

AND COMPANY AFFAIRS (SHRI F. A. AHMED): (a) Yes, Sir.

(b) Shri Sarjoo Prasad Singh, a retired Judge of the Patna High Court, has been appointed to investigate into the affairs of the British India Corporation. Investigation is in progress.

(c) Does not arise.

Purchase of Coal from National Coal Development Corporation

990. SHRI KAMESHWAR SINGH: Will the Minister of STEEL, MINES AND METALS be pleased to state:

(a) whether it is a fact that the National Coal Development Corporation has not requested the Bihar Electricity Board to introduce monopoly purchase of coal from the Corporation;

(b) if so, the reasons therefor; and

(c) the action taken in this matter?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND MINES AND METALS (SHRI JAGANATH RAO): (a) No, Sir; the National Coal Development Corporation has requested the Bihar State Electricity Board to obtain the entire coal requirements of the Patratu thermal power station for the years 1969 and 1970 from the Corporation.

(b) and (c). Do not arise.

Sick Textile Mills

991. SHRI KAMESHWAR SINGH;
SHRI SITARAM KESRI;
SHRI R.K. SINHA;
SHRI MANIBHAI J. PATEL;
SHRI D.N. PATODIA:

Will the Minister of FOREIGN TRADE AND SUPPLY be pleased to state:

(a) whether it is a fact that Government are considering any proposals to allow merger of sick textile mills;

(b) if so, the details thereof;

(c) whether Government have made any survey of the sick textile mills facing closure;

(d) if so, the number of such mills; and

(e) the steps taken to revitalise them?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE AND SUPPLY (SHRI CHOWDHARY RAM SEWAK): (a) and (b). It is presumed that by 'sick textile mills' Hon'ble Members mean cotton textile mills which are in difficulties on account of financial stringency or inefficient management. With a view to helping such mills a proposal for the merger of 'sick mills' with prosperous/economic mills is under consideration.

(c) and (d). No comprehensive survey of such mills has been made, but from the information available it would appear that more than 100 mills may be regarded as 'sick'.

(e) A statement detailing the measures already taken to assist the cotton textile mills is attached.

Statement

- (i) The National Textile Corporation which has started functioning, will take up the programme of renovation and modernisation of mills which are taken over by it.
- (ii) On the basis of an interim Report of the Working Group appointed by the Reserve Bank of India under the Chairmanship of the Textile Commissioner, the Reserve Bank has issued instructions to the commercial banks in regard to the lowering of margins on hypothecation and pledge advances and term-loans granted by banks, with a view to providing additional credit accommodation to the textile mills, which deserve such help.
- (iii) The Industrial Development Bank of India has liberalised its credit