

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:3147  
ANSWERED ON:12.08.2010  
CONSUMPTION OF STEEL  
Reddy Shri Anantha Venkatarami

**Will the Minister of STEEL be pleased to state:**

- (a) whether the per capita steel consumption in the rural areas of the country is quite low;
- (b) if so, the reasons therefor;
- (c) whether the Government proposes to conduct a survey to assess the demand of steel in rural areas; and
- (d) if so, the details thereof?

**Answer**

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

(a) Yes, Madam.

(b) Low level of awareness on the varied benefits of using steel and the perception of steel as an expensive item amongst village people are the main reasons for steel consumption not picking up in rural areas of the country. Additionally, there are also related issues like inadequacy of infrastructure, which prevents selling of steel in villages/rural market, to be cost effective.

(c) To understand the pattern and potential of steel consumption in the Indian rural market, the government has initiated a study on assessment of steel demand in the rural areas of the country.

(d) The study would cover 300 districts, 1500 villages, 4500 Manufacturers and 8000 Retailers, spread over all the 35 States and Union Territories of the country. The objective of the study is to assess trends in consumption pattern of different items of steel in the rural areas, by examining both a) the demand side i.e. Household and Community/Institutional uses; and b) the supply side i.e. Manufacturers, Retailers. Additionally, the study would examine the potential for increasing the level of steel consumption, the nature of shifts and the extent of threat of substitution from competing materials.