

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1160
ANSWERED ON:08.08.2011
LOW DEMAND OF STEEL IN RURAL AREAS
Shantha J.

Will the Minister of STEEL be pleased to state:

- (a) the details of the total production of steel during the last three years;
- (b) whether the production of steel has declined during the said period;
- (c) if so, the details thereof, percentage-wise;
- (d) whether the Government has conducted any survey for ascertaining the reasons for the lack of growth in the demand of steel in the rural areas; and
- (e) if so, the details thereof and reasons for the slow growth in demand of steel in rural areas?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a) Data on crude steel production in India with details like overall capacity and capacity utilization during the last three years is shown in the table below:-

Year	India : Crude steel (million tonnes, mt)		
	Capacity	Production	Capacity utilization (%)
2008-09	66.34	58.44	88
2009-10	75.00	65.84	88
2010-11	78.00	69.57	89

Source: Joint Plant Committee(JPC) ; provisional

(b)&(c): As may be seen from the above table, there has been no decline in crude steel production during the last three years.

(d)&(e): In order to obtain a full picture of the pattern and trends of steel consumption in rural India, an all India survey has been commissioned by the Ministry of Steel, Government of India. The survey is coordinated by Joint Plant Committee, Kolkata. Low level of awareness amongst rural people on the varied benefits of using steel and perception of steel as an expensive item are the main reasons for the low demand of steel in rural areas.