

able to meet the demand. In that case may I know whether any new companies have come forward for getting licences of it and if so what is the reaction of the Government?

Shri Kanungo: It is on the lowest priority and we do not encourage it.

श्री ब्रज बिहारी मेहरोत्रा: जो विदेशी प्लास्टिक का माल बाहर से आता है क्या उसके बजाय हम देशी माल को प्रोत्साहन देंगे जिसे कि उमका उत्पादन बढ़ सके।

Shri Kanungo: It can be made from natural rubber as well as artificial rubber as well as various other raw materials. The question of protection does not arise.

Heavy Electricals Ltd., Bhopal

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*1274. { **Shri Subodh Hansda;**
Shri S. C. Samanta;
Dr. P. N. Khan;
Shri S. M. Banerjee;

Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether the initial difficulties for shortfall in production in the Heavy Electricals Ltd., Bhopal have been removed;

(b) whether advance provision of raw materials has been made and if so, for how many years; and

(c) whether orders for the requisite quantities of heavy castings and forgings have been placed and if so, on which countries?

The Deputy Minister in the Ministry of Steel, Mines and Heavy Engineering (Shri P. C. Sethi): (a) These are being removed gradually.

(b) Stocks have been built up varying from 3 to 12 months; this is, however, a continuous process depending upon diversification and expansion of production.

(c) Heavy Forgings and Castings, required for the manufacture of hydraulic turbines, have been order-

ed for from U.K.; tenders will be invited for supply of forgings and castings for the manufacture of steam turbines, from the various supplier countries.

Shri Subodh Hansda: The hon. Minister said that the shortcomings will be gradually removed. May I know when these will be removed and whether the Ranchi Heavy Engineering Corporation will be able to supply all the forgings and castings?

The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam): I do not think Ranchi will be able to supply forgings and castings entirely. Our idea is to have a separate casting and forging unit to supply to Heavy Electricals.

Shri Subodh Hansda: What is the foreign exchange requirement for the forgings and castings which have been ordered from U.K.?

Shri C. Subramaniam: We are trying to work out the requirements of foreign exchange from the United Kingdom, and the Finance Ministry has agreed to take a long-term view for three years and make advance provision for this.

Shri S. C. Samanta: May I know whether any attempts have been made to manufacture heavy castings and forgings which are being imported in so much quantity at present?

Shri C. Subramaniam: At present the capacity is limited and to the extent extra capacity is available we will be able to get some of these castings and forgings in the existing unit but, as I stated already, a separate unit is absolutely necessary.

Shri S. M. Banerjee: I would like to know whether the attention of the hon. Minister has been drawn to a news item in the *Statesman* and the *Times of India* of today that production has not started in full swing and some labour trouble is apprehended and, if so, what is the reaction of the Government to that and what

steps are taken to see that normalcy returns here?

Shri C. Subramaniam: As the House is aware, there was a strike and then a shut-out. After that the factory has reopened and all the sections are functioning now. No doubt it will take time to reach normalcy. But my own information is that there is no fresh trouble there, unless the hon. Member has some advance information about it... (*Interruptions*).

Mr. Speaker: There was a news item in the papers. I have received notice also, and so that information is with every hon. Member.

Shri B. K. Das: May I know whether an estimate has been made of the loss to production during this period of closure?

Shri C. Subramaniam: Yes, Sir. I answered that question—nearly one crore of rupees.

Shrimati Savitri Nigam: May I know as to how many trainees in HEL and other concerns have taken training in foreign countries for designing, etc. of these heavy castings and forgings, and since how long they are sitting idle?

Shri C. Subramaniam: I am sorry; I do not have information with regard to that. But with regard to the last part of the question, I do not think that anybody is sitting idle during the period of training.

Shri Ramachandra Ulaka: What is the value of the raw material and components that we import at present from abroad and by what time will we be self-sufficient?

Shri C. Subramaniam: With reference to the castings and forgings, as I have already stated, we are contemplating to set up a unit and when that unit goes into production, we will be able to meet the entire requirement.

Mr. Speaker: What is the value of raw materials that we import from abroad for this purpose?

Shri C. Subramaniam: I am sorry I have not got that information.

Shri P. Venkatasubbaiah: Has the hon. Minister's attention been drawn to a news that has appeared today that wall posters had been fixed on the wall stating that *Shiva thandavam* will be done, meaning that the entire production will be destroyed, if arrested leaders are not released, and what is the precaution that Government is going to take in order to ensure safety to this plant?

Shri C. Subramaniam: As far as *Shiva thandavam* is concerned, that was brought to my notice and I do not think we should get frightened simply because some poster appears somewhere.

S.T.C.'s Profit

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{ Dr. L. M. Singhvi:
Shri U. M. Trivedi:
*1275. { Shri Prakash Vir Shastri:
Shri S. N. Chaturvedi:
Shri P. C. Borooah:

Will the Minister of **International Trade** be pleased to state:

(a) the maximum amount of profit percentage the State Trading Corporation is allowed to earn on any particular commodity;

(b) whether there have been cases where S.T.C. has earned as much as 140 per cent profit; and

(c) the steps Government propose to take in the matter?

The Minister of International Trade (Shri Manubhai Shah): (a) to (c). Generally, the distribution margin on items handled by the State Trading Corporation and the Minerals and Metals Trading Corporation varies between $\frac{1}{2}$ % to 10% (limited to only 0.5% to 3% in case of exports) to cover distribution expenses and other incidental charges including profit, depending on different commodities. In some export commodities, the corporations have even to bear losses rather than charge any profits.