

are designed to protect the region from the ravages of flood and to improve the economy of the rural area by providing assured irrigation over extensive areas. An extensive subwell irrigation scheme has been put into effect in this area by the Government of Bihar.

(v) One Pilot Intensive Rural Employment project has been taken up in Musahri Block of Muzaffarpur District ; the estimated outlay in 1972-73 is Rs 10 lakhs.

#### *Eastern U. P.*

(i) The Government of U. P. have allocated an amount of Rs 220 crores for the Plan schemes in operation in Eastern U. P. for the Fourth five Year Plan period as a whole. Annual outlays are being provided within this total Fourth plan allocation from year to year.

(ii) A small Farmers' Development Agency is in operation in Pratapgarh District. A Small Farmers' and Agricultural Labourers' project has been set up in Ballia District. A Drought-prone Areas Programme has been taken up in the districts of Banda, Allahabad, Varanasi and Mirzapur.

(iii), The districts of Ballia, Banda, Faizabad, Ghazipur and Pratapgarh have been selected for concessional finance from public financial institutions for the purpose of accelerating the pace of industrial development. Out of these districts, Ballia has been selected for Central subsidy of 10% of fixed capital investment.

It has since been decided to increase the coverage of the Central Subsidy scheme. The Central Government will give an outright subsidy of 10% of the fixed capital investment to industrial units in the selected districts/areas (in place of 2 districts originally envisaged) in each of the 9 States including Bihar and U. P. identified as industrially backward. Further, the limit of the fixed capital investment for the purpose of Central subsidy will not be restricted to the units having a fixed capital investment of Rs. 50 lakhs only but will also be extended to those units having a fixed capital investment of more than Rs. 50 lakhs subject to the subsidy limit of Rs. 5 lakhs.

#### **TAKING OVER OF MYSORE ACETATES AND CHEMICALS, MANDYA**

720. SHRI H.S.NARASIMHA : Will the Minister of INDUSTRIAL DEVELOPMENT

AND SCIENCE AND TECHNOLOGY be pleased, to state :

(a) whether the Central Government have agreed to the State Government's proposal for taking over of the Mysore Acetates and Chemicals, Mandya ; and

(b) whether it will result in better coordination between the Centre-owned Hindustan Photo Films in Ooty and this acetate industry ?

111. DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT (PROF. SIDDHESHWAR PRASAD) :

(a) No, Sir.

(b) Does not arise.

#### **MANUFACTURE OF LAMBRETTA SCOOTER IN LUCKNOW**

721. SHRI MONORANJAN ROY : SHRI SHY AMLAL GUPTA :

Will the Minister of INDUSTRIAL DEVELOPMENT AND SCIENCE AND TECHNOLOGY be pleased to state :

(a) whether Innocenti, an Italian firm, the Government of India and an Indian collaborator have signed an agreement for the manufacture of Lambretta Scooter in Lucknow :

if so, the details of the agreement :

(c) what are the considerations in support of selecting a particular Indian firm for collaboration : and

(d) the reasons for having the project in the joint sector instead of public sector ?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT (PROF. SIDDHESHWAR PRASAD) :

(a) Yes, Sir.

(b) The agreement provides for acquisition, for a sum of about Rs. 1.5 crores, of the entire scooter manufacturing plant of M/s. Innocenti at Milano, Italy, on "as is where is" condition, together with the drawings, designs and technical data for the manufacture of the latest models of Lambretta scooters. A company with an authorised capital of Rs. 10 crores will be incorporated for undertaking the manufacture and sale of Lambretta scooters. The Government of India will hold 51% shares of the proposed company, M/s. Innocenti about 20% and the balance 29% of the shares shall