



DEPARTMENT-RELATED PARLIAMENTARY STANDING COMMITTEE ON COMMERCE

Ninety Fifth Report on 'Performance of Cement Industry'

The Ninety Fifth Report of the Department Related Parliamentary Standing Committee on Commerce, chaired by Shri Shanta Kumar, MP, Rajya Sabha, on the Performance of Cement Industry was presented to the Rajya Sabha on 24th February, 2011.

(The full Report is available on the website: [rajyasabha.nic.in-Committees-Department-related Parliamentary Standing Committee on Commerce-Reports](http://rajyasabha.nic.in-Committees-Department-related-Parliamentary-Standing-Committee-on-Commerce-Reports))

The Committee in this Report made a detailed examination of the issues pertaining to cement production and supply, shortage of raw materials and power, availability of coal, high taxes and levies, cement prices, cartelization, environmental issues, construction of cement concrete roads, R&D in cement industry and labour related matters. Some of the important recommendations made by the Committee are given below:

1. The Committee while noting the significant expansion of cement industry expressed concern over inadequate infrastructural facilities available for the growth of the economy. It was felt that there is a need to boost cement demand in key segments of the national economy by giving emphasis on economical low cost mass housing schemes especially in small towns and semi urban areas and also by laying concrete roads wherever feasible.
2. The Committee expressed its concern over the down slide trend of the production growth between 2005-06 and 2008-09 and felt that in order to reach the optimum production level, capacity utilization should be maintained above 90%. As regards shortage of raw materials, the Committee recommended that the National Council for Cement and Building Materials should conduct research on finding alternatives of lime stone and other construction material. It was suggested that use of geo-polymeric cements which require some chemical bonding instead of lime, should be encouraged.
3. The Committee expressing its concern on the ever rising prices of cement in various parts of the country felt that duties on captive power generation by cement plants add to the cost of production, further escalating cement prices. The Committee recommended that the State Governments should consider reducing duty on captive power plants.

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