

October, 1971) was received from the Union alleging, amongst other things, the dismissal of two of their office bearers who were car drivers. The management, however, contend that these drivers are not the employees of the Company but are the private employees of the officials of the Company. The Delhi Administration are looking into the matter and have already held several meetings with the parties concerned.

#### Protest Notes Sent to Pakistan

2599. SHRI BIRENDER SINGH RAO : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the number of protest notes sent to the Government of Pakistan during the last 6 months ;

(b) the number of replies received ; and

(c) Government's reaction thereto ?

THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SURENDRA PAL SINGH) : (a) From 1st June to 29th November, 1971 58 protests have been lodged with Pakistan.

(b) 33.

(c) Government's protests related to Pakistan's persistent shelling of our borders and wanton violation of our airspace. Instead of heeding Government's protests, Pakistan has continued with its provocations, moved its entire armed strength offensively to our borders and threatened India with total war. Government have taken adequate measures to safeguard the defence and security of our country.

#### G. P. F. Dues of Ex-Military Personnels of Bazar Fund Fortsandman Quetta (West Pakistan)

2600. SHRI NARENDRA SINGH BISHT : Will the Minister of LABOUR AND REHABILITATION be pleased to state :

(a) whether the ex-military personnel of Bazar Fund, Fortsandman, Quetta (West Pakistan) have not been paid their G. P. Fund though 24 years have passed;

(b) whether several representations have been received from ex-military personnel and

no action has so far been taken except sending a reminder to West Pakistan Government ; and

(c) if so, the reasons for the delay and which Government will pay the interest on their deposits for 24 years ?

THE MINISTER OF LABOUR AND REHABILITATION (SHRI R. K. KHADILKAR) : (a) As per information available there is one case of ex-military personnel of Bazar Fund, Fortsandman, Quetta (West Pakistan) who has not been paid his General Provident Fund dues so far.

(b) and (c). Representations have been received from this claimant from time to time. According to the procedure laid down such claims are to be verified by the Government of Pakistan and payment is made to the claimants on receipt of payment authority from that Government. The particular claim referred to above has not so far been verified by Pakistan Government inspite of issue of periodical reminders to the authorities concerned in Pakistan. However, in order to relieve hardship caused on account of delays in verification by the Government of Pakistan, Government of India introduced an *Ad-hoc* Scheme according to which 50% of dues in General Provident Fund account are payable on production of General Provident Fund slip regarding balance left in Pakistan. As this claimant has not produced his General Provident Fund slip, it has not been possible to afford him relief under this scheme.

According to General Provident Fund rules and our agreement with the Government of Pakistan the interest is payable upto 6 months, from quitting the service.

#### Loss Incurred in Mining and Allied Machinery Corporation Limited

2601. SHRI M. S. SIVASAMY : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether the loss of Rs. 25.35 crores incurred by Mining and Allied Machinery Corporation Limited from 1967-68 has been analysed ;

(b) if so, the names of the sectors where the loss is occurring ; and

(c) the steps taken by Government to avoid such recurring losses ?

**THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI SHAHNAWAZ KHAN) :** (a) and (b). The total loss incurred by Mining and Allied Machinery Corporation Ltd., from 1967-68 to 1970-71 is Rs. 25.87 crores. This has been analysed as under :

(i) Operating loss	Rs. 8.37 crores
(ii) Interest on Government loans	Rs. 8.24 „
(iii) Depreciation	Rs. 6.10 „
(iv) Expenditure during construction not capitalised, written off as deferred revenue expenses	Rs. 3.16 „
	<u>Rs. 25.87 „</u>

(c) The main reason for the losses has been lack of adequate orders for the type of coal mining equipment for which the plant was set up. Other contributory factors are (i) technological problems of diversification ; (ii) lack of orders of repetitive nature for batch production ; (iii) low productivity in the plant ; (iv) industrial unrest ; (v) imbalance in loading of various shops and sections ; (vi) heavy overheads, including depreciation and interest charges and (vii) organisational deficiencies. A number of steps have been taken for increasing production ; some of the important ones are (i) re-organisation of personnel at Senior Management level ; (ii) diversification of production ; (iii) strengthening of production planning and control ; (iv) introduction of incentives for workers and (v) improvement of industrial relations with a view to reducing the excessive burden of interest on loans, and having regard to the history of the undertaking, it has also been decided to reorganise the capital structure of the company.

**Loss Incurred at Heavy Engineering Corporation, Ranchi**

2602. **SHRI M. S. SIVASAMY :** Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government have made any enquiry into the cumulative loss of Rs. 74.40 crores incurred by the Heavy Engineering Corporation, Ranchi since 1958 ;

(b) if so, the sectors in which these losses have occurred ; and

(c) the steps taken by Government to arrest the recurring losses of the said Corporation ?

**THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI SHAHNAWAZ KHAN) :** (a) and (b). The cumulative loss incurred upto the 31st March, 1970 is Rs. 58.90 crores. The accounts for 1970-71 are yet to be finalised. The total loss upto 31st March, 1971 is provisionally estimated at Rs. 75.99 crores.

The losses have occurred as under :

	Rs. crores
Foundry Forge Plant	40.23
Heavy Machines Building Plant	28.04
Heavy Machine Tools Plant	6.82
	<u>75.09</u>

(c) In the initial years of production, losses in projects of this size and type are inevitable due to heavy investments and long gestation period. To a certain extent, the losses incurred by Heavy Engineering Corporation can also be attributed to slow build up of production due to a combination of factors, including unsatisfactory industrial relations. The heavy burden of interest, depreciation and overheads has also contributed to these losses.

A number of steps have been and are being taken over a wide front to improve planning and production control, instal objective-oriented programmes, improve the efficiency of management and the productivity of workers. As a result of these measures, the performance of H. E. C. has already shown some improvement.

**Hindustan Steelworks Construction Limited**

2603 **SHRI M. S. SIVASAMY :** Will the Minister of STEEL AND MINES be pleased to state :

(a) the reasons for the fall in net profits of Hindustan Steelworks Construction Limited during 1969-70 compared to 1965-66 ; and

(b) the steps taken by the Company to go into the question of declining profits ?