

The losses are mainly due to steep increase in power tariffs and in the cost of other input materials.

**Maharashtra Electromelt Limited,
Chandrapur**

548. SHRI NARESH C. FUG-LIA: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Steel Authority of India Ltd. has taken over the Maharashtra Electromelt Limited, Chandrapur, if so, when;

(b) what measures have been taken for increasing production of steel since its takeover;

(c) what steps are proposed to be taken to bring about improvement in the working of the Maharashtra Electromelt Limited;

(d) whether it is a fact that a team from Russia had undertaken a survey with a view to increase production of the company; and

(e) if so, what are the recommendations made in this regard?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT): (a) Yes, Sir. Management of the Maharashtra Electromelt Limited (MEL) has been taken over by SAIL from 1st January, 1986, and legal formalities for taken over have been completed on 18th October, 1986.

(b) Steel production at MEL, which was stopped since 1982, was re-started in September, 1986. Due to technical and maintenance problems in Oxygen Plant, the steel production has been stopped and major repairs of Oxygen-Plant are under progress. It is expected that the Oxygen Plant will be ready for re-commissioning shortly, thereafter the steel making operation will be resumed.

(c) to (e) The existing facilities, available for production of ferro-manganese will be utilised fully to maximise the production of ferro-manganese. These facilities will also be utilised for production of other ferro alloys to the extent feasible.

Facilities available with MEL, particularly in the integrated steel making and continuous casting areas, will be used by Research and Development Centre for Iron and Steel of SAIL as their captive facilities for carrying out different Research and Development activities.

The Soviet specialists at R & D Centre for Iron and Steel of SAIL at Ranchi are assisting MEL with regard to developments of new technologies.

Writing off losses of FCI

549. SHRI N. E. BALARAM: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether any decision has been taken to write off Rs. 600 crores of storage and transport losses of the Food Corporation of India without following the laid-down procedure of regularising such losses;

(b) if so, the reasons and details of the losses suffered;

(c) what are the norms fixed by the Government regarding FCI storage and transit losses;

(d) whether FCI was directed to appoint specific chartered accountants to look into the operations of 40 depots all over the country;

(e) if so, the details thereof and

(f) whether FCI acted on these directions?