

plan also for the development of non-conventional sources of energy.

**Fall in production in Cement Factories run by Cement Corporation of India**

\*225. SHRI HARISH RAWAT : Will the Minister of INDUSTRY be pleased to state :

(a) whether cement production has fallen during the last two years in some of the factories run by the Cement Corporation of India; and

(b) if so, the names of such factories and the extent to which this production is less than the estimated production ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM) : (a) and (b). A Statement is given below.

**Statement**

(a) and (b). Out of nine factories run by the Cement Corporation of India, there was relative fall in cement production in respect of two factories during 1983-84 and four factories during 1984-85. The extent to which the production in these factories was less than the estimated production is indicated in Table below :

Units	1983-84		1984-85	
	Estimated production	Actual production	Estimated production	Actual production
Kurkunta	1.70	1.87	2.00	1.83
Akaltara	3.20	3.02	3.17	2.80
Yerraguntla	3.15	3.12	3.15	2.75
Charkhi Dadri	1.55	1.59	1.68	1.49

SHRI HARISH RAWAT : Mr. Speaker, Sir, it is clear from the reply given by the hon. Minister that production of cement had declined in two units of the C.C.I. during 1983-84 and during 1984-85, instead of making improvement, the number of such units rose to 4. The hon. Minister, while replying to a question on 26-11-85, had said that C.C.I. had taken some steps to improve the performance of its units and to push up the profit. In this connection, I would like to know from the hon. Minister as to how much improvement has been achieved ever since these steps were taken ? If there has been some improvement in the performance, may I know the quantum of profit earned by the C.C.I. during 1984-85 and 1985-86.

SHRI NARAYAN DUTT TIWARI : With regard to the question asked by the hon. Member about the financial aspects of the C.C.I., I am to state that the figures relating to the year 1984-85 have been given in the statement that has been placed on the Table of the House.

SHRI HARISH RAWAT : I have also asked about the year 1985-86.

SHRI NARAYAN DUTT TIWARI : Besides, in addition to making annual general review of the undertakings, I undertook a special survey of the Cement Corporation of India and have constituted a high level committee under the Chairmanship of Dr. Vishweshwaraiya, an eminent expert in the cement industry in our country and I hope that after the study of the working of the Cement Corporation of India has been completed, the first report of this committee would be submitted to the Government by the last week of March.

Firstly, the Units have been hit due to shortage of power supply, especially, in Karnataka and Rajasthan. The steps taken by the Cement Corporation of India so far in that regard include installation of captive power plants of 16.8 MW in five cement units. The recommendations of the National Productivity Council are being implemented. Efforts are being made to get adequate

supplies of coal. Besides, the requirement of materials has been assessed through the Industrial Development Corporation. Separate comprehensive reports have been prepared on cost control, production management and efficient management with regard to maintenance. I am sure, the position will improve after Dr. Vishweshwaraiya submits his report...

MR. SPEAKER : Will the situation improve after the report is submitted or after action on the report is taken ?

SHRI NARAYAN DUTT TIWARI : The situation will improve after the follow-up action on the report is taken. Action is sure to follow after the report is submitted.

The loss during 1984-85 is estimated at Rs. 1.84 crores.

SHRI HARISH RAWAT : What has been the quantum of loss uptill now during 1985-86 ?

SHRI NARAYAN DUTT TIWARI : From the figures available so far for 1985-86, the loss is expected to be Rs. 13 crores.

SHRI HARISH RAWAT : The other hon. Members might be satisfied with the replies given by the hon. Minister so far but I do not feel satisfied. It is a fact that earlier the hon. Minister had stated in this House that C.C.I. had earned a profit of about Rs. 2 crores in 1984-85. Later on, it was said that a profit of Rs. 79 lakhs (provisional) was earned. But today, he had to say that the C.C.I. suffered a loss of rupees one crore and a few lakhs during 1984-85. From this it appears that the efficiency of the C.C.I. has successively gone down. This becomes very clear from the fact that the units having a capacity of 1200 tonnes per day in the private sector take 6 months at the maximum to stabilize, whereas the units set up by the C.C.I. have not stabilized as yet, after they were commissioned. The reason being that the performance tests of the plants supplied by the private parties were not conducted. I want to know from the hon. Minister whether the performance tests of the plants supplied by the C.C.I. for their four units of 1200 tonnes capacity each were carried out and if not, whether action is proposed to be taken against the officer responsible for it ?

SHRI NARAYAN DUTT TIWARI : Sir, I shall try my best to see that the resentment of the hon. Member turns into satisfaction.

MR. SPEAKER : Bring changes in it.

SHRI NARAYAN DUTT TIWARI : Changes both in our policies and programmes.

It is really said that the losses of the Cement Corporation of India have increased. That is why I personally looked into it and decided that a high level committee headed by a learned person like Dr. Vishweshwaraiya should make an in-depth study. His report is being awaited. On the basis of that report, action will be taken on the administrative recommendations, if any.

So far as the question of performance test is concerned, Mandhar Plant was commissioned in 1970, Kurkunta Plant was commissioned in 1972, Bakejan Plant was commissioned in 1977, Akaltara Plant was commissioned in 1981 and Charkhi-Dadri Plant, which is an old plant, was taken over in 1981. I do not have information right now as to whether commissioning tests of these plants were conducted or not. If the hon. Member gives me notice, I shall definitely find out.

SHRI BALKAVI BAIKAGI : Mr. Speaker, Sir, the hon. Minister, Pandit Narayan Dutt Tiwari must believe me that the management of the C.C.I. has decided that they will swell the losses from 13 crores to Rs. 30 crores. I shall treat you a prophet if improvements are brought about after the Vishweshwaraiya Committee submits its report. I have only one question to ask. You are importing 2 to 2.5 lakh tonnes of cement every year from abroad and thus foreign exchange worth crores of rupees is being spent on it. But if the Government, after mutual consultations, supply coal to the cement companies on time, then the loss can be made good by raising production. Have you taken any decision in this regard ?

SHRI NARAYAN DUTT TIWARI : Sir, had the learned Member taken the trouble of listening to my reply, he would have got answer to it. I have already said that there are some difficulties with regard

to coal, both from qualitative and quantitative angle. We are having direct consultations with the Department of Coal on both these points. We make effective consultations daily to ensure smooth and regular supply of coal.

**SHRI BALKAVI BAIRAGI :** Mr. Speaker, Sir, Vishweshwaraiya Committee does not come into this question. I am talking about the position before the Committee report comes.

**SHRI NARAYAN DUTT TIWARI :** Vishweshwaraiya Committee will first go into this question.

**SHRI RAMASHRAY PRASAD SINGH :** Mr. Speaker, Sir, my question is not related to profit or loss. I want to know from the hon. Minister whether the Government propose to set up a cement factory in Bihar since Bihar is a backward State ?

**SHRI NARAYAN DUTT TIWARI :** Sir, I am sorry that I have to reply to this question in the negative.

**SHRI KEYUR BHUSHAN :** Mr. Speaker, Sir, the public sector Akaltara Cement Factory, located in Chhattisgarh region, has been found short of 37 thousand tonnes of *Kilikar* resulting in a loss of about Rs. 9 crores. No action has been taken to look into it. Similarly, the Mandhar cement was rejected on the ground of its not being up to the mark. I want to know whether any action was taken to conduct an inquiry into it ?

**SHRI NARAYAN DUTT TIWARI :** Sir, so as the question of Akaltara is concerned, as has been stated earlier, a fire had broken out there due to which the production suffered. As regards the shortage of *Kilikar*, I shall get it looked into.

[*English*]

**SHRI P. R. KUMARAMANGALAM :** Mr. Speaker, Sir, from what the hon. Minister has stated, I understand that a high-powered committee had been appointed to look into the functioning of the CCI. However, I also came to know that more than half of the members of the committee

are the existing members of the Board of Directors of the CCI. In such circumstances, can we really expect that committee to give a fair report, or would he consider changing and reconstituting the committee so that one can expect a fair report at least to that extent ? After all, one thing is, that these losses have not come on their own, because something had happened due to which these losses have occurred. There has been a lot of malfunctioning and embesslement, etc. Charges are there. How can the same Board of Directors sit and inquire into the matter ? Would the Minister reconsider the matter and appoint these members, who do not figure on the earlier Board of Directors of CCI ?

**AN HON. MEMBER :** A good question.

**SHRI NARAYAN DUTT TIWARI :** There are Six members on this committee, which consists of Dr. Visvesvaraiyah; Shri A. K. Poullose, retired Financial Commissioner, Railways; Prof. Pulin K. Garg, of the Indian Institute of Management at Ahmedabad, Shri A. V. Gokak, Development Commissioner Shri Sahai, Joint Secretary, Ministry of Industry and Shri V. T. Kale, Joint Adviser (Production), Bureau of Public Enterprises.

The hon. Member may note that three out of six of these are not directly connected with this but they are experts in the field,

[*Translation*]

#### Telephone Connections on MPs Recommendation

\*226. **SHRI MANPHOOL SINGH CHAUDHARY :** Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether Government sanction now telephone connections on the recommendation of Members of Parliament in the same way as Petroleum Ministry allows Gas connections;

(b) if so, in what kind of cases recommendation of an M. P. is accepted; and

(c) if not, the reasons therefor ?