

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

STARRED QUESTION NO:121
ANSWERED ON:08.03.2002
PRODUCTION OF CEMENT
SUKDEO PASWAN

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether there has been an overall decline in the production of cement in the country during the first nine months of current year;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether there has been a spurt in the price of cement during the last few months;
- (d) if so, the details thereof and the factors responsible for that;
- (e) the extent to which the non-utilization of the optimum use of installed capacity is responsible for fall in production of cement; and
- (f) the steps taken/proposed to be taken by the Government to make cement availability at reasonable prices?

Answer

The MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)

(a) to (f):- Statement is laid on the table of the House.

Statement referred to in reply to Lok Sabha Starred Question No.121 for answer on 8.3.2002

(a)&(b): No, Sir. The cement production during the first nine months of the current year April-December, 2001 was 78.40 million tonnes as against 72.66 million tonnes in the corresponding period of last year, thus registering a growth rate of 7.90%

(c)&(d): No, Sir. Prices have actually declined since April, 2001 as shown in the Annexures-I & II.

(e): No, Sir. There was no fall in the production as indicated in (a) & (b).

(f): Cement is a delicensed commodity and its prices are determined by market forces of demand and supply. In spite of decline in prices, the Government has reduced the custom duty from 35% to 25% in 2001-02 Budget and further reduction to 20% is proposed in the Budget 2002-03 with a view to stabilize the domestic prices.

ANNEXURE-I

Annexure-I referred to in reply to part (c) & (d) Lok Sabha Starred Question No.121 for answer on 8.3.2002 regarding production of cement

Range of Retail prices of cement #

1st week of 1st week of Variation in Mar.2002
Apr. 2001 Mar.2002 over Apr. 01

Northern Region

| | | | |
|------------|---------|---------|-----|
| Delhi | 140-143 | 125-127 | -16 |
| Karnal | 146-148 | 132-134 | -14 |
| Chandigarh | 154-156 | 146-148 | -8 |
| Jaipur | 135-137 | 123-125 | -12 |
| Rohtak | 143-145 | 125-127 | -18 |
| Bhatinda | 154-156 | 142-144 | -12 |
| Ludhiana | 156-158 | 148-150 | -8 |
| Jammu | 192-198 | 185-187 | -11 |
| Shimla | 165-170 | 165-167 | -3 |

Eastern Region

| | | | |
|-------------|---------|---------|-----|
| Calcutta | 153-158 | 127-132 | -26 |
| Patna | 135-160 | 118-134 | -26 |
| Bhubaneswar | 145-161 | 125-142 | -19 |
| Guwahati | 182-184 | 171-172 | -12 |
| Muzaffarpur | 135-165 | 120-140 | -25 |
| Silchar | | | |

Western Region

| | | | |
|-----------|---------|---------|-----|
| Bombay | 181-185 | 158-162 | -23 |
| Ahmedabad | 151-155 | 134-139 | -16 |
| Nagpur | 152-155 | 120-130 | -25 |
| Pune | 165-168 | 126-132 | -36 |
| Rajkot | 150-155 | 134-139 | -16 |
| Baroda | 150-155 | 134-139 | -16 |
| Surat | 150-155 | 134-139 | -16 |

Southern Region

| | | | |
|--------------------|---------|---------|-----|
| Chennai | 165-180 | 160-170 | -10 |
| Thiruvananthapuram | 178-192 | 175-185 | -7 |
| Bangalore | 163-168 | 155-165 | -3 |
| Hyderabad | 135-148 | 135-145 | -3 |
| Calicut | 173-186 | 175-185 | -1 |
| Visakhapatnam | 145-155 | 145-155 | 0 |
| Goa | 152-155 | 148-152 | -3 |

Central Region

| | | | |
|----------|---------|---------|-----|
| Lucknow | 146-150 | 130-135 | -15 |
| Meerut | 145-148 | 130-135 | -13 |
| Faizabad | 146-150 | 126-128 | -22 |
| Bareilly | 141-148 | 128-130 | -18 |
| Bhopal | 145-152 | 120-127 | -25 |

Prices vary within the range in the same consumption centre depending upon the brands

Annexure-II

Annexure-II referred to in reply to part (c) & (d) of Lok Sabha Starred Question No.121 for answer on 8.3.2002 regarding production of cement

Average Retail Prices of Cement per bag#

| | Jan.2002 | Feb. 2002 | Variation in Feb over Jan. 2002 | March, 2002 | Variation in Mar. Over Jan. 2002 |
|--|----------|-----------|---------------------------------|-------------|----------------------------------|
|--|----------|-----------|---------------------------------|-------------|----------------------------------|

Northern Region

| | | | | | |
|------------|-----|-----|----|-----|----|
| Delhi | 132 | 130 | -2 | 126 | -6 |
| Karnal | 139 | 137 | -2 | 133 | -6 |
| Chandigarh | 152 | 147 | -5 | 147 | -5 |
| Jaipur | 130 | 124 | -6 | 124 | -6 |
| Rohtak | 130 | 128 | -2 | 126 | -4 |
| Bhatinda | 150 | 143 | -7 | 143 | -7 |
| Ludhiana | 157 | 149 | -8 | 149 | -8 |
| Jammu | 188 | 188 | 0 | 186 | -2 |
| Shimla | 161 | 161 | 0 | 166 | 5 |

Eastern Region

| | | | | | |
|-------------|-----|-----|---|-----|----|
| Calcutta | 138 | 138 | 0 | 130 | -8 |
| Patna | 133 | 135 | 2 | 126 | -7 |
| Bhubaneswar | 130 | 132 | 2 | 134 | 4 |
| Guwahati | 172 | 172 | 0 | 172 | 0 |
| Muzaffarpur | 134 | 136 | 2 | 130 | -4 |

Silchar

Western Region

| | | | | | |
|-----------|-----|-----|-----|-----|-----|
| Bombay | 178 | 165 | -13 | 160 | -18 |
| Ahmedabad | 141 | 137 | -4 | 137 | -4 |
| Nagpur | 140 | 136 | -4 | 125 | -15 |
| | 136 | -4 | 125 | -15 | |
| Pune | 145 | 148 | 3 | 129 | -16 |
| Rajkot | 141 | 137 | -4 | 137 | -4 |
| Baroda | 141 | 137 | -4 | 137 | -4 |
| Surat | 141 | 137 | -4 | 137 | -4 |

Southern Region

| | | | | | |
|--------------------|-----|-----|----|-----|-----|
| Chennai | 180 | 180 | 0 | 165 | -15 |
| Thiruvananthapuram | 185 | 185 | 0 | 180 | -5 |
| Bangalore | 170 | 170 | 0 | 160 | -10 |
| Hyderabad | 150 | 145 | -5 | 140 | -10 |
| Calicut | 185 | 185 | 0 | 180 | -5 |
| Visakhapatnam | 155 | 150 | -5 | 150 | -5 |
| Goa | 150 | 158 | 8 | 150 | 0 |

Central Region

| | | | | | |
|----------|-----|-----|----|-----|----|
| Lucknow | 133 | 124 | -9 | 133 | 0 |
| Meerut | 134 | 134 | 0 | 133 | -1 |
| Faizabad | 124 | 121 | -3 | 127 | 3 |
| Bareilly | 128 | 129 | 1 | 129 | 1 |
| Bhopal | 123 | 125 | 2 | 124 | 1 |

Prices vary in the same consumption centre depending upon the brands.