

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

UNSTARRED QUESTION NO:2516

ANSWERED ON:16.12.2008

RISE IN CEMENT PRICES

Adityanath Yogi Shri ;Chavda Shri Harisinh Pratapsinh;Hussain Shri Syed Shah Nawaz;Mohale Shri Punnulal;Patel Shri Jivabhai Ambalal;Veerendra Kumar Shri M.P.;Yadav Shri M. Anjan Kumar

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

- (a) whether cement prices into the country have increased recently;
- (b) if so, the details thereof indicating the reasons therefor;
- (c) whether the Government has conducted any inquiry/research on rise in cement prices and comparative cement prices in India vis-a-vis foreign countries;
- (d) if so, the details thereof;
- (e) whether MRTP in a recent judgement have stated that cement companies are indulging in unfair trade practices forming a cartel and issued notices to some companies in this regard;
- (f) whether the Builders Association of India have decided to stop construction activities in the country due to unfair trade practices of cement companies; and
- (g) the action taken/likely to be taken by the Government including proposal for constituting Cement Regulatory Authority to stabilise cement prices in the country?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY(SHRI ASHWANI KUMAR)

(a) to (d) & (g) : The cement prices have since stabilized after an increase in the all India average retail price of cement of 3.46% during the period January-October 2008. The setting up of a Cement Regulatory Authority is not considered necessary at this juncture. However, Government is constantly reviewing the situation.

(e) : The MRTP Commission in its orders on 20.12.2007 had stated that "the cement companies of private sector had connived in fixing the prices of cement". The Commission also passed "cease and desist" orders and directed the errant cement companies to refrain from indulging in any sort of cartelization arrangement to the detriment of the consumer. Aggrieved by one of these orders, the cement companies filed an appeal before the Supreme Court. The Apex Court on 8th February, 2008 passed interim orders and stayed the Commission's directions with respect to filing of the affidavit of compliance.

(f) : No such information is available.