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Title : Need to set up a cement regulatory authority to stabilize the price of cement in the country.

SHRI A.V. BELLARMIN (NAGERCOIL): Sir, construction is an important constituent of the economy, with a gross value output of Rs. 2,200 billion and accounts for over 5.2 per cent of the GDP. Construction constitutes 46.5 per cent of the cost of any infrastructure project. For every rupee invested in construction, 78 paise is added to the GDP. Construction industry has backward and forward linkage with more than 150 industries. It is the second biggest employer of unskilled workers after agriculture, employing about 32 million persons directly and indirectly.

Cement is one of the main materials used in construction constituting about 13 per cent of the total cost. Cement prices were stable at around Rs. 125 to Rs. 145 per bag between 2002 and 2005. However it started its upward price movement from the end of December, 2005 and reached to Rs. 225 per bag on 31st March 2006. This is a near 100 per cent increase in cement price. [\[r14\]](#)

This would result in cost overrun and time overrun for all infrastructural works affecting employment. There has been no increase in excise duty, royalty on limestone, VAT, railway freight or demand growth warranting such steep price increase.

So, I urge upon the Union Government to intervene immediately to control the rise in price of cement for saving the construction industry and millions of unorganized workers engaged in it. I also urge to form a Cement Regulatory Authority to check the cartelizational increase of price of cement.

Thank you.

MR. CHAIRMAN : Now, the House stands adjourned to meet again tomorrow at 11 a.m.

18.36 hrs.

The Lok Sabha then adjourned till Eleven of the Clock

on Tuesday, May 16, 2006/Vaisakha 26, 1928 (Saka). [\[r15\]](#)

[\[r1\]](#)Fd. By d

[\[R2\]](#)Fd by o1.e

[\[R3\]](#)ctd by Advani in english

[\[r4\]](#)Cd. By n3

[\[R5\]](#)ctd by g4

[\[R6\]](#)cd. by 'h4

[\[r7\]](#)fd. By j4

[\[snb8\]](#)Contd. By k4.e

[\[bru9\]](#)Cd. By l4

[\[r10\]](#)shri jairam contd.

[\[r11\]](#)followed by M4

[\[mks12\]](#)Cd. by n4.

[\[R13\]](#)Cd by o4

[\[r14\]](#)cd. by q4

[\[r15\]](#) Friday, March 10, 2000/Phalgun 20, 1921 (Saka).

