

Election Commission during the last elections. If he has any suggestion on this issue, he can make it to the Election Commission and it can consider it.

**KUMARI MAMATA BANERJEE :** Is the Government aware that all MPs and MLAs of Congress (I) from West Bengal have gone in a deputation to the Election Commission to complain that the State Government is directly recruiting enumerators for the new electoral rolls? Is the Government also aware that a big part of the police administration i.e. the Non-Gazetted Police Association, has already passed a resolution that they will fully support the CPI(M) people in the ensuing elections. If such things will take place, then how free and fair elections will be held in West Bengal? The elections will thus be a total farce. This is a very serious matter, because no police officer can make a statement like this as they are a part of the administration. What is the reaction of the Government in this regard?

**SHRI H R. BHARDWAJ :** There are many allegations of this nature which have come to our notice. I can assure the hon. Member that we will see that fair elections take place. But the difficulty is that this has to be routed through the Election Commission. We have sounded the Election Commission on whatever complaints have come and it is for the Election Commission to set these complaints right. We will always cooperate with the Election Commission in this regard.

**Loss incurred by Hindustan Paper Corporation Limited**

\*6. **PROF. K. V. THOMAS :** Will the Minister of INDUSTRY be pleased to state :

(a) whether the Hindustan Paper Corporation Limited is running at a loss;

(b) if so, the total loss incurred so far and during the last three years, year-wise;

(c) the reasons for the loss; and

(d) the remedial action taken?

**THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL**

**DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM) :** (a) Yes, Sir.

(b) Total loss incurred upto 31-3-86 Rs. 136.31 crores. Loss during last three years :

1983-84	Rs. 30.77 crores.
1984-85	Rs. 34.27 crores.
1985-86	Rs. 51.67 crores.
	-----
Total :	Rs. 116.71 crores.
	-----

(c) The main reasons are locational disadvantages, taking over of a sick unit, teething troubles of new units, power cuts imposed by State Government, non-availability of skilled manpower, and the like.

(d) Steps are being taken to develop infra-structure facilities, maximising production, long-term planning to take care of raw material requirements, training of local manpower etc.

**PROF. K. V. THOMAS :** On the authorised capital of Rs. 100 crores, the loss made was Rs. 136.31 crores. This is how one of our major public sector enterprise has become a white elephant. One of the reasons is that our planners have not given serious thought in selecting the location of the project. When the Vellore newsprint was started we already had in Kerala two projects in the private sector. The raw material for the newsprint is reeds and bamboo. Kerala cannot supply raw materials to all the three projects. Now we find that this public sector project in Vellore cannot get enough raw material. My question is what effective steps will be taken by the Government in consultation with the State Government to plant reeds and bamboos so that the public sector enterprise gets priority in getting raw material.

**THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO) :** The total capital investment of Hindustan Paper Corporation is Rs. 863.52 crores. We have

got almost five plants. Unfortunately, three are located in Assam, one in Kerala and one in Karnataka. There the power cut is more than 60 per cent. One plant is Manja National Paper Mills which is a sick plant taken over by the Government. It is incurring loss. Now we are spending money. Nearly Rs. 18 crores is the amount to renovate the plant. There are so many troubles. One is a new plant—the Cachar Project—which is also located in Assam. The investment on this plant is Rs. 325 crores. This went into trial production. In this year I think it will come into commercial production, if the State Government gives us sufficient power. That is the condition.

**PROF. K. V. THOMAS :** My question has not been answered properly. My question was what steps would be taken to make the raw materials available. That has not been answered. My second supplementary is that the failure of the public enterprises is not due to the non-cooperation of the workers, it is because of the failure of the top management. In the Newsprint project, when appointments are made at the top level, that is, at the Chairman and the General Manager's level, instead of looking into their technical efficiency, the appointments are made under political pressure. There are still vacancies at the top level which have not been filled up. So, my question is what steps will be taken to fill up the vacancies at the top level and whether the efficiency will be taken into consideration instead of the political pressure?

**SHRI J. VENGAL RAO :** About the filling up of vacancies at the top management level, the proposals are before the Appointments Committee. They will take a decision as early as possible.

The other thing is about the non-availability of raw material. Now the Kerala Government also is willing to give land to raise our plantations.

**SHRI SURESH KURUP :** Sir, fortunately or unfortunately, one of the units of the Hindustan Paper Corporation is in my constituency at Kottayam. I can assure this House that in one of the units they get

maximum cooperation from the workers but I do not know why the Minister has not mentioned in his answer that one of the reasons for the losses is mismanagement. This has not been mentioned. I personally know about this unit of HPC at Kottayam. There are so many other incidents of mismanagement, some of which I had written to the Minister concerned who was in charge earlier, but no action has been taken. I assure the Minister and this House that if an independent inquiry is conducted about the mismanagement of the Hindustan Paper Corporation's unit at Kottayam, I am ready to give evidence personally. I have got so many evidence in my hand. So, I would like to know whether the Minister is ready to conduct an inquiry into the mismanagement of HPC unit at Kottayam.

**SHRI J. VENGAL RAO :** About this Hindustan Paper Corporation plant, the workers are not entitled to bonus—those who have not completed five years. The HPC has proposed a project..... (*Interruptions*). Because of the non-cooperation of the workers and the mismanagement, we are incurring loss. Now we are thinking how to reverse this and how to get profit. This is one of the best newsprint plants. We will do everything to improve this.

**MR. SPEAKER :** Question Hour is over now.

## WRITTEN ANSWERS TO QUESTIONS

[*English*]

### Development of Small Scale Industrial Units in Lakshadweep

\*3. **SHRI P. M. SAYEED :** Will the Minister of INDUSTRY be pleased to refer to the reply given to Starred Question No. 61 on 22 July, 1986 regarding development of Small Scale Industrial units in Lakshadweep and state :

(a) whether a nucleus cell in the office of the Development Commissioner, Small Scale Industries has since been set up;