

**GOVERNMENT OF INDIA  
CORPORATE AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:935  
ANSWERED ON:17.08.2007  
FREQUENT HIKE IN CEMENT PRICES  
Adhalrao Patil Shri Shivaji;Verma Shri Ravi Prakash

**Will the Minister of CORPORATE AFFAIRS be pleased to state:**

- (a) whether the Government has referred the issue of frequent hikes in cement prices to the Monopolies and Restrictive Trade Practices Commission (MRTPC);
- (b) if so, the details thereof alongwith the reasons therefor; and
- (c) the steps taken by the MRTPC against the Cement manufacturers in this regard?

**Answer**

MINISTER OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA)

(a) & (b) In the year 2006 the Ministry of Corporate Affairs referred two matters relating to cement prices to the Monopolies and Restrictive Trade Practices (MRTP) Commission. The details of these references are given in the statement annexed.

(c) The Commission, in exercise of its powers under the MRTP Act, 1969 has directed the Director General (Investigation and Registration) to carry out an investigation and submit a report on the references in question.

STATEMENT REFERRED IN ANSWER TO LOK SABHA UN-STARRED QUESTION NO. 935 FOR ANSWER ON 17.08.2007

Matters relating to cement prices referred by Ministry of Corporate Affairs to the Monopolies and Restrictive Trade Practices (MRTP) Commission:

1. The Builders Association of India, in September, 2006 made a representation alleging that the cement manufacturers have increased the prices unduly without any corresponding increase in excise duty, limestone, royalty, sales tax, railway freight, etc. This representation was forwarded to the Commission.

2. The Ministry of Corporate Affairs (then Ministry of Company Affairs) referred matters relating to an agreement entered into between ACC Limited and M/s Bulk Cement Corporation (India) Limited, which, on the basis of an inspection carried out under the provisions of the Companies Act, 1956, prima facie appeared to contain, inter-alia, certain restrictive trade practices as defined under sub-section (o) of section 2 and section 33 of the MRTP Act, 1969.