

(c) The policy envisages to ensure orderly and balanced spread-over of financially sound and viable units of the co-operative banking industry in the entire country so as to avoid either proliferation of banks without adequate scope or unhealthy competition amongst primary urban co-operative banks. With this objective in view the RBI has been laying emphasis on each such bank to have a compact well-defined and demarcated area of operations which has adequate potential to make the institution viable.

#### Delay in completion of NALCO project

1003. SHRI SURESH PACHOURI: Will the Minister of STEEL, MINES AND COAL be pleased to refer to the answer to Unstarred Question 529 given in the Rajya Sabha on the 26th July, 1984 and state:

(a) whether the revised cost of the National Aluminium Company project has been finalised; if so, what are the details thereof; and

(b) by when the production will start?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE):

(a) The revised cost estimates submitted by National Aluminium Company (NALCO), are under examination of the Government.

(b) The bauxite mine is likely to be commissioned in November, 1985 while the Alumina and the Aluminium Plants in September, 1986 and December, 1986 respectively.

#### Import of Steel

1004. SHRI SURESH PACHOURI: Will the Minister of STEEL, MINES AND COAL be pleased to state:

(a) whether it is a fact that Government have allowed import of steel during the current financial year;

(b) if so, what are the reasons therefor; and

(c) what steps are being taken by Government to overcome the shortage of steel?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH): (a) to (c) Import of steel is a normal feature and regulated through the Import policy. Imports are resorted to where justified on account of inadequate domestic availability of definite grades, specifications and sizes.

Efforts are made to maximise domestic production through developmental efforts and higher utilisation of existing capacities by proper maintenance and inputs of the desired quality.

As a long-term measure output of steel in the country is likely to increase as a result of technological upgradation of existing plants and creation of fresh capacities.

#### Substantial fall in demand for NTC products

1005. SHRI BIR BHADRA PRATAP SINGH: Will the Minister of COMMERCE AND SUPPLY be pleased to state:

(a) whether Government attention has been drawn to the news-item captioned "substantial fall in demand for NTC products" which appeared in the *Statesman* Calcutta edition of the 13th February, 1985;

(b) whether it is a fact that the units under the concerned subsidiary have incurred huge loss due to mismanagement and all those units which ought to have completed the modernisation programmes could not do so due to want of proper management and also due to want of payments to contractors and suppliers;

(c) if so, what action Government are taking in the matter; and

(d) what are the details of the units where modernisation programmes are yet to be carried out?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA): (a) Yes, Sir.

(b) to (d) The news item refers to NTC (Eastern region), i.e. NTC (WBABO) Ltd.,

Calcutta. The actual sales during December, 1984 and January '85 were Rs. 512 lakhs and not Rs. 70 lakhs as reported in the said news item. The said sales were not below the level in the corresponding period 1983-84 as there was an increase from Rs. 500 lakhs to 512 lakhs.

The subsidiary incurred a loss of Rs. 37.04 crores during 1983-84, due to various factors such as under utilisation of capacities due to power cuts, cotton prices, increased wages etc. During 1984-85 the losses for 10 months upto January, 1985 have come down from 309 lakhs per month in 1983-84 to Rs. 243 lakhs per month.

The implementation of the approved plan of modernisation is, by and large, progressing in a phased manner. The total programme has an outlay of Rs. 36.19 crores. According to available information, the 18 mills under this sub-sidiary corporation have already received and installed machinery to the tune of about Rs. 31.36 crores.

The performance of NTC WBABO and other NTC subsidiaries is reviewed by Government from time to time and appropriate measures are taken to improve the management and working of the mills.

#### **NTC Gujarat and NTC WBABO**

1006. SHRI BIR BHADRA PRATAP SINGH: Will the Minister of COMMERCE AND SUPPLY be pleased to state:

(a) what is the amount of profit earned or loss incurred, the amount of idle wages paid, the total number of days when cotton or other raw materials were not provided to mills and the units where expansion or modernisation programmes have not been completed under the management of National Textile Corporation Limited, Gujarat and the National Textile Corporation Limited, WBABO;

(b) whether it is a fact that the Boards of Directors of both the above named subsidiaries have been found to be incapable of rendering coordinated efforts to make the units profitable; and

(c) if so, what efforts are being made to ensure that the said units are properly managed and are made economically viable?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA): (a) NTC (Gujarat) and NTC (WBABO) incurred a net loss of Rs. 17.92 crores and Rs. 24.34 crores respectively during the period April, 1984, to January, 1985. The implementation of the approved plan of modernisation for the units under NTC (Gujarat) and NTC (WBABO) is by a large progressing in a phased manner. The total outlay for NTC (Gujarat) is Rs. 50.83 crores. The mills under this subsidiary corporation have already received and installed machinery to the tune of about Rs. 30.54 crores. The corresponding outlay for NTC (WBABO) is Rs. 36.19 crores. The mills under NTC (WBABO) have already received and installed machinery to the tune of about Rs. 31.36 crores. The process of modernisation is also being continued in the NTC subsidiaries during the VIIIth Plan.

As regards the amount of idle wages paid and the total number of days when cotton or other raw materials were not available, the information is being collected for the current cotton year and will be laid on the Table of the House.

(b) and (c) The performance of the Functional Directors is reviewed by NTC and appropriate action taken, whenever required. Some of the important steps taken or being taken, to improve the performance of the mills are as under:

(i) arrangements are being made for timely procurement of cotton from different available channels;

(ii) working capital has been replenished to made up for cash losses.

(iii) to overcome the power shortage, self-generating capacity, has been introduced;

(iv) selective modernisation programme strategies have been adopted for result-oriented gains;