

**SHRI CHANDRA SHEKHAR SINGH:** There are so many complicating situations at the moment. Every type of situation can introduce difficulties.

**श्री चतुरानन मिश्र :** सभापति महोदय, सरकार द्वारा जो आकड़े दिये गये हैं उनसे स्पष्ट है कि पावरलूम सेक्टर ही कपड़े के उत्पादन का मुख्य सेक्टर हो गया है। इसका एक कारण यह है कि जो बड़े बड़े मिल मालिक हैं वे पावरलूम के जरिये अपने उत्पादनों को पूरा करते हैं स्पिनिंग करते हैं अपने यहां और वीविंग करते हैं पावरलूम पर और उसी कपड़े पर अपनी मुहर लगाकर प्रोडक्शन करते हैं। इस लिए क्या सरकार इस बात का प्रयत्न करेगी कि जो सुविधाएं मिल के मजदूरों को हैं वो ही सुविधाएं पावरलूम के मजदूरों को भी दी जायें ?

**श्री चन्द्र शेखर सिंह :** सरकार अभी तौर से माननीय सदस्य के दृष्टिकोण में सहमत है।

**SHRI CHATURANAN MISHRA:** I just wanted to know what measures they are going to take.

**श्री चन्द्र शेखर सिंह :** इन बिन्दु पर आज क्या कार्यवाही की जाये, यह तो वस्त्र नीति में ही आया। मने नाक कहा है कि मैं माननीय सदस्य के दृष्टिकोण से सहमत हूँ।

\*106. [The questioner (Shri Suraj Prasad) was absent. For Answer vide cols. 32-33 infra]

\*107. The questioner (Shri Natha Singh) was absent. For answer vide cols. 31-32 infra]

#### Closing down of Central Cotton Mills, Howrah

\*108, **SHRI GURUDAS DAS GUPTA:** Will the Minister of SUPPLY AND TEXTILES be pleased to state:

(a) whether it is a fact that Government propose to close down the Central Cotton Mills in Howrah which is a unit of the National Textile Corporation (WB-ABO); and

(b) if so, what are the reasons therefor?

**THE MINISTER OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH):** (a) and (b) The potential viability of some of the heavily losing mills of National Textile Corporation, including Central Cotton Mills, Howrah, is under consideration of the Government. No decision has yet been taken regarding future course of action in these cases.

**SHRI GURUDAS DAS GUPTA:** Sir, I am referring to a letter which the Chief Minister of West Bengal, Comrade Jyoti Basu, had written to Mr. Pranab Mukherjee as far back in 1984, on 5th December. If the Minister does not mind, I am quoting from that letter.

The letter, dated 5th December, says that the workers are apprehending closure of Central Cotton Mill. The workers met him and the workers told him that the spinning utilisation which was 73.07 per cent during 1979-80 has gone down to the level of 23.8 per cent and weaving utilisation which was 71.95 per cent during 1979-80 has slid down to 30.48 per cent during 1983-84. This is a complaint from no less a person than the Chief Minister of West Bengal. I would like to know, what concrete steps have been taken by the management to improve utilisation capacity of the Central Cotton Mill and make it more viable.

**SHRI CHANDRA SHEKHAR SINGH:** Sir, I do not have that letter with me and it is difficult for me to reply specifically to the points raised in this letter. I would, however, inform the House that the Central Cotton Mills is one of the heavily losing mills which the NTC is managing. The losses on an average have been over 32 to 33 lakhs per month during the last so many years. There are a number of reasons which I would not like to elaborate unless the hon. Member wants me to do so, but the Study Group has gone into the question, has made an indepth study of the situation relating to this particular mill and its recommenda-

tions have been received by Government, which we are considering at the moment.

**SHRI GURUDAS DAS GUPTA:** The Chief Minister himself in the second part of the letter has informed Shri Pranab Mukherjee that this deterioration in the production capacity is due to mismanagement which includes bad maintenance of machinery, non-supply of inputs like coal, cotton spare parts, etc... and management input to modernise the process of 'the mills'. Therefore I quite agree that there have been losses, but ask him, when the Chief Minister tells a Minister of the Central Government that the reason for the loss is mismanagement, what steps the Minister, who was there before him, had taken to modernise, to change the management to remedy the situation? How did the Minister look into the complaint of the Chief Minister? That is what I would like to know from him.

**SHRI CHANDRA SHEKHAR SINGH:** I cannot say at the moment. But it is a fact that, as I told you, Government constituted a Study Group to make a study of the situation and its report is with us. As for the reasons mentioned by the Chief Minister in his letter which he has referred to, I would only like to add that there are a number of factors leading to this situation. Hon'ble Members have just now raised the question of losses incurred by the NTC. There are some reasons which apply to all the NTC mills, like obsolete machinery, excess labour force and such other factors. There are a number of factors which are peculiar to the Eastern region subsidiaries, like high labour cost and bad industrial relations. But there are some special characteristics of this particular mill—The Central Cotton Mills—as the report has mentioned, such as there has been intense inter union rivalry going on even before when it was managed by the private sector, then about bad maintenance, about 80 per cent of the ring frames are on the first floor while the processing house lay-out is improper from the viewpoint of material handling etc., and the ratio of unemployment is very high. These are all the special characteristics of this Mill. The Study Group has given its recommendations and we are of

the view that we should still consider and try to find out some way to make it going.

**SHRI PAWAN KUMAR BANSAL:** I would like to know from the hon. Minister as to what is the total loss incurred by the Government on account of this mill so far and what the Government proposes to do with the plant and the workers in case of closure of the mill?

**SHRI CHANDRA SHEKHAR SINGH:** Closure is yet hypothetical; so I do not like to elaborate on what we are going to do after closure. But the losses have mounted in the year 1984-85 to Rs. 40 lakhs. It is more than Rs.4 crores.

**SHRI SUKOMAL SEN:** I would like to know from the hon. Minister under the NTC how many mills are there which are losing heavily. I mean all over India, not only in Bengal. And he has also mentioned about the recommendations of the Study Group. My colleague, Shri Das Gupta, has referred to the Chief Minister's letter about the reasons for falling standards of production in the Central Cotton Mills. I would like to know what the recommendations are of the Study Group about revival of this mill which is losing heavily. There are complaints not only from the Chief Minister but from various other quarters that it is not only due to lack of modernisation but the heavy losses are also due to rampant corruption in the NTC mills among the bureaucracy and management. Have you got any recommendations about this from the Study Group to stop corruption and reshuffle the management and check nepotism in the NTC mills so that those mills are run viably?

**SHRI CHANDRA SHEKHAR SINGH:** Sir, there are actually 22 heavily losing mills. They have been placed in three categories, and in the last category are eight losing mills about which the study team has given a report. Sir, it is very easy to throw the entire blame on management and refer to rampant corruption. But, in fact, I would like honourable Members, particularly the trade union leaders, to understand that unless they extend the right cooperation

we would not be able to make a dent in the situation .. (Interruptions)... You can say rampant corruption.

SHRI SUKOMAL SEN: Nobody would be able to deny it.

MR. CHAIRMAN: I have not allowed the question.

SHRI VITHALBHAI MOTIRAM PATIL: Sir, there was a proposal that those textile units which are heavily losing and which are not viable or cannot be made viable are to be scrapped. What decision has the Government taken on this proposal?

SHRI CHANDRA SHEKHAR SINGH: Sir, I have made it clear that this is under the consideration of the Government. But, in any case, we shall take every step to protect the interests of the workers ... (Interruptions) ...

SHRI DIPEN GHOSH: Sir, my supplementary flows from the reply of the hon. Minister. Just now, while replying to my colleague, Mr. Das Gupta, the hon. Minister has stated that one of the reasons for the NTC mills running into losses is the excessive labour force, and in that context I would like to put this question. Is the hon. Minister aware that even though there is excessive labour force—as stated by the hon. Minister—the management of the NTC (WBABO) has taken recourse to large-scale recruitment very recently, flouting the rules and regulations and the instructions of the Government not to recruit? Those incidents have come out in all the newspapers—the *Statesman*, the *Telegraph* and *Newstime*. Every newspaper reported that despite categorical instructions from the Ministry, the management of the NTC (WBABO) has taken recourse to large-scale recruitment mostly of people who are not in the know of the textile industry.

SHRI CHANDRA SHEKHAR SINGH: We are taking appropriate action.

SHRI NIRMAL CHATTERJEE: Sir, the question is: Is the technology in that particular mill more ancient than the one adopted in the handloom sector? That is question number one. Secondly, we see that on an average the productivity in the

mill sector is six times that of the handloom sector. If that be so, do they get six times the wages of the handloom sector worker in order to make it non-viable? Those are the questions.

SHRI CHANDRA SHEKHAR SINGH: This is the general question and this principle cannot be accepted. Certainly it goes up with productivity, but it can't be just a mathematical formula that one into six should be the wages of the employees of the mills... (Interruptions)...

#### Closure of Non-viable Textile Mills

\*109. SHRIMATI KRISHNA KAUL: Will the Minister of SUPPLY AND TEXTILES be pleased to state:

(a) whether a panel headed by a Joint Secretary has recently recommended closure of non-viable textile mills;

(b) if so, what are the details of the recommendations made by the panel;

(c) whether any of the above recommendations have been accepted by Government; and

(d) if the answer to part (c) above be in the negative what are the reasons therefor?

THE MINISTER OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH: (a) to (d) No. "Official Panel" headed by a Joint Secretary recommended the closure of non-viable textile mills. A panel was set up by the Central Advisory Council in its meeting held on 9th March, 1985, which included several non-officials from the membership of the Council. This panel, *inter alia*, suggested that mills which were found to be potentially non-viable should be allowed to close down and their capacities be scrapped. The recommendations of the panel would be one of the inputs to be taken into consideration while formulating the new textile policy.

SHRIMATI KRISHNA KAUL: Sir, has this panel recommended only the closure of the non-viable mills or has it given any suggestion for the take-over by the Government and restarting them in view of the hardship to the labourers employed