

**Losses suffered by MMTC on account of demurrage charge**

598. SHRI SUSHIL CHAND MOHUNTA:

SHRI SATYA PRAKASH MALAVIYA:

SHRI SHRIKANT VERMA:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that Minerals and Metals Trading Corporation (MMTC) suffered huge loss in foreign exchange towards demurrage charges during 1984-85; if so, what is the extent of loss suffered;

(b) what is the quantum of loss suffered by MMTC during the last three years; year-wise, on this account;

(c) what are the reasons therefor; and

(d) what measures are proposed to be taken by Government to improve the performance of MMTC so as to minimise such losses?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) to (d) The information is being collected and will be placed on the Table of the House.

#### Energy used in Steel manufacture

599. SHRI PARVATHANENI UPENDRA: Will the Minister of STEEL, MINES AND COAL be pleased to state:

(a) whether it is a fact that the energy used in the manufacture of steel per unit in India is one of the highest in the world;

(b) if so, what are the details thereof and the reasons therefor;

(c) what is the highest and lowest per unit energy used in the world and what is India's position; and

(d) what corrective steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH): (a) and (b) it

is correct that in view of the stage of technology in the Indian Steel Plants the energy consumption is high. The main reasons for the high energy consumption are:

(i) High Coke rate: On account of

—high ash in coking coal (19—22 per cent) alongwith inferior coking properties and consequently high coke ash (25—29 per cent) and poor coke strength as against the coking coal ash of below 10 per cent and coke ash of upto 13 per cent in the developed countries.

—adequate preparation and averaging facilities of raw materials were not originally provided, this results in unprepared burden for Blast Furnaces.

—low sinter rate (upto 60 per cent) in blast furnace burden as against almost 100 per cent abroad.

—lack of introduction of modern technological development.

(ii) About 50 per cent of steel production of India is through the energy intensive Open Hearth Furnace.

(iii) Hot metal usage in oxygen blown LD steel being high (925—1020 kg/t of steel) due to higher silicon content as against 750 kg/t of steel in the developed countries.

(iv) Almost 100 per cent of the steel is cast through ingot casting route instead of continuous casting route; this results in lower metallic yield.

(v) Instrumentation and automation systems are inadequate and obsolete.

(c) Broad indicative figures according to available information for the following countries are as follows:—

G. Cal/tone of Crude Steel

France	5.687
F. R. Germany	5.239
Italy	4.049
Netherlands	4.610
United States	5.973
Japan	4.545
India	9.6

(The basis of calculations for different countries are not known and may differ from country to country).

(d) In order to bring down the specific energy consumption rate in SAIL steel plants, several modernisation measures are being considered, some of which are:

- stamp-charging of cial charge;
- partial briquetting of coal charge;
- Modernisation of the existing sinter plants and installation of new sinter plants;
- intensification of blast furnaces;
- replacement of open hearth furnaces by oxygen steel making converters;
- large scale adoption of continuous casting;
- modernisation of rolling mills;
- introduction of computer control system in all the shops;
- introduction of waste energy recovery processes like coke dry quenching, heat recovery systems in sinter plant, reheating furnaces, power generation using blast furnaces top gas pressure.

#### Energy and manpower used in coal Production

600. SHRI PUTTAPAGA RADHA-KRISHNA: Will the Minister of STEEL, MINES AND COAL be pleased to state:

(a) whether it is a fact that energy and manpower used in the country for production of coal per tonne is one of the highest in the world;

(b) if so, what are the details thereof and how it compares with other advanced countries; and

(c) what corrective steps are proposed to be taken by Government in this regard?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE): (a) and (b) Average Electrical Power consumption in the subsidiaries of Coal

India Ltd. varies from about 9 units upto 24 units per tonne of coal produced. As compared to other advanced countries, the power consumption per tonne of coal is on a lower side, since the mechanisation level in our country is low. Electrical power consumption depends on the mechanisation level.

Manpower used per tonne of coal production is reckoned in terms of output per manshift. The output per manshift (OMS) has steadily risen from a level of 0.77 tonnes in 1981-82 to 0.87 tonnes in 1984-85 in Coal India Ltd., but has been around 0.7 tonnes in Singareni Collieries Co. Ltd. In comparison to developed countries, O.M.S. is low in our country. In the developed countries like U.S.A., USSR, Poland, U.K. etc., the OMS generally exceeds 1.5 tonnes mainly because their mechanisation level is very high as compared to our country. The Geo-mining conditions also vary.

(c) Efforts are being made to increase productivity in coal industry by mechanisation, adopting advanced technology, redeployment of surplus labour, by having more open cast mining and by improving working conditions in coal mines.

#### Foreign indebtedness of the country

601. SHRI P. N. SUKUL: Will the Minister of FINANCE be pleased to state:

(a) what is the total foreign indebtedness of the country as on 31st March, 1985;

(b) what are the details thereof; and

(c) by when this present foreign indebtedness of the country is expected to be liquidated finally?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) The estimated total foreign indebtedness of the country as on 31st March, 1985 works out to Rs. 23932 crores in respect of Government loans, Rs. 758 crores in respect of Non-Government loans. Further approvals for Rs. 7259