

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

STARRED QUESTION NO:495

ANSWERED ON:20.04.2001

PRICES OF CEMENT

GOWDAR MALLIKARJUNAPPA;Y.S. VIVEKANANDA REDDY

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

- (a) whether the MRTP has issued notice of enquiry against ten cement manufacturers for alleged cartelisation by cement companies;
- (b) if so, whether these companies have also been directed to roll down their prices to levels prevailing on November 15, 2000;
- (c) if so, to what extent these cement manufacturers have reduced the prices;
- (d) the outcome of the enquiry conducted by the MRTP; and
- (e) the action taken by the Government to keep the cement prices affordable?

Answer

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

- (a) Yes, Sir. The notices have been issued by MRTP against Cement Manufacturers Association and 10 other cement companies under Section 10(a) (i) and 36-B(a) of MRTP Act, 1969.
- (b) No, Sir. MRTPC has not issued any directive as yet.
- (c) The prices on 13.4.2001, compared to the peak prices in the month of January, 2001, have come down by 0.6% to 11.2% in various consumption centres.
- (d) MRTP proceedings are quasi-judicial. The case was listed for hearing on 10.4.2001 and the same has been adjourned to 26.4.2001.
- (e) Government is seized of the situation and the prices are being closely monitored. Meetings have been held with cement manufacturers in this regard. The price rise has since been arrested and a marginal decline has occurred in some places. Government have reduced import duty on cement from 35% to 25%. This will have stabilizing effect on the domestic cement prices and will facilitate import of cement by consumers. However, the Government will also not hesitate in taking requisite measures if anything is done against public interest deliberately.