

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1277

ANSWERED ON:26.11.2009

PRICES OF IRON ORE

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Will the Minister of STEEL be pleased to state:

- (a) the consumption of iron ore in the country;
- (b) whether the pricing policy of iron ore for long-term contracts and in spot markets needs a re-look;
- (c) if so, the details thereof;
- (d) whether the Union Government proposes to control the prices of iron ore in view of its limited availability; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF STEEL(SHRI A. SAI PRATHAP)

(a) As per estimates of Ministry of Steel, about 87 million tonnes of iron ore was consumed in the country during 2008-09, out of production of about 227.64 million tonnes#.

(b)&(c): Iron ore is in de-regulated sector and Government has no role to play in fixing the iron-ore prices either in long term contracts or in spot market.It is the market demand and supply situation which determines iron ore prices.

(d)&(e): Presently, no proposal regarding controlling the prices of iron ore is under consideration in Ministry of Steel.

Source: IBM, Ministry of Mines.