

the All India Services and Central Services Class I. Law Ministry's advice has also been obtained as to the legality of extending the age concession only to the Government employees. Necessary decision will be taken very shortly.

Trunk line between Chaibasa and Calcutta and Chaibasa & Patna

423 SHRI DHARAMCHAND JAIN : Will the Minister of COMMUNICATIONS be pleased to state the number of days and the number of hours the trunk line between Chaibasa and Calcutta and Chaibasa Patna during the period from January to October, 1974 functioned?

THE MINISTER OF COMMUNICATIONS (SHRI S. D. SHARMA) : The reports received indicate that the performance of these trunk lines has not been satisfactory. Full details regarding the number of days and hours of functioning of these lines and details of interruption are being ascertained and remedial measures are being taken immediately.

Heavy Engineering Corporation

424 SHRI INDRADIP SINHA : Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that the Heavy Engineering Corporation at Ranchi is not functioning properly; and

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

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND CIVIL SUPPLIES (SHRI A. C. GEORGE) :

(a) and (b) The overlap of constructional activities with the operational phase in the initial years and the long gestation period needed to build up production to an optimum level in a project of this magnitude and complexity are the two main reasons for the losses incurred by the Heavy Engineering Corporation. To a certain extent, the losses incurred are also attributable to an unduly slow build-up of production due to a combination of factors including deficiencies in management and unsatisfactory industrial relations.

The heavy burden of interest, depreciation and overheads have also contributed to these losses.

Various steps have been taken to improve the production and profitability of the Heavy Engineering Corporation Ltd. As a result of these steps, the production of the Company has been increasing progressively. The production amounted to Rs. 37.84 crores, Rs. 51.03 crores and Rs. 62.41 crores during 1971-72, 1972-73 and 1973-74 respectively. During the first six months of the current year, the production amounted to Rs. 28.04 crores as against Rs. 22.91 crores during the corresponding period last year.

Similarly, the profitability of the Company has also been improving progressively. The Company's loss was only Rs. 7.29 crores during 1973-74 as against a loss of Rs. 16.56 crores during 1972-73. It is expected that the Company will break even during current year.

Recession in industry

425. SHRI I. MAHAPATRO : Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that there is a stagnation in industrial production which has resulted in recession, and

(b) if so, steps Government have taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND CIVIL SUPPLIES (SHRI B. P. MAURYA) :

(a) Data on the official C.S.O. index of industrial production are available for the period January-May, 1974 and show a growth rate of 1.1 per cent over the corresponding period of 1973. Although growth in industrial production in 1973 and 1974 has not been satisfactory, recent trends in production do not show signs of recession.

(b) Government have taken a number of measures intended to step up industrial production and to make the most effective