

RAJYA SABHA

Tuesday, the 27th July, 1982/Sravana
5, 1904 (Saka)

The House met at eleven of the
clock, Mr. Chairman in the Chair.

ORAL ANSWERS TO QUESTIONS

Project to manufacture Armoured
Personnel Carrier

*241. SHRI V. GOPALSAMY:†
SHRI L. GANESAN:

'Will the Minister of DEFENCE be
pleased to state:

(a) whether there is any proposal
under Government's consideration to
start a project to manufacture
Armoured Personnel Carrier; and

(b) if so, whether Government
have selected the location to start a
factory for the purpose?

THE MINISTER OF DEFENCE
AND HOME AFFAIRS (SHRI R.
VENKATARAMAN): (a) and (b)
Yes, Sir.

SHRI V. GOPALSAMY: Mr. Chair-
man, the armoured personnel carrier,
otherwise known as the Indian combat
vehicle, is chiefly used by the Army
to move troops in difficult terrain.
This Indian combat vehicle is gene-
rally capable of movement on land
as well as on water. So far we have
been importing these vehicles from
foreign countries. Now, I appreciate
Government have taken such a deci-
sion to manufacture indigenously this
prestigious carrier because in part (b)
of the reply, he has said, "Yes".

I would like to know from the hon.
Minister which place has been selected
for starting such a project.

†The question was actually asked
on the floor of the House by Shri
V. Gopalsamy.

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SHRI R. VENKATARAMAN: Medak
in Andhra Pradesh.

SHRI V. GOPALSAMY: Mr. Chair-
man, I am really shocked at this
answer...

MR. CHAIRMAN: Why should you
be shocked?

AN HON. MEMBER: He wanted
it in Tamil Nadu.

MR. CHAIRMAN: You have
shocked Mr. Reddy.

SHRI V. GOPALSAMY:...because
steel fabrication forms part of the
work. Trichy in Tamil Nadu is an
ideal place for locating this project
because this advanced technology is
readily available at the Welding Re-
search Centre attached to the
BHEL Complex at Trichy; the other
potentialities, the required skilled
resources of the talented and
experienced staff and workers are also
available in the Ordnance Factory at
Trichy. Previously, whenever Defence
Ministers visited, they had given
assurances that Trichy would be
selected...

MR. CHAIRMAN: Mr. Gopalsamy,
I will cut short the whole thing. Are
you asking for another or are you
wanting that the Andhra one should
go out to Tamil Nadu?

SHRI V. GOPALSAMY: I want to
say that because it was assured by
the Ministry. And some officers were
sent for special training to Russia
also from the Ordnance Factory at
Trichy. I am very sorry because we
have lost our share and it has gone
to some other place, to Medak in
Andhra Pradesh.

Anyhow, I would like to know
from the hon. Defence Minister—
even before he became Defence
Minister, the decision would have
been taken, I think—whether Trichy
also will be considered for starting
another project.

SHRI R. VENKATARAMAN: Sir, a number of places were considered among which Trichy is one. The decision to locate it in Medak was taken on the basis that it was a backward district and also because there are no industries there.

SHRI V. GOPALSAMY: Trichy and Pudukottai are really very backward. Our hon. Defence Minister himself knows; he comes from there.

SHRI R. VENKATARAMAN: I cannot accept that Trichy is backward because one of the biggest engineering units, BHEL, is located at Trichy...

SHRI V. GOPALSAMY: What about Pudukottai?

SHRI R. VENKATARAMAN: ...and people will not accept it.

I can understand the hon. Member's anxiety to have something in Tamil Nadu. As and when other projects come up, Trichy will be duly considered.

SHRI B. SATYANARAYAN REDDY: Sir, the Minister told us that they have selected Medak as it is a very backward area and there are no industries there. I would like to draw the attention of the Minister that there are more backward areas in Andhra Pradesh than Medak, areas like the Mahboobnagar District and Adilabad District which are very backward. There is no facility even for irrigation; there are no industries in these districts. Like-wise there are many other districts in Andhra Pradesh which are very backward compared to Medak. So, I would like to know from the Minister whether you have taken into consideration all these factors in selecting Medak for this factory. Or has the Minister taken into consideration the fact that the Prime Minister happens to be the M.P. from that constituency? I would like to know whether the Minister is going to reconsider it

and have the factory in the most backward place in Andhra Pradesh like the Mehboob Nagar and the Adilabad Districts.

SHRI R. VENKATARAMAN: Sir, a number of backward districts were considered. We have now a policy that as far as possible new units, particularly in the Government and defence sector, should be located in no-industries districts and in most backward districts. I do not think my hon. friend will deny that Medak is a backward district.

SHRI SATYANARAYAN REDDY: There are other backward districts.

SHRI R. VENKATARAMAN: All over India, for the information of the hon. Member I can tell, 100 districts have been identified as no-industries districts. Therefore, you will have to give them as and when new projects are set up.

MR. CHAIRMAN: It is a case of what Orwell said, more equal than others.

SHRI R. VENKATARAMAN: Some people are more equal. All people are equal but some people are more equal.

Another thing, I want to make clear. The fact that the constituency is the Prime Minister's constituency; does not disqualify it from being given the project.

MR. CHAIRMAN: I think the last sentence was hardly required. That will bring in the question of more equal than others.

SHRI R. VENKATARAMAN: Because the insinuation was made, I said it.

SHRI N. P. CHENGALRAYA NAIDU: Is it not a fact that Andhra is more backward compared with Tamil Nadu? In Tamil Nadu in every district there are industries. At Avadi

there is a big tank factory. In Andhra Pradesh in the defence sector this is the first factory that is being started. Why should Mr. Gopalsamy have objection?

SHRI V. GOPALSAMY: The infrastructure is readily available in Trichi in Tamil Nadu. That is my point. It is an ideal place, better than Medak.

SHRI N. P. CHENGALRAYA NAIDU: There are better facilities in Andhra than in Tamil Nadu.

SHRI V. GOPALSAMY: Because of local patriotism he is saying like that.

MR. CHAIRMAN: If there is one thing that I do not want, it is the fight between the States on these things. I think it is not good for our country.

SHRI SADASHIV BAGAIKAR: May I know from the hon. Minister what procedure was followed before reaching this Orwellian decision? The cost structure is bound to be affected if the ancillary industries are not available, if the transport cost increases, which is very likely to go up in Medak and if steel and other factors which would be required for this project are to be brought from long distances. So, I would like to know from the hon. Minister, before the decision was made regarding Medak, whether any other proposal was there? Was any committee constituted to have comparative studies of the different sites suggested for the project and finally this was selected? Was any such procedure adopted, and if no such procedure was adopted, what would have been the cost structure of this project in Medak had it been placed somewhere else? That, I would like to know from the hon. Minister.

SHRI R. VENKATARAMAN: Sir, a procedure was adopted. A committee was constituted, and that committee recommended three

States—one, Andhra Pradesh; another, Karnataka; third, Maharashtra. Government went into the recommendation of all these various places and finally chose Andhra Pradesh, to place the project at Medak because it is backward.

There is always a conflict in principle. If you want to locate industries which have economic viability, then, you have to concentrate them where there are facilities. If you go on concentrating, then, you will be offending the principle of regional dispersal and correcting the regional imbalance. Government attaches very great importance to the principle of correcting regional imbalances and that is why they have chosen the principle of locating major industries in backward areas and in no-industry districts.

MR. CHAIRMAN: I think that is enough. Question No. 242.

SHRI NIRMAL CHATTERJEE: What is the meaning of economic viability when it refers to defence industries? Will the Minister kindly explain.

SHRI R. VENKATARAMAN: Sir, we balance considerations. We do not go only by economic viability. We do not go only by backwardness. We balance these considerations and arrive at a decision.

SHRI NIRMAL CHATTERJEE: What is the meaning of economic viability in terms of defence industries?

SHRI R. VENKATARAMAN: Economic viability is calculated in various terms. In certain places, raw materials will be available. In certain places, labour may be cheap. In certain places, infrastructure like power may be available. All these considerations are taken into account in coming to a decision.

SHRI NIRMAL CHATTERJEE: You have not answered my question... (Interruptions)