

SHRI INDRAJIT GUPTA : But you have not decided that it will not be done.

SHRI MANMOHAN SINGH : I cannot say for all time to come. The factual position is what I am stating as of today. Now, the second question about bipartite, I think, is an irrelevant question and that has no bearing on the main question.

SHRI NIRMAL KANTI CHATTERJEE : The irrelevance is not to be decided by you.

SHRI MANMOHAN SINGH : You ask a separate question, I will answer it.

SHRI NIRMAL KANTI CHATTERJEE : I have asked a question and the irrelevance can not be decided by you. You are not doing this. You are having regulatory authority. What is the intention of doing that?

SHRI MANMOHAN SINGH : As regards the third part of the question..... *(Interruptions)* If you do not like me to speak, I will not speak.

*[Translation]*

SHRI DATTA MEGHE : Mr. Deputy Speaker, Sir, I would like to know from the hon. Minister the details of the recommendations contained in the Malhotra Committee report. Secondly, I would like to know that though Indiraji had made licencing compulsory for this sector, would the present Government go for its delicensing?

*[English]*

DR. DEBI PROSAD PAL : I think the suggestion has no basis. The Malhotra Committee was appointed to consider the various aspects of the insurance business and it has given its recommendations. Now, these recommendations are under the active consideration of the Government. Until the Government take a decision ....*(Interruptions)*

*[Translation]*

SHRI DATTA MEGHE : Mr. Minister, please tell us what the recommendations are about.

*[English]*

DR. DEBI PROSAD PAL : The recomm-

endations are manifold. They are not only regarding privatisation but also regarding how to streamline the insurance business both of LIC and GIC. Therefore, the recommendations are of varied nature and some of which require legislative amendments. Unless a decision is taken by the Government in this regard, the question of introducing any legislation in the House does not arise. But there are other recommendations also which do not require any legislative amendment. Now, some of the measures taken by the Government are already in line with the recommendations of the Malhotra Committee. Therefore, I submit that the Malhotra Committee recommendations can be classified into two parts....*(Interruptions)* There is no enactment because the question of Privatisation has not been decided by the Government. If there is a decision, then only we can come before the House for its approval.

*[Translation]*

SHRI DATTA MEGHE : Mr. Minister, Sir, it has come forth in the Malhotra Committee recommendations as well. So, is the government going to privatise it?

*[English]*

DR. DEBI PROSAD PAL : We have not decided about it at all. The Finance Minister has repeatedly said on many occasions that this is under active consideration of the Government and no decision has been taken as yet. Therefore, the question of giving a final decision does not arise. But it has also been stated that for the time being , the LIC and the GIC business is not going to be privatised.

MR. DEPUTY-SPEAKER : Thank you very much.

#### **Revival Scheme for NJMC**

\*83 SHRI CHITTA BASU : Will the Minister of TEXTILES be pleased to state :

a) whether revival package of the National Jute Manufactures Corporation Ltd. has since been formulated;

b) if some the details of the revival proposals; and

c) at what stage does the project rest at present?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KAMAL NATH) : (a) to (c). The case relating to revival of the National Jute Manufactures Corporation Ltd. (NJMC) stands referred to the Board for Industrial and Financial Reconstruction (BIFR). The production of NJMC has shown improvement during the year. Government is of the view that the performance of the Company be watched for a further period of six month during which the company could stabilise its production level and the turn around proposal considered thereafter. Any plan that may finally emerge would also require the concurrence of the BIFR before it is implemented.

SHRI CHITTA BASU : Sir, the NJMC has got six jute mills under its control and management, and this employees about 24,000-25,000 jute workers in the State. Now, it has been reported or rather the Government admits that this Corporation was referred to the BIFR presumably on the ground that its economy or its management was not doing well. Now, it is reported that a revival package involving or requiring about Rs. 182.14 crores have been suggested by the BIFR. May I know from the hon. Minister what has happened to that suggestion coming from the BIFR? Have you got that revival package? If so, what steps have you, so far, taken to implement the revival package?

SHRI KAMAL NATH : Sir, while the NJMC has shown some improvement, there was a turn around strategy which was prepared by the Government. This went through the Committee of Secretaries and a Group of Ministers was set up to look into this turn around strategy. As the hon. Member has said this involved Rs. 182 crores, it would have raised production, stabilized production at 375 tonnes. In this, the Group of Ministers considered it about two or three weeks ago and it was decided that we should continue to watch for another six months the performance of this which has shown an improvement and thereafter a final decision taken. So, this decision has been deferred to July of 1996.

SHRI CHITTA BASU : My second question would be of general nature. I would like to know from the hon. Minister whether it is a fact that the jute industry in the State of West Bengal is in deep crisis; whether there has been a comprehensive study about the nature of the crisis, the reasons

for the crisis and whether the Government have also found out the ways and means to revive the jute industry as a whole. I would also like to know whether the Government is also aware of the fact that the workers are agitating and they have given notice for strike also....(Interruptions)

SHRI INDRAJIT GUPTA : They are already on strike.

SHRI KAMAL NATH : Sir, I would not think that there is a crisis in the jute industry. Over the last ten years, efforts have been made for the revival of this industry. I can very emphatically say that jute is one of the fibres of the future because it is bio-degradable, it is a renewable resource and because of that, world over, acceptability of jute is increasing. It is a question of processing. If we are able to find a solution to the processing of the jute fibre, I see it really as a fibre of the future.

SHRIMATI MALINI BHATTACHARYA : That is why nothing is being done at the present moment! (Interruptions)

SHRI KAMAL NATH : I would not agree to that remark because a lot has been done for the development of jute products. If we were to look at what were the jute products ten years ago, today a very wide spectrum of jute products which have been developed have increased the export market. If we see the prices of jute, if we are to look at the prices of jute what they were, today, the prices of jute are what they were never before. But I certainly concede that there is a problem in the jute industry. It is because of this, these jute mills were taken over, it is because of lack of modernisation, lack of market etc. etc.

SHRI BASUDEB ACHARIA : What about modernisation?

SHRI KAMAL NATH : What is contained in the package is about the modernisation itself. It is that turn around strategy which is being considered by the Government. As I said, for the information of Shri Acharia, this was considered by the Group of Ministers, they had gone very deep into this. And with the much better performance which the NJMC had in the last one year, there are optimistic signs about it. The Group of Ministers would again take a view, the Cabinet would take a view in July, 1996 when the entire package will be put up before the BIFR.