

GOVERNMENT OF INDIA
MINISTRY OF STEEL
RAJYA SABHA
UNSTARRED QUESTION NO.1110
FOR ANSWER ON 10/02/2021

RISE IN IRON ORE PRICES

1110. SHRI AKHILESH PRASAD SINGH:

Will the Minister of Steel be pleased to state:

- (a) whether it is a fact that record jump in iron ore prices is a threat to the viability of Indian steel industry;
- (b) whether it is also a fact that because of sharply rising iron ore prices, steel prices have also significantly gone up during the last six months;
- (c) if so, the details of price rise in iron ore and steel along with the steps envisaged by Government to restore normalcy?

ANSWER

THE MINISTER OF STEEL

(SHRI DHARMENDRA PRADHAN)

(a)to(c): In a de-regulated, open market scenario, the domestic steel price is determined by market forces of demand and supply, trends in prices of raw materials and is influenced by global conditions. The details of Iron ore and steel prices during 2020-21 are given in the tables below. Government has taken measures to ramp up production of iron ore and steel to increase their domestic availability to address the demand-supply mismatch so as to help stabilise prices.

Month	Iron Ore Lumps Base Price (in Rs./tonne) Fe 65.5%,6-40
Apr.-20	2650
May-20	2250
June-20	2250
July-20	2450
Aug.-20	2950
Sep.-20	3250
Oct.-20	3450
Nov.-20	4000
Dec.-20	5200

(Source: NMDC)

Domestic Average Prices of some of the iron and steel items are as following:-

Item	Domestic Average Market Prices	
	January'21 (Rs./t)	July'20 (Rs./t)
Pig Iron	48198	35005
Pencil Ingots	47543	33555
Wire Rod 8mm	60045	41970
Rounds 12mm	57440	41385
TMT 10 mm	59870	41040
Plates 10mm	67365	42963
HR Coils 2.00 mm	69803	44528
CR Coils 0.63mm	79255	50603
GP Sheets 0.63mm	80090	57940
Melting Scrap HMS-II	39083	26173
Sponge Iron (Coal)	30905	22510
