

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:71
ANSWERED ON:01.03.2005
FALL IN PRODUCTION IN INFRASTRUCTURE SECTORS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether production has come down in the six infrastructure sectors during December, 2004 in comparison to December, 2003;
- (b) if so, the details thereof, Sector-wise;
- (c) the reasons for the same; and
- (d) the measure, taken/ proposed to be taken by the Government to prevent such shortfall?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI. E.V.K.S. ELANGO VAN)

(a) & (b): Of the six infrastructure sector industries, viz, crude petroleum, petroleum refinery products, coal, electricity, cement and finished steel, the production in four sectors i.e., petroleum refinery products, coal, electricity, cement has not come down in December 2004 in comparison to December 2003.

Production of two sectors decreased marginally:

- (i) crude petroleum from 2893 thousand tonnes in December 2003 to 2876 thousand tonnes in December 2004, and
- (ii) of finished steel (carbon & alloy steel) from 3385.3 thousand tonnes (comprising carbon 3273.0 + alloy 112.3 thousand tonnes) to 3366.7 thousand tonnes (carbon 3327.0 + alloy 39.7 thousand tonnes) during the same period.

(c) & (d): Reasons for fall in production of crude petroleum were: less than anticipated production from new wells, non-revival of ceased wells, increase in water cut and environmental problems. Main reason for fall in the case of finished steel production was fall in the production of alloy steel.

The government is committed to removing the inadequacies in the production of infrastructure. The budget 2004-05 envisaged a number of measures like reduction in customs duty, excise duty. These measures are aimed at improving the performance of industry in general and infrastructure in particular.