

Non-availability of Cement to Small Scale Units

*44. SHRI A. C. DAS: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government are aware that the various small units set up in different States are facing serious set back due to non-availability of cement;

(b) if so, whether Government have a proposal to reserve certain percentage of cement exclusively for the small units of various States out of the allocation of cement to those States;

(c) if so, when this proposal is likely to be implemented; and

(d) the details about the progress made so far in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRY (SHRI P. A. SANGMA). (a) There is a general scarcity of cement in the country and to this extent it is possible that some of the small scale industrial units might have been affected adversely.

(b) to (d). Government had recently decided to reserve 10 per cent of cement allotted to State Governments for exclusive use of the small scale industrial sector with effect from the quarter beginning 1st July, 1968. Allocation of cement to the small scale industrial units is made by the State Governments concerned from the quarterly allocations placed at their disposal by the Cement Controller.

SHRI A. C. DAS: Sir, there are some backward States and specially, our Orissa State is very much backward industrially and at present we have gained momentum due to the constant efforts of our beloved Prime Minister and our hon. Chief Minister. In view of this, I would like to know whether the Government proposes to give a special quota for the backward States like our Orissa State.

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI CHARANJIT CHANANA): Sir, the allocation of cement, in fact, is done

unfortunately on the basis of the last quarter. Because of the infrastructural inputs there has been shortage of cement, but the small-scale sector has been put into the priority sector only promote industrial development in all the States in the country and we do emphasise and we do put pressure on the State Governments to give priority even within the State to the industrially backward areas as far as the allocation of cement is concerned. So, within the 10 per cent allocation in the priority sector, we also have left it free to the State Governments to give even more than 10 per cent if they can afford to give it for the industrially backward areas.

SHRI A. C. DAS: Mr. Speaker, Sir, I would like to know whether it has been brought to the notice of the Government that there is huge pilferage in the cement allocated for industrial development. I would also like to know whether the enforcement department has been asked to look into it.

SHRI CHARANJIT CHANANA: Sir, as far as the distribution of cement is concerned, the distribution is, in fact, left to the State Governments.

As far as the pilferage is concerned, we have initiated a monitoring system of cement distribution in the field of industry recently on receiving some complaints. That monitoring system is being worked out in collaboration with the State Governments. But there is no direct thing. This has to be under the Act. It will be a crime and the State Government has to deal with it.

SHRI RATANSINH RAJDA: The distribution of cement has been left to the State. In the State of Maharashtra there is a cement muddle and on money is being charged over there. I would like to ask specifically whether you are fixing the price. At present the Government of Maharashtra has fixed the price at Rs. 34/- per bag as retention price of cement. But it is not available at Rs. 34/- to anybody. The Municipal Corporation of Greater

Bombay has passed a special Resolution demanding more cement from the Government. The Minister, Government of Maharashtra, has charged that the Central Government is rendering injustice to Maharashtra and is giving less quantity than what is required. Please enlighten us on these points. What is the amount being required. Please enlighten us on these points. What is the amount being per bag. That is going into the coffers of the builders.

SHRI CHARANJIT CHANANA: I do not know the hon. Member's source of information when he is quoting the Minister of Maharashtra. We have a direct communication with the State Government of Maharashtra as also the Cement Controller. I have straight communication with the Chief Minister as well as with the State Government. The sale price of cement cannot be different as submitted by the hon. Member. The prices of cement are fixed and notified for the whole country. There is no difference at all. The norm is there. I would request the hon. Member to report it to the State Government. That is considered to be a crime and necessary action will be taken by the State Government.

SHRI K. RAMAMURTHY: Cement has become a very rare commodity in this country. We are facing this problem. If you go to the cement seller shop, cement is not available. But if you go to some black marketer and if you pay more, the cement is available. It is not available because of the scarcity. Please enlighten us on this point. Will the Government come forward and check this black marketing and relax this control? Will the Government have some study team sent to all the States where this distribution system is very bad?

SHRI CHARANJIT CHANANA: I repeat and to inform the House that the distribution system of cement, in fact, is two fold. The one is done by the Central Government through the Cement Controller for the priority

sector, of the Central projects. The second one is D.G.T.D. registered industrial units. As far as this distribution is concerned, I shall be glad if the Members inform us of any anomaly in this. We will take action. But where the State Governments are concerned, I would like the hon. Members to draw the attention of the State Governments to that anomaly.

So far as shortage of cement is concerned, the production of cement has been short. But now infra-structural bottlenecks have been removed. In fact the capacity utilisation which had gone down to 69 per cent in June has now in the month of July gone upto 78 per cent. In August, the latest reports are that the capacity utilisation is improving. In view of this I would only assure the House that we are hopeful that the scarcity of cement will go down and with 80 per cent normal capacity utilisation the position will definitely improve.

SHRI K. RAMAMURTHY: I have asked a specific question about the removal of control

SHRI CHARANJIT CHANANA: That is not under the consideration of the Government.

SHRI BHERAVADAN K. GADHAVI: So far as cement is concerned everybody feels that it is a vital commodity for construction. Government has announced that they are liberal in so far as mini-cement factories are concerned. But difficulty is faced by those people who want to go in for mini-cement factory with regard to licence because of our amended forest Act and other things. Therefore, the leases could not be granted and the cement factories are not coming up. The big factories are making huge profits. They indulge in mal practices and black-marketing also. With a view to create more mini cement factories to ease the cement situation, may I know whether the Government propose to bring about coordination between the Industry Department and the Forest Department in this regard as well as co-ordination between the concerned De-

departments of the Government of India to find out some way to see that leases are granted for mini cement factories?

SHRI CHARANJIT CHANANA: As far as the coordination between the Forest Department and the Industry Department is concerned, in view of the Prime Minister's directive to maintain forests in the interest of keeping ecological balance, deforestation will not be allowed at all. There might only be a few cases where there are locational problems. The applicant will be advised to shift the location. But deforestation will not be allowed at all.

Secondly, as far as mini cement plants are concerned, there are only 53 units of a capacity of 18.99 lakh tonnes. It is a very small figure. I would like the House to be informed that, as on 1-8-1981, the existing capacity and schemes approved by the Government are of the capacity of 6525 million tonnes in public sector and private sector. In view of this, we are sure that by the end of the 6th Five Year Plan, we will in fact be heading towards surplus cement economy rather than shortage economy. Unfortunately the setting up of a cement plant has a question period

SHRI A. NEELALOHITHADASAN NADAR: Is it not a fact that step-motherly attitude is shown towards Kerala in the allotment of cement? Taking into consideration the needs of Kerala, a little percentage of cement is being allotted to Kerala. If that is so, may I know whether the Government would be pleased to take special interest in allotting more cement to Kerala?

SHRI CHARANJIT CHANANA: I would advise the hon. Member to orient his question in collaboration with the Minister concerned in the Kerala State Government because we do not discriminate against any State Government as far as allocation of cement is concerned. The cement is allocated on a common formula evolved under the Cement Control Order in all the States in the country.

Ray Commission on spirit scandal

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*45. **SHRI HARINATH MISRA:**

SHRI A. T. PATIL:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether it is a fact that Union Government have appointed the Ray Commission to enquire into the 'Spirit Scandal' involving movement of rectified spirit between the States of Tamil Nadu and Kerala;

(b) if so, the terms of reference of the Commission; and

(c) whether any time-limit has been set for the Commission to submit its report, if so, what?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS AND DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI P. VENKATASUBBAIAH): (a) Yes, Sir.

(b) The terms of reference of the Commission are contained in the Notification No. S.O. 488(E) dated the 18th June, 1981, copy of which is placed on the Table.

(c) Yes, Sir. Six months.

MINISTRY OF HOME AFFAIRS

(Department of Personnel and Administrative Reforms)

NOTIFICATION

New Delhi, the 18th June, 1981

S.O. 488(E).—Whereas the Central Government is of opinion that it is necessary to appoint a Commission of Inquiry for the purpose of making an inquiry into a definite matter of public importance, namely, diversion of large quantities of sugarcane molasses from sugar factories in Tamil Nadu for conversion into rectified spirit and potable alcohol, resulting in huge loss of revenue to the State exchequer, the illegal movement, during the period from June, 1979 onwards, of huge quantities of rectified spirit, and in excess of the permitted quantities, in and from the State of Tamil