

## Steel prices to come down in a month

India is considering reducing steel prices by 10-20 percent within a month to check the soaring inflation, Commerce and Industry Secretary G.K. Pillai has said.

'The government is expected to lower steel prices by 10-20 percent,' Pillai told reporters after his meeting with iron ore producers here Tuesday.

The meeting with India's leading iron ore producers was held at the commerce and industry ministry in an effort to work out a package of measures that would lower its prices and thereby steel prices in return.

Controlling the price of iron ore is very crucial in the backdrop of inflation hitting a 14-month high of 6.68 percent in the week ending March 15.

The government is considering measures such as excise duty cut on finished steel and reducing customs duty on imported steel to keep a check on their prices, Pillai said.

A proposal of imposing an ad valorem export duty on iron ore has also not been ruled out by the government to stabilise the steel prices, he said.

The government is also expected to meet the steel producers in the course of the week. Pillai said the government has urged steel producers to lower the prices themselves.

He said the government wanted steel producers to bring down prices on their own; otherwise it would have to act on its own.

Earlier, Finance Minister P. Chidambaram had asked the steel companies 'to observe restraint' during a high-level meeting of ministers on checking price rise.

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