

Government of India and the Government of Uttar Pradesh.

Supply of Monomer to Small Scale Units

1271. SHRI M. ARUNACHALAM: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether the Gujarat State Fertilizers Corporation Ltd., Polymer Unit manufacturing Methyl Methacrylate Monomer has stopped supplying Monomer to units producing Acrylic sheets, resulting in closure of small and tiny units;

(b) whether any direction has been issued to GSFC to resume supplying the aforesaid material to the small scale and tiny units; and

(c) the assistance being provided to the small scale and tiny units to resume their production?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI M.S. GURUPADASWAMY): (a) to (c). The Gujarat State Fertilizers Corporation Ltd., (GSFC) Polymer Unit manufacturing Methyl Methacrylate Monomer has been operating below its designed capacity due to raw material (Hydrocyanic Acid) availability constraint. This has adversely affected capacity utilisation in GSFC's own down stream units based on Methyl Methacrylate Monomer feed stock as well as merchant sale of the Monomer to other units producing Acrylic Sheets etc. Even so, GSFC has been endeavouring to cater to the Monomer requirements of small scale units to the extent possible.

Losses suffered by Cement Corporation of India

1272. SHRI D.M. PUTTE GOWDA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Cement Corporation of India has suffered huge losses during last year;

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

(c) whether Government propose to review the functioning of the Cement Corporation of India in view of its steep losses; and

(d) if so, the details thereof and the steps Government propose to take to make the undertaking profitable?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH): (a) and (b). Cement Corporation of India incurred a loss of Rs. 46.63 crores during 1988-89 as against Rs. 45.97 crores during 1987-88. The main reasons for the increased losses are (i) sharp increase in administered prices of input cost; (ii) increase in wages; (iii) lower realisation due to relative glut in the market; (iv) non-availability of power specially in South where CCI has 50% of its capacity; and (v) Depreciation and interest due to investments in new plants.

(c) and (d). Performance of CCI was reviewed by a Committee of Secretaries at its meeting held on 5.12.1988. Based on the recommendations of the Committee, a capital restructuring proposal of the undertaking is being processed.

Amendment to Companies Act

1273. SHRI D.M. PUTTE GOWDA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Federation of Indian Chambers of Commerce and Industry (FICCI) has suggested that the Companies Act be amended so as to make it relevant to the current economic policies and programmes;

(b) if so, whether Government have