

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:1597

ANSWERED ON:03.12.2012

DEMAND OF STEEL

Das Shri Ram Sundar;Karwariya Shri Kapil Muni;Pakirappa Shri S.;Rana Shri Kadir

Will the Minister of STEEL be pleased to state:

- (a) whether the demand of steel in the country is much higher than the actual production capacity of the steel plants in the country;
- (b) if so, the details thereof including the total demand, the average production capacity and actual quantum of steel produced and consumed;
- (c) the factors hindering the production and supply of steel in the country along with the steps taken/being taken by the Government to fill up the gap between demand and supply of steel in the country;
- (d) whether the per capita consumption of steel in India is very low as compared to those in the developed countries and if so, the details thereof and the reasons therefor;
- (e) whether the Government has conducted any study to ascertain the per capita demand of steel in the rural areas and suggest measures to propel the demand of steel in these areas; and
- (f) if so, the details thereof along with the measures initiated by the Government to increase the demand and production of steel in the country to bring it at par with other developed countries?

Answer

THE MINISTER OF STEEL (SHRI BENI PRASAD VERMA)

(a) No, Madam.

(b)&(c): During 2011-12, consumption of finished steel in the country was 70.92 MT as against production of 73.42 MT. As such, there is no gap between demand and supply of the steel in the country.

(d) Per capita consumption of finished steel in the country is estimated to be 59 kgs. Main reasons for lower per capita consumption of steel in India as compared to developed countries, is extensive use of steel in large scale infrastructure activities and other end-use segments of steel like manufacturing in those countries, which is also supported by their rapid economic growth/progress.

(e)&(f): In order to assess the pattern and trends of steel consumption in rural India, an all India survey was commissioned. A report of study on assessment of steel demand in rural India has been received. Keeping in view the findings in the report, necessary action has since been initiated to increase and popularize consumption of steel in the country. Several MOUs have been signed for increasing steel production capacity besides expansion / modernization of the existing steel plants.