

1	2	3	4	5
EAST				
	West Bengal	43	1503	1015
	Orissa	57	1407	1078
	Jharkhand	24	374	331
	Bihar	10	165	120
	Meghalaya	14	283	54
	Assam	11	80	28
Region				
Total		159	3813	2625
NORTH				
	Chandigarh	2	3	2
	Delhi	10	28	22
	Haryana	31	254	153
	Himachal Pradesh	14	91	122
	Jammu & Kashmir	8	153	155
	Punjab	119	2529	1556
	Rajasthan	32	425	397
	Uttar Pradesh	107	1716	1078
	Uttaranchal	26	347	312
Region				
Total		349	5546	3797
SOUTH				
	Andhra Pradesh	24	575	499
	Kerala	41	644	511
	Karnataka	18	425	403
	Puducherry	29	759	656
	Tamil Nadu	71	1299	1194
Region				
Total		183	3703	3262
ALL REGION TOTAL				
		970	19500	15390

Price hike of steel

†3539. MISS ANUSUIYA UIKEY: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the price of steel has been increased continuously during the last 12 months;

(b) the month-wise details of market prices of steel during the period from January 2007 to January 2008;

(c) the reasons of this uncontrolled price hike and whether it could be checked; and

(d) the efforts being made by the Government to control this price hike and by when such results are likely to come?

† Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI JITIN PRASADA):

(a) and (b) The retail prices of a representative category of steel items at Mumbai from January 2007 to January 2008 is given in the Statement (See below). The data in the table indicates that there is a wide fluctuation in price movement of different steel products.

(c) The rise in price of steel is attributable to various factors both in the supply side as well as the demand side. On the supply side, rise in price of steel can be attributed to a steep rise in the price of critical input materials such as iron ore, coking coal and metcoke in domestic and international markets. On the demand side the mismatch in demand and supply is the main reason for the rise in steel prices. The steel sector in the country is deregulated and therefore the prices are determined by the interplay of market forces.

(d) With a view to manager the rising inflation in the country, the Government has held extensive discussions with major steel producers as well as secondary steel producers recently. As a result of these deliberations, price of different long products, which includes bars, rods and structurals, used by even in common man for housing, came down in the range of Rs. 4000-5000 per tonne during 25th March to 12th April 2008.

Further, the Government has taken the following measures for stabilizing the steel prices in the domestic market and is also closely monitoring the movement in steel prices and will take additional appropriate measures, as per the situation.

- (i) In the Union Budget Proposal 2008-09, the import duty on melting scrap has been reduced from 5% to NIL.
- (ii) General Rate of Excise Duty has also been reduced from 16% to 14% in the Union Budget Proposal 2008-09.
- (iii) DEPB benefits on export to various categories of steel products have been withdrawn w.e.f. 27.03.2008.

Statement

Trend of market prices of select steel items at mumbai

(In Rs./tonne)

	Pig Iron LM Gr. IV	TMT 10mm	Wire Road 8 mm	Rounds 16 mm	Plates 12mm	HR Coils 2.5 mm	CR Coils 0.63mm	GP Sheets 0.63 mm	Pencil Ingot/ Billets 100 mm
Jan., 2007	17700	29250	26625	26250	32000	32250	35000	41000	22050
Feb., 2007	18200	29500	27750	27750	33500	33250	35000	42500	24075
March, 2007	18500	29500	27750	28000	34250	24250	38500	40500	25075
April, 2007	19000	30250	28250	29500	34500	34500	38500	41000	25075
May, 2007	19000	33000	30500	30500	34500	34000	38000	40000	25300
June, 2007	19000	32500	30000	30500	34500	34000	38000	40000	25300
July, 2007	19000	32000	31000	30000	35000	35000	38500	40000	24500
Aug., 2007	19500	32000	31000	30000	35000	35000	38500	40000	24500
Sept., 2007	19000	30150	30250	29250	33750	33750	36750	39250	25350
Oct., 2007	19500	30250	30350	29250	33750	33750	36750	39000	26350
Nov., 2007	19700	31750	30300	29250	34500	34750	37250	42500	26400
Dec., 2007	20000	33000	30800	30800	33750	34250	38000	42750	26600
Jan., 2008	21400	35000	32100	33250	34500	34500	38000	42500	28500

(Source: ERU/JPC)

NOTE: (i) Prices are collected as on 15th day of each month.

(ii) Prices are inclusive of excise duty and sales tax.