

additional vanaspati capacity. This industry review the policy for licensing new vanaspati units was considered by the Licensing Committee in the first week of August 1978 and the Licensing Committee has recommended the proposal for grant of a letter of intent to Messrs. IPICOL for the establishment of a vanaspati unit in Orissa and Government's final decision is likely to be taken soon.

**Award of consultancy contract in M/s. M. N. Dastur and company private Limited for the Indian Rare Earths Ltd**

2202. SHRI PRANAB CHATTERJEE: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that M/s. M. N. Dastur and Company Private Limited Calcutta had been given consultancy contract for the Indian Rare Earths Limited resulting in the loss to Government of Rs. 55 lakhs.

(b) whether it is also a fact that M/s. M. N. Dastur and Company Private Limited were paid an additional sum of Rs. 15 lakhs alongwith the first instalment of the consultancy fee; and

(c) if the answer to parts (a) and (b) above be in the affirmative, whether the matter has been investigated into by any investigating authority, if so, what are the details in this regard?

THE PRIME MINISTER (SHRI MORARJI R. DESAI): (a) M. N. Dastur & Company Limited were given a consultancy contract by the Managing Director, Indian Rare Earths Limited on the unanimous decision of the Board of Directors. However, there was no loss to Government or to the Company.

(b) They were paid as per the terms of the contract approved by the Board of Directors of the Indian Rare Earths Limited.

(c) The award of this contract was investigated by an officer working

under the Shah Commission who suggested further investigation. After a detailed examination of the evidence and the records at the highest level, it was concluded that no further investigation was called for as the allegations were not substantiated.

**Problems of the refrigeration industry**

2203. SHRI VENIGALLA SATYA NARAYANA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact, that the All-India Air-Conditioning and Refrigeration Association has submitted a representation to Government in March, 1978 regarding the problems of the refrigeration industry; and

(b) whether Government propose to give any relief to the Industry?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (KUMARI ABHA MAITI): (a) Yes, Sir.

(b) The rate of excise duty on domestic Refrigerators of a capacity not exceeding 100 litres has been reduced from 40 per cent to 30 per cent *ad-valorem* in the 1978-79 budget.

**High cost of refrigerators**

2204. SHRI VENIGALLA SATYA NARAYANA: Will the Minister of INDUSTRY be pleased to state:

(a) what was the cost of a standard size domestic refrigerator in 1960 and what is the cost of the same model in 1978; and

(b) what steps Government have taken to reduce the cost of refrigerators for domestic use?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (KUMARI ABHA MAITI): (a) The price of standard domestic refrigerator of size 165 litres in 1960 was about Rs. 1500 whereas it is about Rs. 3,800 (to the consumer) now.

(b) The rate of excise duty on domestic Refrigerators of a capacity not