

**GOVERNMENT OF INDIA**  
**MINISTRY OF HOUSING AND URBAN AFFAIRS**  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 872**  
**TO BE ANSWERED ON DECEMBER 06, 2021**  
**DEEP CRISIS IN CONSTRUCTION INDUSTRY**

**NO. 872. SHRI SUSHIL KUMAR GUPTA:**

Will the Minister of *Housing and Urban Affairs* be pleased to state:

- (a) whether Government is aware that the construction industry is in a deep crisis due to steep rise in prices of cement, sand and steel; and
- (b) if so, the steps being taken by the Ministry to persuade the Ministry of Finance to take some positive steps in this regard?

**ANSWER**  
**THE MINISTER OF STATE IN THE**  
**MINISTRY OF HOUSING AND URBAN AFFAIRS**  
**(SHRI KAUSHAL KISHORE)**

(a) & (b) 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 the market forces like local demand and supply, trends in prices of raw materials transportation cost, labour cost, local taxes, global conditions, etc.

Steel Sector is deregulated. Moreover, various steps have been taken to increase availability of iron ore and steel including Mining and Mineral Policy Reforms to ensure enhanced production and availability of iron ore and steel, early operationalization of forfeited working mines of Odisha by the State/Central PSUs etc., besides ramping up production and capacity utilization by steel producers. In Union Budget 2021-22, Customs Duty has been reduced uniformly to 7.5% on Semis, Flat and Long products of non-alloy, alloy and stainless steels. Further, Basic Custom Duty (BCD) on steel scrap has been exempted for a period up to 31st March, 2022.

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