

Soda Ash Price

1447. SHRI AMARPROSAD CHAKRABORTY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that he had stated at the meeting of the Indian Chemical Manufacturers' Association held on the 3rd February, 1982 that Government were concerned about allowing a reasonable price rise to the manufacturers of Soda Ash; and

(b) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI R. C. RATH): (a) No, Sir.

(b) The relevant paragraphs dealing with soda ash, from the speech, are quoted hereunder:

"As regard Soda Ash, the indigenous production is of the order of 6 lakh tonnes as against the demand of about 7 lakh tonnes. There have also been some cut back, on production by some of the manufacturers on the ground of lack of demand and accumulated stocks. However, it is heartening to note that the production during the last quarter of 1982 has picked up. In the case of Soda Ash also the total quantum of import duties comes to more than 100 per cent. There is no proposal at the present to revise the duties or to restrict imports, particularly considering the existing demand and indigenous production. Apart from manufacturers of glass and sodium silicate, soda ash is an item of mass consumption. It is used by dhobies and in house-holds in washing material. The price charged by the indigenous manufacturers is also a relevant factor. In view of these, Government would like to have a cautious approach in regard to revision of duties and restriction of imports. They would not like shortages to occur, as had happened in the year 1978.

Government are equally concerned about allowing a reasonable price to the indigenous producers of soda ash. The

Bureau of Industrial Costs and Prices (BICP) have gone into the matter and have submitted their report to Government. I assure you that Government will take a decision in the matter as early as possible."

Low Price of Soda Ash imported by S.T.C.

1448. SHRI AMARPROSAD CHAKRABORTY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Government have reduced the price of Soda Ash imported by STC to Rs. 1800/- per tonne ex-Kandla in July, 1982;

(b) what are the reasons for sticking to the price of Rs. 2250/- per tonne ex-Kandla for over 1-14 years even when there were no buyers at that price;

(c) what will be the net realisation per tonne at the reduced price of Rs. 1800/- per tonne after computing godown rent, interest, insurance and other administrative expenses; and

(d) what will be the total loss in the deal upto June, 1983?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI R. C. RATH): (a) Yes, Sir.

(b) The price of Rs. 2250/- per tonne of soda ash ex-godown Kandla was fixed after taking into account a number of factors on actual basis like the landed cost, transport, godown charges, etc. Efforts were therefore made to dispose of the imported stock at that price.

(c) and (d) Prior to its import, soda ash was in short supply in 1978, 1979 and in the first half of 1980 and the open market price reached around Rs. 2600/- to Rs. 3000/- per tonne for the marginal consumers. With a view to augmenting the availability of soda ash in the market, the decision was taken to import soda ash through State Trading Corporation of India (STC). Immediately after the landing of imported consignments the open market price of soda ash started falling.