
A STUDY ON THE IMPACT OF CARTELIZATION IN THE INDIAN CEMENT INDUSTRY WITH REFERENCE TO CEMENT CARTEL CASES

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ABSTRACT

The Competitive market faces a serious threat via cartelisation which reduces competition as it allows the competing companies and industries to work together instead of competing with each other. The Indian Cement industry has faced severe downfall due to several allegations and cases relating to cartelisation which takes effect via price fixing, restriction of supply and bid rigging. This study firstly, examines the concept of cartelization and its legal perspective. Secondly, examines and compare the Indian legal framework on anti-competitive agreements with the regulatory approach adopted by the European Union. Thirdly, analyze the impact of cartelization on the Indian cement industry and how such practices affect the consumers and the economy through higher prices, limited choices, reduced competition and stagnation for innovation. The study uses doctrinal research method and relies on legislation, Judgements, Competition Commission of India orders, reports and other secondary sources. The study finds that although the existing legal framework provides measures to deal with cartelisation, stronger enforcement, higher penalties, better protection for whistleblowers and greater cooperation between competition authorities across borders are needed to control cartel practices effectively.

Keywords: Cartelisation, Indian Cement Industry, Anti-Competitive Agreements and Competition Commission of India

INTRODUCTION

Cartelization describes a form of collusive conduct in which competing firms coordinate on price, curb output, or divide markets between themselves, and it ranks among the most damaging threats a market economy can face, particularly where the sector involved is central to national development.¹ Whether any given arrangement actually amounts to a cartel is, at bottom, a factual question, and answering it typically requires attention to how the term is defined, the benchmarks used to gauge a cartel's success or failure, and the traits that separate cartels that hold together from those that fall apart.²

Only China produces more cement than India does.³ In recent years the Competition Commission of India (“CCI”) has issued a series of orders against cement manufacturers for anti-competitive agreements and abuse of dominance under the Competition Act, 2002 (the “Act”), imposing penalties that together exceed INR 60 billion.⁴

The Act prohibits anti-competitive agreements and the abuse of a dominant market position, and it regulates combinations mergers and acquisitions that threaten to harm competition within India. Section 2(c) defines a “cartel” as an association of producers, sellers, distributors, traders, or service providers who, by agreement among themselves, limit, control, or attempt to control the production, distribution, sale, or price of goods or the provision of services.⁵ In this way the statute supplies a formal legal mechanism for protecting competition and restraining the misuse of market power within the Indian economy. Acting on this mandate, the CCI has intervened in a number of prominent cartelization disputes within the cement industry. The fallout from such conduct extends well beyond higher prices at the point of sale it reaches into construction and infrastructure, sectors for which cement is an essential and largely irreplaceable input.

This study evaluates the legal framework governing cartel conduct in India with particular

¹Jaswant Singh Saini & Narender Kumar, Cartel Enforcement and Competition Law: A Case Study of India, V Rostrum L. Rev., no. 2, 2019, at 1, <https://www.rostrumlegal.com/cartel-enforcement-and-competition-law-a-case-study-of-india/> (last visited Aug. 23, 2026).

²Margaret C. Levenstein & Valerie Y. Suslow, What Determines Cartel Success?, 44 J. Econ. Literature 43, 43-95 (2006).

³Facts About Cement Industry, Cement Mfrs.' Ass'n, <http://www.cmaindia.org/industry/facts-about-cement-industry.html>

⁴All figures expressed in Indian Rupees are converted herein at an approximate rate of USD 1 = INR 67, for ease of reference only.

⁵Competition Act, No. 12 of 2003, § 2(c) (India).

attention to the role played by the CCI and considers the lasting effect of cartelization on market competition and consumer welfare. By tracing the scope of cartel behaviour and its consequences, the paper aims to assess how effective regulatory intervention has been to date and to put forward recommendations for strengthening the enforcement so that fair competition and market stability can be better secured.

REVIEW OF LITERATURE

Cartelization in the Indian cement industry has drawn sustained scholarly attention, with researchers applying a variety of methods to detect and study collusive conduct among manufacturers.

1. Screening for Collusion: Evidence from the Indian Cement Industry

Bejger (2015)⁶ studied the Indian cement industry over the period 1994 to 2009 using a Markov Switching Autoregressive (“MSAR”) model to isolate phases of collusion and phases of genuine competition. The analysis uncovered variability patterns consistent with theoretical markers of collusion, with results partly corroborating the historical record of anti-competitive conduct in the sector, and showed that cartelized firms tended toward price rigidity, most visibly when demand was falling. The author also noted the limits of applying MSAR techniques to high-frequency data and suggested that sharper econometric tools could improve cartel-detection efforts going forward.

2. Business Practices of Indian Cement Industry: An Evidence of Possible Cartelization

Rao and Khanna (2015)⁷ relied on Grossack’s static-dynamic concentration ratios to track shifts in market share across the Indian cement industry between 2008 and 2013. Their analysis found concentration rising over this window, a pattern consistent with possible collusion and observed that firms raised prices in tandem during the financial crisis in a manner that demand-side factors alone could not fully explain. Price movements in the sector, they argued, departed from ordinary supply-and-demand logic, which strengthened the case for coordinated conduct among firms.

⁶Sylwester Bejger, *Cartel in the Indian Cement Industry: An Attempt to Identify It*, Econ. Discussion Papers, No. 2012-18, <https://www.researchgate.net/publication/241642174> (last visited Aug. 23, 2026).

⁷Tripati D. Rao & Rupika Khanna, *Business Practices of Indian Cement Industry: An Evidence of Possible Cartelization*, 10 *Econ., Mgmt. & Fin. Mkts.* 47, 47-60 (2015).

3. Screening Markets for Cartel Detection: Collusive Markers in the CFD Cartel-Audit

Lorenz (2008)⁸ developed the Coordination Failure Diagnostics (“CFD”) model, which examines real market processes over time to surface illegal covert cartels. Built on the premise that existing cartels distort observable market patterns, the CFD cartel-audit is designed to give regulators an empirical tool for proactively screening markets and deciding where deeper investigation is warranted. Lorenz concluded that systematic detection models of this kind could meaningfully strengthen cartel enforcement.

4. Cartelisation and Role of CCI in India

Mathew and Wilson (2019)⁹ examined cartelization within the Indian economy more broadly, with a particular focus on the CCI’s capacity to rein it in. The study catalogued the difficulties the Commission encounters in detecting and penalizing cartels, especially in the cement sector, and proposed measures for improving its effectiveness among them, expanded investigative powers, steeper fines, and stronger whistleblower mechanisms aimed at dismantling cartel networks.

5. The Indian Cement Industry Cartelization: A Bumpy Ride Ahead?

Vinod and Namratha (2021)¹⁰ authored a case study exploring the likelihood of an active cartel within the Indian cement industry and its ripple effects on the real estate sector and the broader economy. The case centred on allegations by the Builders Association of India (“BAI”) that leading cement manufacturers had fixed prices and restricted output in order to manipulate supply. The authors mapped the resulting economic costs, including higher construction expenses and diminished housing affordability.

STATEMENT OF THE PROBLEM

Cartelization in the Indian cement industry has for years been subject to academic scrutiny because of the damage it imparts on market competition, consumer welfare, and broader

⁸Christian Lorenz, Screening Markets for Cartel Detection: Collusive Markers in the CFD Cartel-Audit, 26 Eur. J.L. & Econ. 213, 213-32 (2008).

⁹Boncy Mathew & Sincy Wilson, Cartelisation and Role of CCI in India, 6 J. Emerging Techs. & Innovative Rsch. 246, 246-52 (2019), <https://www.jetir.org/papers/JETIR1903396.pdf>.

¹⁰Koti Vinod & Namratha, The Indian Cement Industry Cartelization: A Bumpy Ride Ahead?, IBS Ctr. for Mgmt. Rsch. Case Collection (2021), <https://www.thecasecentre.org/products/view?id=176266>.

economic stability. Recurring allegations of price-fixing, output restriction, and market allocation among leading cement manufacturers point to a pattern of collusion that runs counter to the basic premises of a free market. Even with CCI intervention and the imposition of substantial penalties, such conduct has persisted, which raises real questions about how effective current enforcement and deterrence mechanisms actually are. Cartelization also drives artificial price inflation, eroding affordability for consumers and weighing on sectors such as construction and infrastructure that depend heavily on cement. This study sets out to find the extent of cartelization within the Indian cement industry, examine its consequences for the economy and for consumers, and assess how well the existing legal framework performs in curbing anti-competitive conduct.

OBJECTIVES

1. To examine the concept of cartelization and its legal perspective.
2. To examine and compare the Indian legal framework on anti-competitive agreements with the regulatory approach adopted by the European Union.
3. To analyze the impact of cartelization on the Indian cement industry.

METHODOLOGY

This paper follows a doctrinal method of research, by placing heavy reliance upon secondary material such as the statutes, judicial and regulatory decisions, reports, and academic research papers to examine cartelization within the Indian cement industry. A qualitative approach is used throughout to study the applicable legal framework, the mechanisms available for enforcement, and the relevant case law on cartel conduct.

Material is drawn from orders of the Competition Commission of India, judgments of the Supreme Court and the High Courts, and reports issued by regulatory authorities, alongside industry studies and scholarly writing. Comparative perspectives from other competition-law regimes are also brought in to compare India's regulatory approach. The paper further undertakes a critical assessment of the economic dimension of cartelization as to how it shapes pricing, market competition, and consumer welfare and what enforcement reforms might work best against anti-competitive conduct.

CARTELIZATION AND ITS LEGAL PERSPECTIVES

Concept of Cartel

Bruneckiene and her co-authors describe hard-core cartels as arrangements “between two or more legally independent companies operating in the same market” that are directed at fixing prices whether by overcharging consumers or squeezing the prices paid to suppliers restricting output through sales quotas, and carving up markets, all in pursuit of higher profits at the expense of competition and each firm’s independent judgment.¹¹ A cartel exists to push prices above the level ordinary competition would allow, and it is consumers and the broader economy who ultimately absorb the resulting harm.

A cartel exists wherever two or more firms reach an understanding whether explicit or merely implied to fix prices, restrict production and supply, carve up market share or sales quotas, or engage in collusive bidding. The Organization of Petroleum Exporting Countries (“OPEC”) remains one of the best-known examples of explicit, openly acknowledged collusion.¹²

Both theory and empirical research point to oligopolistic markets those with relatively few competitors as the settings where cartels most often take root.¹³ Collusion also tends to be more likely in markets experiencing moderate growth than in those growing very quickly or contracting sharply.¹⁴

Four broad forms of cartel conduct are typically distinguished. The first, price fixing, occurs where rivals settle on a common pricing approach rather than compete over it. The second, market allocation, involves competitors carving up a market between themselves so that head-to-head competition is avoided altogether. The third, output restriction, arises where firms jointly agree to cap the volume or range of goods and services brought to market. The fourth, bid rigging, occurs where suppliers privately settle in advance who is to win a given tender, and on what terms.¹⁵

¹¹Jūratė Bruneckienė et al., Assessment of Cartel Impact on the National Economy: Integrated Model, in *The Impact of Cartels on National Economy and Competitiveness* 217, 217-29 (Springer Int'l Publishing 2015).

¹²Implied Collusion, AmosWEB, http://www.amosweb.com/cgi-bin/awb_nav.pl?s=wpd&c=dsp&k=collusion (last visited Aug. 23, 2026).

¹³Jūratė Bruneckienė et al., Cartel Occurrence and Operation in Market, in *The Impact of Cartels on National Economy and Competitiveness* 49, 49-67 (Springer Int'l Publishing 2015).

¹⁴Levenstein & Suslow, *supra* note 2.

¹⁵Cartels, Austl. Competition & Consumer Comm'n, <https://www.accc.gov.au/business/competition-and->

Legal Perspective

Following independence, the Indian government adopted a series of measures aimed at expanding the domestic market. Among these, liberalisation, privatisation and globalisation (“LPG”) reforms stood out for their goal of deepening India’s trade with the rest of the world, which in turn lifted both imports and exports as well as foreign-exchange earnings and opened the door for multinational companies to enter the Indian market. To manage the competitive pressures this created, the government subsequently introduced the Monopolies and Restrictive Trade Practices (“MRTP”) Act.

The MRTP Act was meant to lay down guidelines for healthy competition, but it fell short of that goal for several reasons. It grew outdated over time and proved unable to keep pace with evolving corporate practices; it lacked the power to impose penalties, a gap that Section 27 of the Competition Act later filled by empowering the CCI to do so; and it never adequately defined key terms, including “cartel” itself.¹⁶ These shortcomings led to the enactment of the Competition Act, 2002, under which the CCI was subsequently constituted and made operational.

CARTEL ENFORCEMENT IN INDIA VIA COMPETITION ACT, 2002

Since the provisions of the Competition Act, 2002 governing anti-competitive agreements took effect on 20 May 2009, the CCI has actively pursued the investigation and enforcement of cartel conduct. Working alongside the Director General (“DG”), whose office assists with investigations and issues relevant directions, the Commission’s core task is to determine whether the Act has in fact been contravened.

Where cartels are concerned, Section 3 of the Act makes clear that agreements causing an appreciable adverse effect on competition within India are void.¹⁷ The statutory definition of “cartel” is to be read together with Section 3, which renders such agreements void; an exclusive supply arrangement, for instance, would fall foul of Section 3(1) of the Act.

The scope of Section 3 was examined in the case of *Competition Commission of India v.*

exemptions/cartels (last visited Aug. 23, 2026).

¹⁶Harsh Vardhan Dhanik & Arup Sinh, Cartels in Indian Market: Measures and Standard for its Enforcement by CCI and its Effect on Economy and Consumers, *Int’l J. Legal & Soc. Stud.*, Dec. 21, 2016.

¹⁷Saini & Kumar, *supra* note 1.

Coordination Committee of Artists and Technicians of W.B. Film and Television, where the provision was used to restrict or prohibit certain types of agreements. The initial question in such cases is whether a firm, group of firms, individual, or association of persons has entered into an “agreement” as defined by the Act. Only after confirming that the agreement exists does the analysis move on to the substantive rules that govern how such behaviour should be handled.¹⁸

COMPARATIVE ANALYSIS OF INDIAN LEGAL FRAMEWORK ON ANTI-COMPETITIVE AGREEMENTS WITH EUROPEAN UNION

Sections 3 and 4 of the Competition Act which together capture the principal behavioural rules of Indian competition law draw heavily on, and are broadly modelled on, Articles 101 and 102¹⁹ of the Treaty on the Functioning of the European Union (“TFEU”) and the Raghavan Committee Report recommended the transition from MRTP act.²⁰

Section 3 of the Competition Act provides that no enterprise or association of enterprises, and no person or association of persons, may enter into an agreement relating to the production, supply, distribution, storage, acquisition, or control of goods or the provision of services, where that agreement causes or is likely to cause an appreciable adverse effect on competition within India.²¹

Article 101 of the Treaty on the Functioning of the European Union (TEFU) prohibits certain types of agreements, decisions, and practices that are carried out by businesses, which could affect trade between member countries and have the purpose or effect of preventing, limiting or distorting competition within the internal market.²²

Appreciable Adverse Effect on Competition

Under the Competition Act, once an agreement or concerted action within the meaning of

¹⁸Competition Comm'n of India v. Coordination Comm. of Artists & Technicians of W.B. Film & Television, AIR 2017 SC 1449 (India).

¹⁹Consolidated Version of the Treaty on the Functioning of the European Union arts. 101-102, Oct. 26, 2012, 2012 O.J. (C 326) 47 (renumbering, and formerly known as, Articles 81 and 82, and, before that, Articles 85 and 86, of the EC Treaty).

²⁰ Report of the High Level Committee on Competition Policy and Law, Ministry of Corporate Affairs, Govt. of India (2000)

²¹Competition Act, No. 12 of 2003, § 3 (India).

²²Competition Law: Treaty Articles, Eur. Comm'n, https://competition-policy.ec.europa.eu/antitrust-and-cartels/legislation/competition-law-treaty-articles_en (last visited Aug. 23, 2026).

Section 3(1) is established in a cartel case, an appreciable adverse effect on competition is presumed. EU competition law takes a somewhat different evidentiary path to establish a concerted practice; the European Commission must affirmatively demonstrate the alleged tacit collusion between the undertakings concerned. Where price fixing is involved, however, proof of the concerted practice alone is sufficient to trigger Article 101(1) TFEU, even without separate evidence of anti-competitive effects on the market.²³

Administrative Procedures

The CCI's orders do not always spell out the precise standard of proof the Commission considers itself bound to meet. In the absence of directly applicable Indian precedent on this point, comparative experience from the EU and the UK offers useful guidance.

Under EU competition law, the European Commission, in conducting the relevant administrative procedure, must produce evidence that is sufficiently precise and consistent to support a firm conviction that the alleged infringement in fact occurred.²⁴

IMPACT OF CARTEL ON THE INDIAN CEMENT INDUSTRY WITH SPECIAL REFERENCE TO CEMENT CARTEL CASES

In the arena of the cement production without further qualification, it means grey cement also called Portland cement the variant used predominantly in construction around the world. Manufacturers overwhelmingly rely on what is known as the “dry process,” an approach that first produces clinker as an intermediate output before it is blended with supplementary materials to form the finished product.²⁵

The cement industry carries a number of notable barriers to entry such as the high capital cost of setting up a production line, the logistical need to site plants close to raw-material sources, and the considerable energy demands of the manufacturing process, which require access to reliable energy supplies. These features, together with the absence of viable substitutes for cement and the link between cement demand and broader development, make the industry particularly conducive to cartel formation and collusive conduct. Indeed, cement is regarded as

²³Case C-199/92 P, Hüls AG v. Comm'n, 1999 E.C.R. I-4287, ¶¶ 158-66.

²⁴Joined Cases T-67/00, T-68/00, T-71/00 & T-78/00, JFE Eng'g Corp. v. Comm'n, 2004 E.C.R. II-2501, ¶ 179.

²⁵Sylwester Bejger, Cartel in the Indian Cement Industry: An Attempt to Identify It, SSRN Electronic Journal (2012), DOI: 10.2139/ssrn.2035307.

one of the most cartelized industries in the world economy between 1994 and 2009 alone, eleven collusive arrangements across eleven countries, plus one cartel spanning an entire continent, were uncovered and their participants prosecuted.²⁶

Indian Cement Cartel Cases

In *Builders Association of India v. Cement Manufacturers Association & Ors.*,²⁷ the Builders Association of India lodged information under Section 19 of the Act against eleven cement manufacturers together accounting for roughly 60% of the market alleging violations of Sections 3 and 4. Data furnished by the manufacturers themselves indicated that price movements were consistent across firms in a way that suggested prior coordination, that the companies could not account for low capacity utilisation despite strong demand, that they had chosen to maximise margins on existing demand rather than expand output, and that a system existed for exchanging price data on a weekly basis across the association's membership nationwide, enabling coordinated decisions on future pricing.

On this record, the CCI concluded that the manufacturers were regulating market supply through a tacit understanding and were engaged in collusive price fixing. Relying on the Director General's report, the Commission held that the manufacturers, together with the Cement Manufacturers' Association, had contravened Section 3(3)(a) and 3(3)(b) read with Section 3(1) of the Act, and it imposed a penalty equal to 0.5 times the manufacturers' net profit for financial years 2009-10 and 2010-11. The Competition Appellate Tribunal set aside that order on procedural grounds and remanded the matter, but on reconsideration the CCI reached the same conclusion and levied a total penalty of INR 63 billion.

A related matter, *In Re: Alleged Cartelisation by Cement Manufacturers v. Shree Cement & Ors.*,²⁸ concerned allegations that cement prices, which had held steady between INR 125 and INR 145 per bag from 2003 to 2005, began climbing in December 2005 and reached between INR 210 and INR 230 per bag by January 2006, with no corresponding rise in input costs, taxation, or demand to account for the increase. It was further alleged that manufacturers had

²⁶See Sylwester Beijer, *Cartel in the Indian Cement Industry — Preliminary Findings 3* (Nicolaus Copernicus Univ. Working Paper, 2011).

²⁷*Builders Ass'n of India v. Cement Mfrs.' Ass'n*, Case No. 29 of 2010 (Competition Comm'n India Aug. 31, 2016).

²⁸*In re Alleged Cartelisation by Cement Mfrs. v. Shree Cement Ltd.*, RTPE No. 52 of 2006 (Competition Comm'n India July 30, 2012).

deliberately cut production or restricted supply so as to push prices higher. In its order of 30 July 2012, the CCI, acting under Section 27 of the Act, imposed a penalty of INR 3.9 billion on Shree Cement Limited; the other parties implicated in this matter had already been dealt with in the main cement-cartel proceeding. On appeal, the case was consolidated with that main proceeding and followed the same legal course.

In *Director, Supplies & Disposals, Haryana v. Shree Cement Limited & Ors*²⁹, judgment pronounced on Jan 19, 2017 the Competition Commission of India held all seven cement manufacturing firms i.e., Shree Cement, UltraTech Cement, Jaiprakash Associates, ACC, Ambuja Cements, JK Cement, and JK Lakshmi Cement were found in violation of Section 3(3)(d) read with Section 3(1) of the Competition Act, 2002, for explicit bid-rigging and cartelization. And also issued a cease-and-desist order alongside penalty of Rs. 18.44 crore, Rs. 68.30 crore, Rs. 38.02 crore, Rs. 9.26 crore, Rs. 29.84 crore, Rs. 35.32 crore and Rs. 6.55 crore is imposed upon OP-1 to OP-7 respectively calculated at a mitigated rate of 0.3% of their average three-year financial turnover³⁰.

NEGATIVE EFFECTS OF CARTELIZATION ON THE CONSUMERS AND ECONOMY

1. Inflation of prices

The main objective behind Cartelization is to collude in order to create inflation of price and enjoy the fruits of profit by inflating the costs for the consumers. It is mainly evident in sectors such as the healthcare, energy and construction where consumers end up paying more for goods that may not even be of better quality which erodes their purchasing power. It also prevents the consumers from making informed choices since there is no other option but to buy the product at such an inflated price.³¹

²⁹ In *Director, Supplies & Disposals, Haryana v. Shree Cement Limited & Ors.*, (Reference Case No. 05 of 2013)

³⁰ Press Release, Competition Commission of India, CCI Imposes Penalties on Cement Companies for Bid-Rigging (Jan. 19, 2017, 7:53 PM), <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1480803>&=48(=2.

³¹ Competition and Cartels: Impact on Consumer Welfare and Economic Efficiency, OECD,

2. Limited choice for consumers

The cartelization ultimately makes the option which are available to the consumers to very limited. As the Firms in a cartel tend to reduce the range of products or services on offer. This results in ability and opportunity of the consumers to discover more options that suits their financial and personal satisfaction and needs. Thus, lack of variety and innovation often leaves consumers settling for less than what an open market would otherwise provide.³²

3. Lower Quality Product

When there is no competition, then the companies would be very lethargic and have very little incentive and motivation to innovate or improve the quality of the products they sell to make sure consumers buy products from them and not from their rivalry. But this goes fully absent in case of cartelization as the members here prefer the collusive arrangement, so the stagnation comes into picture. Consumers are left with no other option but to buy products that are of lower product quality. Moreover, Higher prices under a cartel do not mean higher quality.

4. Economic inefficiency;

Cartels altogether disrupts the normal and ordinary flow and functioning of the supply and demand. Usually, the variables such as price and output controls the demand and supply chain. But these variables are adjusted and manipulated by the cartelized firms to suit their own advantages i.e., by raising the prices and by restricting the output. This results in economic inefficiency where the resources are wasted, the economic welfare and consumer well beings fall drastically.³³

5. Market Entry Barriers

Market cartels often are considered to be a very major barrier to entry in the market. As the members of cartel manipulates the whole chain such as the prices, supply chain, and the productions which makes it very difficult for the new firms to enter the market and compete with everyone in a very fair manner. This leads to decline in the innovation, brings down the job creation and tightens the overall market dynamisms in the hands of few which ultimately

<https://www.oecd.org/competition/cartels/> (last visited Aug. 23, 2026).

³²Cartels, Eur. Comm'n, <https://ec.europa.eu/competition/cartels/> (last visited Aug. 23, 2026).

³³Economic Effects of Cartels on Developing Economies, UNCTAD, <https://unctad.org/topic/competition> (last visited Aug. 23, 2026).

puts a barrier to smaller or newer companies altogether.³⁴

6. Stagnation in Innovation

Innovation is very important for the economic development of the country and also for the improved product quality. But these cartelization stagnates these innovation which ultimately leads to denying the benefits that customers ordinarily get by way of competitions, which results in the pressure to provide better quality products to the consumers gets suppressed due to cartelization as there is no competition to innovate new and better quality products.

SUGGESTION

- It is the need of the hour to strengthen the enforcement mechanism of the Competition Commission of India by employing specialised task forces for particular sectors and utilizing stronger and advanced technologies to monitor and investigate cartel activity on real time basis so as to detect and prosecute anti-competitive conduct.
- Set a higher threshold of penalties for the firms and industries that engage in cartelization so as to create a strong deterrent effect from not committing the same in the future.
- Promote a whistleblower protection to encourage individuals who have knowledge about the cartel to come forward with greater confidence and without the fear of being retaliated.
- There should be international collaboration between CCI and the international competition authorities across the globe regarding the enforcement measures, jurisdictional issues and sharing of information as the cartels are not confined to India alone but may operate across borders.

CONCLUSION

In this era, Cartelization especially in the Indian cement industry is a serious threat to our economy as it weakens the market competition, and has a wide range of negative effects on the

³⁴The Impact of Cartels on Competition, Competition & Mkts. Auth., <https://www.gov.uk/government/organisations/competition-and-markets-authority> (last visited Aug. 23, 2026).

consumers and leaves a very lasting negative impact on our economy. Regardless of the efforts taken by the Competition Commission of India, still practices such as the price fixing, bid rigging, market allocation, having the hands on output restriction continues to exist by which firms and industries manipulate the price and have upper hand in comparison to small and new firms which enter into the market. The cartelization results in the inflated prices, less competition, stagnation in innovation, and leaves a lasting harm to sectors like construction and infrastructure which ultimately depend on a healthy cement market. This study points out the Indian legal framework on anti-competitive agreements with the regulatory approach adopted by the European Union and also brings out the negative impact of cartel on consumers and the economy. The cases referred reflect the prevailing nature of cartelization in the cement industry and the role of the Competition Commission of India in handling these cases. As pointed out despite the active role of CCI cartelization takes place so to conclude, there is a need for stronger enforcement mechanisms, higher penalties, better whistleblower protection, and closer international cooperation against cartel conduct so as to protect our economy and consumer from being a prey to cartelization by industries and firm. And ensure there is free competition in the market which upholds the economic growth and consumers welfare.