement of raw materials and other inputs. A table indicating price movement of TMT bars and HR Coils in the domestic market from January 2011 to January 2015 is at Annexure-I.

(b)to(d): The price of two major raw materials i.e. iron ore and coking coal during the last three years and the current year is indicated in Annexure-II. While iron ore is produced domestically, for coking coal India is largely dependent on imports. As can be seen Coking coal prices have continuously fallen over last four years and of late there has also been a reduction in prices of iron ore. However, there are regional shortage of iron ore due to Supreme Court decisions regarding lease renewal in the states of Goa & Odisha and cancellation of mining leases in the state of Karnataka. Steel is a deregulated sector and Government is not considering setting up a Steel Pricing Regulatory Authority. To ensure availability of iron ore to the domestic steel industry at affordable prices, the Government has imposed an export duty of 30% on export of iron ore and export duty of 5% on export of iron ore pellets.