

power supply is that the concerned Ministries of the Government of India are constantly in touch with each other.

SHRI BRAJAMOHAN MOHANTY : My question is about the High Level Committee that you have set up to review the working of the public sector enterprises regarding their organisational policy and I wanted to know whether they have made any recommendations so far as Rourkela Plant is concerned, about its infrastructural adequacy including power.

SHRI K. NATWAR SINGH : I require notice for this question is concerned only with the supply of power to the Rourkela Steel Plant, whereas this High Level Committee is dealing with a number of subjects and not specifically the Rourkela Plant.

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : The High Level Committee which has been set up is for all the public sector units under our Ministry. The Report is yet to come. As far as power is concerned, it is true that shortage of power is one of the major constraints of all public sector units, particularly steel. Earlier, it was the same story for fertilizers also. Therefore, the Government have taken a policy decision to have captive thermal power plants in all these major industries. That will help to solve the problem to some extent.

SHRI SRIBALLAV PANIGRAHI : Sir, the Rourkela Steel Plant often complains of want of power, *i.e.* non-supply of power to the required extent from the Government of Orissa or the OSEB. Since the allocation of power to the extent of 15 per cent of the power generated by super-thermal power station lies with the CEA, *i.e.* the Central Electricity Authority, I would like to know from the hon. Minister whether the Ministry of Steel would like to take up this matter with the CEA to get some power directly from super-thermal plant for smooth running of the Steel Plant. The hon. Minister of Steel while replying to the debate on the Demands has said that they would have dedicated power plants instead of the captive power plants of 120 megawatts. I would like to know whether they will try to instal the dedicated power plants to the required extent in different Steel Plants, including Rourkela.

SHRI VASANT SATHE : I have said that that was one of the ideas. After all what happens today is that even from CEA, even from the super-thermal power stations under the Central Governments's control, the power goes into the grid of the State and the distribution is controlled by the State Electricity Boards and that is where their priority is changed sometimes. At the time of setting up of the Plant, they always assure regular and full supply of power, saying : "Please set up, we will certainly supply." But later on when they find that they need power to be diverted to agriculture or other priority sectors, then the first sector to be affected is these Central projects like steel plants, or whatever is it. But what is the solution ? That is why we have been saying that either the Central Government should have assured power supply from the supper-thermal power stations or dedicated plants of 210 or whatever megawatts as economically possible for a complex of the public sector units be set up. That is applicable to every State, particularly in the Eastern Belt.

[Translation]

SHRI RAM PYARE PANIKA : Mr. Speaker, Sir, the hon. Minister has said that a decision has been taken to set up captive power plants in major industries in the public sector. I want to know from the hon. Minister whether he is aware that industries in the private sector are receiving electricity supply from different Electricity Boards as a result of which we the farmers are not receiving power. Will he direct the private sector industries to set up their own captive power plants so as to meet the shortage of power in the agricultural sector ?

SHRI VASANT SATHE : How can I give such direction to the private sector ? I do not know. But certain companies in a particular sector have set up their captive power plants.

[English]

Losses suffered by the National Jute Manufacturers' Corporation

*694. **SHRI INDRAJIT GUPTA :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether the National Jute Manufacturers' Corporation and its individual units

are running in losses during the last five years;

(b) if so, whether installed looms are remaining idle and there is a shortage of trained badli workers;

(c) how much has been spent on overhauling and renovation of mill machinery;

(d) whether numerous cases of wastage, pilferage, thefts and other malpractices have been caught by the workmen without any action being taken; and

(e) whether the Auditor's Report has noted that there has been excessive recruitment of officers to the extent of 20 per cent ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (e). A statement is laid on the Table of the House.

Statement

(a) Yes, Sir.

(b) The Capacity utilisation in NJMC has gone up to 78% by the end of 1984 as against 63% at the time of nationalisation. There is no instance of looms in NJMC being kept idle due to shortage of trained badli workers.

(c) The total amount spent on overhauling and renovation of mill machinery so far is about Rs. 4.37 crores out of Rs. 19.34 crores spent on Scheme of modernisation and renovation of five Units of NJMC.

(d) Every case of wastage, pilferage, thefts and other malpractices caught by workmen as well as by management has been suitably dealt with and appropriate action taken in the matter.

(e) No, Sir. There is no mention in any of the Auditor's Reports about excessive recruitment of officers in NJMC.

SHRI INDRAJIT GUPTA : In the answer given to part (a) of the question, the Minister has admitted that this National Jute Manufacturers' Corporation is running in losses during the last five years. But he has not given any reason as to why these losses are continuing. These five mills which are under NJMC in West Bengal are, of course, a part of the entire jute industry which at present is claiming—the jute industry

as a whole, *i.e.* the employers are claiming—that the main reason for their losses is the acute shortage of fibre, *i.e.* raw jute, and the very high prices of raw jute. I would like to know from him whether it is not a fact that in these NJMC mills in West Bengal, we find that there is actually no shortage of fibre. They have adequate fibre with them. They have never complained of shortage of fibre. They have been getting more or less an assured supply from the Jute Corporation of India; and, therefore, this main cause for losses, according to the Indian Jute Mills Association, does not operate in the case of the NJMC mills. Also, I presume that once the mills are nationalized, the other attributes, I should say the traditional attributes, of bad management in the jute mills, *viz.* things like speculative activities, black-marketing of fibre and so on, do not take place. They should not take place in the nationalized sector. So, may I know what is the extent of these losses which he has admitted, and what are they primarily due to, in the case of NJMC mills, unlike the privately-owned mills ?

SHRI P. A. SANGMA : The extent of losses incurred by these NJMC mills are like this : in 1981-82 the nett loss was Rs. 19.81 crores and the cash loss was Rs. 15.89 crores; in 1982-83 the nett loss was Rs. 22.67 crores and cash loss Rs. 13.87 crores; in 1983-84 they were Rs. 32.13 crores and Rs. 17.32 crores respectively, and in 1984-85 Rs. 32.09 crores and Rs. 11.88 crores respectively. This is the extent of losses incurred by these mills.

I agree with the hon. Member that the short supply of raw material, *i.e.* raw jute, is not the cause, because as the hon. Member has rightly pointed out, they have been getting regular supplies from the Jute Corporation of India; but I think the price of raw jute has certainly contributed to the losses.

SHRI INDRAJIT GUPTA : During the last five years ?

SHRI P. A. SANGMA : I have given you the figures from 1981 till date. I do not have the other figures at the moment.

Another reason perhaps, not perhaps but another reason is the obsolescence of machinery and all this. Therefore, modernization

is a must, and the Government of India has been trying to modernize these mills.

After the modernisation, I think there has been a slight improvement in spite of the prices of raw jute going up from Rs. 250 in 1980-81 to Rs. 1000; and it has been rising. Therefore, the Government of India had sanctioned about Rs. 28 crores for modernisation; and the process is going on.

SHRI INDRAJIT GUPTA : Mr. Sangma knows very well that th's phenomenon of abnormally high prices of fibre has only been evident in this last season because he has given losses for the last five years when there was never any complaint of such high prices. I am glad that he has referred again to the need of modernisation of obsolete machinery. In his statement, he says that "the total amount spent on overhauling and renovation of mill machinery so far is about Rs. 4.37 crores out of Rs. 19.34 crores spent on schemes of modernisation and renovation of five units of NJMC." That means out of Rs. 19 crores, they have spent only Rs. 4 crores on modernisation of machinery. What about the remaining Rs. 15 crores being spent in the name of modernisation and renovation? The main thing to modernise is the machinery. There they have spent only Rs. 4.37 crores whereas the balance of Rs. 15 crores on what they have spent. This is a very strange way of modernising a mill. So, I would like to know from him, if he can give them, how many of the pre-nationalisation management personnel who were running this mill before nationalisation and who are therefore responsible for making that mill sick which led to nationalisation are there? It is one of the biggest national jute mills.

MR. SPEAKER : Are they still responsible to keep them sick?

SHRI INDRAJIT GUPTA : It is the biggest mill in Asia; it employs 18,000 workers. Is belonged to R. P. Goenka before nationalisation. They rained that mill and it had to be taken over. I want to know from him specifically how many of them—pre-nationalisation management executives—are still in responsible positions running the mill after nationisation and also the question about money spent on modernisation?

SHRI P.A. SANGMA : The hon. member specific question was not on modernisation but on overhauling and renovation of the

old mill machinery. So, we have spent Rs. 4 crores for renovating the old machinery. Rs. 15 crores have gone for purchasing new machinery, towards modernisation and also for setting up the captive power generation plants. So, this is the process of modernisation.

SHRI INDRAJIT GUPTA : He must tell about the whole amount which has been spent Rs. 19.34 crores. Has it all been spent on machinery either of renovation of old machinery or purchase of new machinery? Has it been spent only on machinery; whether on modernisation or renovation is not the point? Has it been spent on some other head?

SHRI P. A. SANGMA : I have the details. New machinery for replacement—Rs. 3.64 crores; new machinery for balancing—Rs. 5.16 crores; DG sets (captive power generation)—Rs. 3.38 crores; for renovation, I have already given the figure. Miscellaneous fixed assets—about Rs. 0.58 crores, civil construction—Rs. 0.65 crores; all this makes Rs. 19.39 crores.

Regarding personnel, I am sorry, I would not be able to give the exact number of personnel who are there from the previous management. The total number of persons who have gone on retirement and superannuation—920 superannuated hands were paid during the period 1-9-84 to February 1985—the total number is 1107.

SHRI INDRAJIT GUPTA : I am not asking about the workers; the workers do not manage the mill.

SHRI P. A. SANGMA : I do not have that figure—how many are still remaining and how many of them have gone on retirement. If you want the number which we have got I can give you. But if you want the number continued from the previous management, I will find out and give you.

SHRI INDRAJIT GUPTA : I only say that the Government should show a little more concern to the fate of the NJMC. This is the first time that such an experiment is being made in running a nationalised jute mill. They had made a mess of it. But it is no better than the private owners. The whole thing will collapse.

SHRI P. A. SANGMA : I do not think

we are trying to make a mess of it. We are trying to run the mills.

MR. SPEAKER : Get it out of the mess !

SHRI P. A. SANGMA : We will get it out of the mess.

SHRI AMAL DATTA : What would be the loss to get it out of the mess ?

MR. SPEAKER : Yes, Kumari Mamata Banerjee.

KUMARI MAMATA BANERJEE : Sir, the hon. Minister has admitted that the National Jute Mills Corporation is running in a loss for the last five years. I want to know from the hon. Minister whether in West Bengal all these jute industries are going to close down, whether the Government have any proposal to open these jute industries because there a large section of the workers are already suffering, some are on the verge of death, and the situation is very serious there.

SHRI P. A. SANGMA : About the overall jute industry, the matter has been discussed throughly in the House and the Minister has given a reply to the debate also.

As far as this particular group of six mills is concerned, I can assure that they will not be closed. They are running well.

SHRI H. M. PATEL : I wanted to ask the Minister a question—I do not want any names or numbers about the management—about the changes they have made, whether they have deliberately recruited any new personnel so that the management can be improved. That was the spirit of Shri Indrajit Gupta's question also.

MR. SPEAKER : He has said that he has got no figures.

SHRI INDRAJIT GUPTA : No. That is not what I wanted.

SHRI H. M. PATEL : As a matter of policy, have they decided to change the management staff ?

SHRI P. A. SANGMA : We have been recruiting new people in order to improve the management because we have also added a number of other departments and the

moment we buy new machinery—we had gone in for captive generation—we need new people for management and to that extent we have added quite a number of people and I think from the date of nationalisation till 31st March we have added 193 people to the management staff and 81 have been added to the supervisory side.

MR. SPEAKER : Shri Anadi Charan Das.

Availability of Laterite-ore in Mineral Valley of Sukinda

*696. SHRI ANADI CHARAN DAS : Will the MINISTER OF STEEL, MINES AND COAL be pleased to state :

(a) The amount of proved, probable and possible categories of nickel bearing laterite-ore available in the mineral valley of Sukinda :

(b) the reasons for which Government have not been able to extract the nickel values from these deposits;

(c) whether there is any proposal to set up a ferro-nickel plant in Orissa to utilise these deposits;

(d) if so, the project cost; and

(e) when the project is proposed to be commissioned ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c). A statement is laid on the Table of the House.

Statement

(a) The proved, probable and possible ore reserves of nickel in the Sukinda area of Orissa is as follows at 0.70% cut-off :

(In million tonnes grade in percentage)

| | Provide | Probable | Possible | Total |
|----------|---------|----------|----------|--------|
| Reserves | 18.70 | 65.18 | 70.62 | 154.50 |
| Grade | 1.12 | 1.00 | 1.03 | 1.05 |

(b) For reasons of techno-economic viability.

(c) to (e). The Central Government have presently no proposal to set up a ferro-nickel plant in Orissa. A Letter of Intent under the Industries (Development and Regulation) Act, 1951 was, however, issued