

Some of his questions were very important which had been replied and I had come fully prepared after studying them. I would like to know from the hon. Minister whether he has received reports to the effect that vehicles of some of the companies are not sold?

MR. SPEAKER: They are standing unsold?

SHRI V. TULSIRAM: Yes, they are.

MR. SPEAKER: If it is so, why do they not give them to us?

SHRI V. TULSIRAM: I want to know what is the problem being faced by those companies, why their vehicles are standing unsold and what steps are proposed to be taken to facilitate sale of those vehicles, so that the vehicle manufacturing companies could get over their difficulties and are able to increase their production? What steps Government is contemplating in this direction?

[English]

SHRI J. VENGALA RAO: Sir, the companies are facing trouble. At the time of collaboration, we emphasised this rule. Now Nissan and all these vehicles are facing trouble because the prices have gone up.

Indepth Study of Heavy Engineering Corporation

*421. SHRI PRAKASH V. PATIL: Will the Minister of INDUSTRY be pleased to state:

(a) whether as a post-lock out review of the situation prevailing in the Heavy Engineering Corporation, Ranchi, Government propose to examine indepth the reasons for continuing losses;

(b) if so, when this examination is to be done and with what terms of reference;

(c) whether earlier reports on the work-

ing of the Undertaking suggested certain remedial measures; and

(d) if so, the action taken on them and the results thereof?

THE MINISTER OF INDUSTRY (SHRI J. VENGALA RAO): (a) and (b). Government has been seized of the overall circumstances leading to continuing losses of Heavy Engineering Corporation. There is no proposal to conduct a fresh examination in this regard.

(c) Yes, Sir.

(d) Action on various reports has been taken as considered necessary and expedient. As a result, there has been improvement in the performance of the company.

[Translation]

SHRI PRAKASH V. PATIL: Mr. Speaker, Sir, I want to know from the hon. Minister as to what was the maximum target of production of the Heavy Engineering Corporation situated at Ranchi during the last three years and how much manpower was required for this purpose and whether any study was conducted in this regard? If so, how much manpower has been found in excess of the production target and what is its percentage in comparison to the production target?

[English]

SHRI J. VENGALA RAO: Sir, as the Hon. member has pointed out, really the manpower of 20,000 is in excess. This unit is very old unit. It was established in 1958. Its efficiency is very low and its loss is running to nearly Rs. 570 crores. Recently it was on lock-out for nearly 70 days. Now it is working.

Its cash losses were, in 1980-81 Rs. 28.28 crores, 1981-82 Rs. 14.72 crores, 1982-83 Rs. 39.54 crores, 1983-84 Rs. 36.41 crores, 1984-85 Rs. 34.27 crores, 1985-86 Rs. 26.69 crores and 1986-87 Rs. 11.8 crores. Now we want to reduce the losses. But due to all

these factors and because nearly 70 days of production loss, we are in a difficult position.

[Translation]

SHRI PRAKASH V. PATIL: Mr. Speaker, Sir, I want to know from the hon. Minister of Industries whether Government intends to utilise the excess manpower capacity in some other field and what is the capacity utilisation of the project and how many orders are with the Government for the next three years and what negative effect is it going to have on our import policy?

[English]

SHRI J. VENGALA RAO: Its capacity utilisation is only 35% now. This project was mainly intended for the supply of equipment for steel projects, heavy machine tool plants, etc. But sufficient orders are not placed on this project. Anyhow we asked for the diversification of its resources to other fields also. I think within two or three years it will reduce the cash losses. I wish it would come to a position of earning profits within one or two years.

SHRI ANANDA GAJAPATHI RAJU: This is an old unit which relates to the old 50s and the early 60s. Is there any plan to rationalise this unit to infuse new technology, to retool the plant, to go in for modernisation and to see that the inventory control is also done properly? Is there any

such plan? It is working only with 35% capacity utilisation which is very poor for an industry of this sort.

SHRI J. VENGALA RAO: The hon. Member is correct. Now the cash loss is about Rs. 500 crores. Without modernisation this project cannot earn profits. We are restructuring it. We are sending it to the Finance Department for consideration.

Telephone connections in West Bengal

*422. DR. PHULRENU GUHA: Will the Minister of COMMUNICATIONS be pleased to state:

(a) the total number of telephone connections in rural areas of West Bengal as on 31st March, 1987;

(b) the number of telephones in Midnapur district;

(c) the number of telephones in Contai Sub-Division; and

(d) the number of new telephone connections proposed to be given during the current Plan period in Midnapur district and Contai Sub-Division?

THE MINISTER OF COMMUNICATIONS (SHRI ARJUN SINGH): (a) to (d). A Statement is given below.

STATEMENT

	West Bengal	Midnapore District	Contai division
1. No. of telephone connections working in rural areas as on 31.3.87	1,33,445	4,520	1,127
2. No. of new telephone connections likely to be provided in the 7th Five Year Plan (in the remaining areas)	6,000	650	100