

(c) if so, the reasons for such a step;

(d) whether a ban on imports would raise prices of steel in the country and additional profit of more than Rs. 10,000 crore per annum for the domestic steel producers; and

(e) if so, the reasons of favouring the large steel producers at the expense of workers in Small Scale Industries (SSI) units?

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA): (a) Government has notified 16 steel products, which have direct bearing on consumer health and safety and critical to infrastructure, under the Steel and Steel Products (Quality Control) Order, 2012. The Order equally applies to import and domestic production.

(b) No, Sir. Implementation of the Order does not prohibit import of steel in the country and it is also not intended to close small scale units. The Order merely mandates that steel products produced in the country or imported must conform to the Standards. The units have been given enough time to gear up to obtain BIS license/registration to be able to operate without interruption. Many of them have already obtained BIS license/registration. Further, Government has deferred implementation of the Order on some of the products to facilitate registration of remaining units with BIS.

(c) Does not arise in view of (b) above.

(d) and (e) The Order does not favour the large scale producers as compared to small scale units, since it is uniformly applicable to both large and small scale producers. Moreover, steel is a deregulated sector and price is determined by prevailing market forces.

Marketing of iron ore by NMDC

†3068. SHRI DHARMENDRA PRADHAN: Will the Minister of STEEL be pleased to state:

(a) whether iron ore is being marketed at high rates to domestic steel companies by National Mineral Development Corporation (NMDC);

(b) the facts regarding sale of iron ore at high price to domestic steel companies and exporting it at lower rates by NMDC;

(c) whether Government has taken any steps taking cognizance of the complaints of domestic steel companies; and

†Original notice of the question was received in Hindi.

(d) if so, the details thereof?

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA): (a) and (b) Sales under export agreements are done on Free on Board (FOB) port basis whereas domestic sales are done on Free on Rail (FOR)/Free on Truck (FOT) mine basis and as such these two types of prices are not directly comparable. The export and domestic prices of iron ore of NMDC Limited, during the year 2012-13, are given below:

Period	Domestic price of iron ore (in Rs./ Tonne on FOR mine basis)		Export Price of iron ore (in US \$ / DLT-FOB port basis)	
	Baila Lump	Baila Fines	Baila Lump	Baila Fines
Q1 (April, 2012-June, 2012)	5480	2800	146.90	135.20
Q2 (July, 2012-September, 2012)	6190	3030	153.60	141.38
October'12	6070	2690	131.93	121.43
November'12	5380	2610	131.93	121.43

(c) and (d) Iron ore is in deregulated sector. Prices of iron ore are fixed by the individual companies based on commercial prudence and general market situation. Being a Navratna Public Sector Enterprise, the commercial and financial decisions of NMDC including pricing of iron ore are taken by the Board of Directors of the company. The Government generally does not interfere in commercial decisions of the company. However, to improve availability of iron ore to domestic iron and steel industry at affordable price, the Government has increased the export duty on iron ore from 20% *ad valorem* to 30% *ad valorem* on all grades of iron ore (except pellets) with effect from 30.12.2011.

Cartelization in steel sector

†3069. SHRI RAGHUNANDAN SHARMA: Will the Minister of STEEL be pleased to state:

(a) whether the retail prices of steel have remained unsteady during the last three years;

†Original notice of the question was received in Hindi.