GOVERNMENT OF INDIA COMMERCE AND INDUSTRY LOK SABHA

UNSTARRED QUESTION NO:1187 ANSWERED ON:13.07.2009 CONSUMPTION OF CEMENT Kalmadi Shri Suresh;Satpathy Shri Tathagata

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

(a) whether the consumption trend of cement and the steady rise in cement prices have affected the construction industry;

(b) if so, the details thereof;

(c) whether cement manufacturers have not passed on the benefit of four percent reduction in excise duty and lower cost of freight to consumers;

(d) if so, the reasons therefor; and

(e) the initiatives taken by the Government to remove duty on cement to make import of cement cheaper?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b): There has been a marginal increase of only 5.51% in the prices of cement between May 2008 and May 2009. The consumption of cement has shown a steady growth of 8.42% during the year 2008-09.

(c) & (d): The average all India retail price of cement decreased by Rs. 4 per bag after the reduction of excise duty on cement in December, 2008.

(e): The import duty on cement is already 'zero'.