GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE

RAJYA SABHA

UNSTARRED QUESTION NO. 1826.

CEMENT REGULATORY AUTHORITY

1826. SHRI S. MUTHUKARUPPAN:

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

(a) whether it is a fact that the Builders Association of India has demanded Government to appoint a Cement Regulatory Authority for curbing malpractices in the sector;

(b) whether it is also a fact that such authority can rein in the unabated increase in cement prices;

(c) whether it is also a fact that abnormal price hike causes huge loss to the real estate developers as also to Government as well as private contractors; and

(d) if so, the steps to be taken up by Government in this regard?

ANSWER

THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)

(a) & (b): Yes, Sir. Representations of the Builder Association of India regarding appointment of Cement Regulatory Authority (CRA) were received and considered by the Government. The appointment of CRA was also recommended by the Department Related Parliamentary Standing Committee on Commerce regarding performance of Cement Industry in their 95th Report. These recommendations/observations were considered in 2014 and an ‘Action Taken Report’ was laid on the table of Rajya Sabha on 30.7.2014 stating that the Government was not considering establishing a Statutory Regulatory Authority.

(c) & (d): The Cement industry has been de-licensed in 1991 and control over price and distribution of cement has been removed since 1989 under the policy of economic liberalization. Cement prices are determined by market forces based upon a number of factors like local demand and supply, distance from manufacturing unit, labour costs, local taxes etc.

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