

## RAJYA SABHA

Monday, the 9th May, 1988/ 19

Vaisakha, 1910 (Saka)

The House met at eleven of the clock, the Deputy Chairman in the Chair.

### ORAL ANSWERS TO QUESTIONS

#### Investment in the Cement Corporation of India

♦201. DR. MOHD. HASHIM KIDWAI: Will the Minister of INDUSTRY be pleased to refer to the answer to Unstarred Question 2732 given in the Rajya Sabha on the 21st March, 1988 and state:

(a) what is the total investment in the Cement Corporation of India; and

(h) the total profit or loss of the Corporation during the last three years?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) The total investment in the Cement Corporation of India as on 31-3-1988 is Rs. 529.84 crores (Provisional).

(b) CCI had suffered net losses during the last three years as detailed below:—

	(Rs. crores)
1985-86	12.36
1986-87	21.02
1987-88	34.45
	(Provisional)

DR. MOHD. HASHIM KIDWAI: Madam, through you I want to ask the hon. Minister as to what is the estimated investment in the next financial year and in the next Five-Year Plan.

SHRI J. VENGAL RAO: Now the total investment, " as I mentioned earlier, is Rs. 529.84 crores.

DR. MOHD. HASHIM KIDWAI: In the next Five-Year Plan? 354 R. S. —1.

SHRI J. VENGAL RAO: Madam I have no information now. I will communicate it to the hon. Member.

DR. MOHD. HASHIM KIDWAI: Madam, may I know as to what are the reasons for these mounting losses? What are the details of the remedial measures taken by the Government and by when this loss is expected to be made up?

SHRI J. VENGAL RAO: Madam, the hon. Member' asked me earlier about the 7th Plan Investment. The target of the Seventh Plan investment is Rs. 413.00 jirores. For the year 1988-89, it is Rs. 105 crores.

About the losses, Madam, last time I answered that the production has been affected adversely due to heavy power cut. Out of these 10 units, about 50 per cent of the total installed capacity is in Andhra Pradesh. Power cut is very heavy in Andhra Pradesh. That is why we are unable to utilise fully the installed capacity. That is why the units are incurring a heavy loss. And also coal price has gone up, lime-stone royalty has gone up, labour cost, has gone up. All these contributed to this.

श्री बीरेन्द्र वर्मा : उपसभापति महोदया, क्या माननीय मंत्री जी बताने की कृपा करेंगे कि सीमेंट कारपोरेशन ऑफ इंडिया क्या यह केवल आंध्रप्रदेश में ही है, जसा कि आपने बताया, इसमें बिजली का कट बहुत बड़ा है या दिल्ली में या और भी कहीं है? अभी भी जो उत्तर उन्होंने दिया है, उससे संतोष नहीं हुआ कि सीमेंट कारपोरेशन के प्रतिवर्ष लोसेस इसके कारण बढ़ते चले जा रहे हैं। इसे स्पेसिफिक कॉज बताने की कृपा करेंगे।

SHRI J. VENGAL RAO: Madam, these losses are only in the last three-years. Previously, these units were earning a profit. Only in the last three years, i. e. 1985-86, 1986-87 and 1987-88, these losses are there. About

50 per cent of the installed capacity, as I mentioned earlier, is in Andhra Pradesh. There are ten units in six States. In Madhya Pradesh, there is sufficient power supply. In other States, there is power cut.

SHRI BIR BHADRA PRATAP SINGH: Madam, a year ago, I had suggested to the Cement Corporation of India to adopt a new energy saving means in the process of cement manufacture, the dry-wet process, both to save energy and to work with efficiency. What is the result there of? If not so, what is the reason for not adopting the technique which was suggested by me a year ago and which was accepted?

SHRI J. VENGAL RAO: Madam, we are adopting it in all the units. In some units we have to modernise. In two units this wet process, and dry process is in six units and semi-dry process in one unit. We are adopting the method.

SHRI VITHALRAO MADHAVRAO JADHAV: Madam, from the answer of the hon. Minister it is very clear that the total investment in the Cement Corporation of India is Rs. 529.84 crores and losses for the last three years have been ranging from Rs. 12 crores to Rs. 35 crores. The hon. Minister has stated that the losses have been due to heavy power cuts in Andhra Pradesh. I would like to know whether there is any special arrangement of power supply to the cement industries. Cement industry is a very important industry of the country and it is a consumable item. The hon. Minister has stated that due to the power cut the cement production has been going down. That is not correct. From that point of view what is the total efficiency of working of the cement industry in the country. What is the percentage of total generation capacity of cement and what is the cement pricing procedure?

SHRI J. VENGAL RAO: Madam the total capacity percentage of all

the plants was 79 in the country and that of the Cement Corporation was 72 in 1986-87. Last year of all the plants it was 71 and even of the Cement Corporation it was 71 per cent.

SHRI VITHALRAO MADHAVRAO JADHAV: What about the power supply arrangement?

SHRI J. VENGAL RAO: We cannot supply power. We advised all the cement plants to have their own captive plants.

SHRI-SATYA PRAKASH MALAVIYA: Madam, the losses have been increasing every year. In 1985-86, they were of the order of Rs. 12.36 crores, in 1986-87, they were Rs. 21.02 crores and in 1987-88, they were Rs. 34.45 crores, and now the total accumulated losses are Rs. 67.83 crores. Madam, my question is what steps were taken by the Government to meet these losses every year, i. e., from 1985-86 to 1987-88.

SHRI J. VENGAL RAO: Madam the position up to 1984-85 was that the Cement Corporation earned a profit of about Rs. 38 crores.

SHRI SATYA PRAKASH MALAVIYA: My question is 1985 onwards.

SHRI J. VENGAL RAO: I am answering it. Kindly hear me. From 1985-86 to 1987-88, the losses are, as I mentioned, minus Rs. 39 crores, the accumulated loss is nearly Rs. 30 crores.

SHRI B. L. PANWAR: Madam, in view of the reply of the Minister it seems to be a fact that the cement industry has reached its saturation point by means of the present R&D available in the country. If so, what steps is the Government going to take for the new R&D programme so as to excavate and utilise the full industrial resources available in the country, enable it to compete in the world market, and reduce the price level of this item especially when

this year is going to be celebrated as the year of shelter for the human beings. ?

SHRI J. VENGAL RAO: This R&D amit every industry has got. We have appointed an expert committee under Dr. Visveswarayya. He has submitted the report in the last week of March. It is under consideration and we are seeing how to rectify all these defects..

SHRI B. L. PANWAR: When it has reached a saturation point the present...

THE DEPUTY CHAIRMAN: Industry has reached the saturation point. What do you want to ask?

SHRI B. L. PANWAR: In view of the limited R&D being available in the country, what is the Government doing with regard to the cement industry?

SHRI J. VENGAL RAO: That is why I mentioned that we have appointed a high level committee of experts to find out how to further develop the R&D in this industry. This committee has been appointed under the chairmanship of Dr. Visveswarayya. He has suggested so many methods. It is under the consideration of the Government?

DR. NARREDDY THULASI REDDY: Madam, power cut applies both to the private sector and the public sector. When the private sector cement companies are making huge profits, what are the reasons then for the units of the Cement Corporation of India to go into losses. Another thing, Madam, the Minister being a Union Minister is talking about Andhra Pradesh only. But the question relates to tile entire country. Probably the Minister may be suffering from the KTR syndrome. That is why he is talking about Andhra Pradesh.

THE DEPUTY CHAIRMAN: No, that is not the question.

SHRI J. VENGAL RAO: He is mistaken, because I said that the installed capacity of the Cement Corporation of India, to the extent of 50 per cent, is in Andhra Pradesh. We are extending all help to Andhra Pradesh. At my request only, the Governments -of Madhya Pradesh and Maharashtra are supplying 400 MW of power to Andhra Pradesh; his Chief Minister knows it very well.

\*202. [Transferred to the 10th May, 1988.]

\*203. [The questioner (Shri Yalla Sesi Bhushana Rao) was absent. For answer, vide col. 36—38 infra.]

### पूर्वी उत्तर प्रदेश में रसोई गैस के बाटलिंग संयंत्र की स्थापना का प्रस्ताव

\*204. श्री राम नरेश यादव : क्या पेट्रोलेियम और प्राकृतिक गैस मन्त्री : यह अताने की वृपा करेंगे कि :

(क) क्या सरकार पूर्वी उत्तर प्रदेश के विभिन्न शहरों और कस्बों के निवासियों को रसोई गैस की आपूर्ति में देश आ रही कठिनाईयों को दूर करने के लिए, वाराणसी/आजमगढ़ अथवा गोरखपुर में रसोई गैस का एक बाटलिंग संयंत्र स्थापित करने का विचार रखती है ;

(ख) यदि हां, तो प्रस्ताव के मसौदे का ब्यौरा क्या है और इस पर कितना खर्च आएगा ; और यदि नहीं, तो इसके क्या कारण हैं ;

(ग) 1986 और 1987 के वर्षों के दौरान पूर्वी उत्तर प्रदेश के 15 जिलों में रसोई गैस की कितनी-कितनी खपत हुई और 1988 के वर्ष के दौरान इसकी अनुमानतः कितनी खपत होगी ;

(घ) खपत के अनुपात में गैस की नियमित आपूर्ति करने के लिए केन्द्रीय सरकार ने क्या कार्यवाही की है ;

(ङ) कितने व्यक्तियों ने विभिन्न गैस डीलरों/एजेंटों के यहां अपने नाम दर्ज कराये हैं और अभी भी प्रतीक्षा सूची में हैं ; और