

and 4 are in progress with the original suppliers in U.S.A. Modification of Electrostatic precipitator for Unit 5 required to increase its efficiency is also being discussed with BHEL, the suppliers of this Unit.

(b) If all the units of the power station work, total quantity of coal required per day is about 3500 tonnes having 30 per cent ash, 90 to 95 per cent of the total ash is captured in the plant and about 5 to 10 per cent escapes through the chimneys.

(c) A scheme envisaging anti-air Pollution Measures at Inderaprashta, at an estimated cost of Rs. 585 lakhs, has already been cleared by the Planning Commission.

**Losses suffered by the Shipping Corporation of India**

1299. SHRI BISHAMBHAR NATH PANDE: Will the Minister of SHIPPING AND TRANSPORT be pleased to state:

(a) whether it is a fact that the Shipping Corporation of India has suffered a net loss of Rs. 14.74 crores during the year 1977-78 against the net profit of Rs. 3.65 crores earned during the preceding year; and

(b) if so, what are the reasons for the losses?

THE MINISTER OF STATE IN CHARGE OF THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI CHAND RAM): (a) Yes, Sir.

(b) The loss is mainly attributable to the highly depressed freight market which adversely affected Shipping Corporation of India's operations, particularly those of combination carriers, VLCCs and bulk carriers. While on the one hand, the operating expenses continued to escalate due to inflationary causes, the average yield for most of the tramp vessels declined as a consequence of further slump in the market. Also, the incidence of deprecia-

tion and interest increased for the year due to the addition of vessels to the fleet.

**Amalgamation of the Moghul Line with the Shipping Corporation of India**

1300. SHRI R. R. MORARKA: Will the Minister of SHIPPING AND TRANSPORT be pleased to state:

(a) whether Government propose to amalgamate the Moghul Line with the Shipping Corporation of India;

(b) if so, what are the details in this regard; and

(c) what action Government propose to take regarding the future set-up of the Moghul Line to improve its financial position?

THE MINISTER OF STATE IN CHARGE OF THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI CHAND RAM): (a) and (b) The merits of such a proposal are under consideration of Government.

(c) Does not arise at this stage.

**Charter of ship OBOS Abul Kalam Azaq a Spanish Firm**

1301. SHRI R. R. MORARKA: Will the Minister of SHIPPING AND TRANSPORT be pleased to state:

(a) whether there was some dispute on charter party terms on OBOS Abul Kalam Azaq which was to be given by the Shipping Corporation of India on charter to M/s. Letesa of Spain;

(b) whether the dispute was referred to arbitration;

(c) if so, whether the arbitrator had given his award;

(d) whether the same has been accepted and implemented by both the parties; and

(e) if not, what are the reasons therefor?

THE MINISTER OF STATE IN CHARGE OF THE MINISTRY OF

SHIPPING AND TRANSPORT (SHRI CHAND RAM): (a) Yes, Sir.

(b) to (e) One of the items of dispute was referred to arbitration by the Shipping Corporation of India and the award was issued in favour of the Shipping Corporation of India. The award was, however, subject to the ruling being obtained from a London High Court on certain points of law and the London High Court judgement was also given in favour of the Shipping Corporation of India. The charterers went on appeal and, therefore, the award could not be enforced. Subsequently, the matter was amicably settled between the parties and a compromise settlement was reached on all the items of dispute.

#### Construction of combination carriers in Sweden

1302. SHRI R. R. MORARKA: Will the Minister of SHIPPING AND TRANSPORT be pleased to state:

(a) whether it is a fact that the Shipping Corporation of India entered into a contract with a Swedish Shipyard for the construction of two combination carriers;

(b) whether the Corporation had obtained Government's approval therefor;

(c) whether any amount of commission was paid to any person for the above contract;

(d) whether the carriers are being run on loss; and

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

THE MINISTER OF STATE IN CHARGE OF THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI CHAND RAM): (a) and (b) Yes, Sir.

(c) No, Sir.

(d) These two ships were delivered to Shipping Corporation in August/

September 1978 and the operations of these vessels are likely to result in a loss.

(e) This is mainly due to the depressed international freight market.

#### Order for vessels with a Yugoslav Shipyard

1303. SHRI R. R. MORARKA: Will the Minister of SHIPPING AND TRANSPORT be pleased to state:

(a) whether it is a fact that the Shipping Corporation of India placed an order for 5 vessels (Product Carrier Tankers) with a Yugoslav Shipyard;

(b) whether it is also a fact that there was inordinate delay beyond the stipulated period in the delivery of one vessel; and

(c) if so, what are the reasons for accepting the same?

THE MINISTER OF STATE IN CHARGE OF THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI CHAND RAM): (a) Yes, Sir.

(b) One of the vessels was delivered about 18 months after the scheduled delivery date.

(c) The delivery of the vessel was accepted as the Shipyard agreed to reduce the contracted price by about US \$ 3 million.

#### Fleet of the Shipping Corporation of India

1304. SHRI U. R. KRISHNAN: Will the Minister of SHIPPING AND TRANSPORT be pleased to state the number of passenger and cargo ships separately owned by the Shipping Corporation of India at present?

THE MINISTER OF STATE IN CHARGE OF THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI CHAND RAM): The number of passenger and (general) cargo ships separately owned by the Shipping Corporation of India is 6 (six) and 77 (Seventy-seven) respectively. It also