

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

UNSTARRED QUESTION NO:4188
ANSWERED ON:18.08.2000
PURCHASE OF CEMENT PLANTS BY FOREIGN COMPANIES
RAMSHETH THAKUR

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

- (a) whether under the liberalisation policy of the Government, it has become easier for foreign companies to purchase Indian cement plants;
- (b) if so, whether as a result of this policy, Indian cement industry is going to be out of control of the Indian business houses; and
- (c) if so, the steps being taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. RAMAN SINGH)

- (a) According to the liberalisation policy, foreign companies can purchase an existing Indian company only if the proposal is supported by a Board Resolution of the Company and in accordance with the relevant guidelines of SEBI/RBI.
- (b) & (c) The policy initiatives of the Government are intended to promote modernisation, technological upgradation, productivity, efficiency with a view to boost industrial production and increase in foreign exchange earnings. Consequently, the competitiveness of India Cement Industry is likely to improve, thereby benefitting the consumers.