

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

UNSTARRED QUESTION NO:2247

ANSWERED ON:05.12.2014

PRODUCTION REQUIREMENT CONSUMPTION AND EXPORT IMPORT OF CEMENT

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

- (a) the production, requirement/demand and supply, consumption of cement in the country, both in public and private sector, State/UT-wise along with quantum and value of its export and import, country-wise during each of the last three years and the current year;
- (b) whether there is huge requirement of cement in the country and the country is facing shortage of raw material for its manufacturing, if so, the details thereof and the reaction of the Government thereto;
- (c) the steps taken by the Government to boost production of cement to meet the domestic demand and enhance its export; and
- (d) the mechanism with the Government to regulate quality of cement along with the steps to prevent/check its sale in black market?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN)

- (a): The Total production and despatch of Cement (Public and Private Sector) in the past 3 years and the current year is given in Annexure A. The data of production, requirement/demand and supply and consumption of cement State/UT wise is not being maintained in the Department. The value of export and import of cement country-wise for the past 3 years and the current year is given in Annexure B and Annexure C. The quantum of export/ import of cement for the past 3 years is given in Annexure D and Annexure E.
- (b): The Working Group of Cement Industry in their report has estimated the demand of Cement as 324.1 MTPA with the assumed growth rate of 10 percent of GDP but due to slow pace of economy, cement industry has also slowed down in the recent years. Hence, Cement industry has 30% of unutilized capacity to the tune of 100 million tonnes. Due to cancellation of Coal blocks, tapering of Linkages, and delay in Fuel Supply Agreements, Cement Industry is facing shortage of coal and the requirement of coal is met through e-auction and by import of coal;
- (c): Cement Industry has the required installed Capacity to meet the domestic demand and to enhance its exports; and
- (d): Cement Industry is under compulsory Bureau of Indian Standards (BIS) certification, which implies that no person can manufacture, sell or distribute cement which does not conform to the specified standard and which does not bear the standard mark. The BIS and the State Governments have powers and responsibility to ensure compliance with the Standards. Apart from this Competition Commission of India (CCI) and the Competition Appellate Tribunal, Ministry of Corporate Affairs are looking into the complaints against the cement Industry for preventing malpractices.