

grade of Station Manager has been appointed on contract basis from 1.9.80 to assist the Chairman in day to day work.

Internal Trading by Multinational Corporations

650. SHRI BHUPESH GUPTA:
SHRI YOGENDRA SHARMA:
SHRI S. KUMARAN:

Will the Minister of FINANCE be pleased to state:

(a) whether internal trading is not permitted to the subsidiaries of Multinational Corporations under FERA except for purposes specified therein;

(b) if so, whether it is a fact that the Hindustan Lever has been indulging in internal trading under the guise of purchases for exports;

(c) whether any investigation has been made by the Government in this connection; and

(d) if so, what are the details thereof?

THE MINISTER OF FINANCE
(SHRI R. VENKATARAMAN):

(a) Under the FERA policy there are clearly laid down limits within which the internal trading activities of FERA companies can be undertaken.

(b) to (d) It has come to the notice of the Reserve Bank that M/s. Hindustan Lever have been exporting third party products without the prior approval of the Bank. The question of taking action for contravention of the regulations is still under consideration.

Stocks of the essential inputs required from steel production

651. SHRI BHUPESH GUPTA:
SHRI S. KUMARAN:

Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that the stocks of the essential inputs required for producing steel have been going

down steadily for the last few months at the public sector steel plants;

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

(c) what steps have been taken by Government to improve the situation?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (b) In the case of coking coal, the stocks had come down due to inadequate supply of indigenous coal. In case of iron ore, the movement to the steel plants from various loading points was affected mostly due to inadequate supply of empty wagons, except in case of the Bhilai Steel Plant where industrial relations problems at its captive mines affected loading and despatch of iron ore, and at Kiriburu mines which were affected by inadequate supply of power. However, during the last week, the production at Kiriburu picked up but the ore could not be moved in adequate quantities for want of wagons. In the case of limestone and manganese ore also, the main reason for the reduction in stocks at the public sector steel plants was the generally inadequate supply of empty wagons by the Railways.

(c) Government have allowed import of 0.5 million tonnes of coking coal by SAIL during 1980-81 and this imported material has already started arriving at the Bhilai and Rourkela from October, 1980 onwards. Import of an additional one million tonnes has been cleared by the Government, tenders for which are being finalised. The Cabinet Committee on Infrastructure is regularly monitoring the movement of essential inputs for steel plants as a result of which some improvements have been made in the supply and availability of raw materials recently as indicated above. Continuous co-ordination is also being maintained between the steel plants and the Railway authorities at the