

(c) if so, what steps are contemplated in this regard?

**THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE AND SUPPLY (SHRI CHOWDHARY RAM SEWAK) :** (a) and (b) No, Sir. There are no continuing complaints. However, a few complaints are unavoidable in international trade.

(c) To maintain and improve the quality of export goods, the Export (Quality Control and Inspection) Act, 1963 was brought into force with effect from 1-1-1964. Almost all the major export goods are covered under compulsory quality control and pre-shipment inspection schemes under the Act.

#### LOSS TO HINDUSTAN STEEL LIMITED

338. **DR. BHAI MAHAVIR :**

**SHRI A. G. KULKARNI :**

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

(a) whether it is a fact that Hindustan Steel Limited is likely to show a loss of about Rupees 30 crores over the current financial year;

(b) if so, the reasons for such un-economic working;

(c) whether it is also a fact that the production cost of steel in all the three public sector plants is nearly double of what was contemplated originally; and

(d) if so, the steps being taken to improve the situation?

**THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND HEAVY ENGINEERING (SHRI K. C. PANT) :**

(a) Although the financial results of Hindustan Steel Ltd. for the current financial year will become available only after the accounts for the year have been closed and audited, the Company is likely to incur a loss of nearly 40 crores of rupees during the year.

(b) As explained in the Pamphlet "Performance of Hindustan Steel Limited" placed on the Table of the House on 5th April, 1968, the working results of the Company continue to be adversely affected

by a number of factors, some of which are of a basic nature and others likely recessionary trends in the steel demand, disturbed industrial relations, damaged equipment, etc.

(c) Cost of production of steel has gone up not only in the public sector steel plants, but also in the private sector steel plants on account of a number of cost-raising factors like increase in the cost of all major raw materials, railway freights, electricity rates, increase in the level of wages and salaries on account of implementation of several Wage Board Awards, devaluation affecting prices of imported stores and spares etc., etc.

(d) The Management of Hindustan Steel Limited is quite alive to the situation and, within certain limitations imposed by factors over which it has no control, it has initiated a number of measures to control and bring down costs, e.g. establishment of norms in respect of the usages of materials, energy, consumable spares and of yields at each stage of the manufacturing process, evolution of a system of standard costs, control on accumulation of spares, higher usage of sinter, emphasis on operational improvements, diversification of production and a vigorous export drive so as to maximise utilisation of productive capacity etc.

#### FOREIGN COLLABORATION POLICY

339. **SHRI M. K. MOHTA :**

**SHRI K. C. PANDA :**

**SHRI LOKANATH MISRA :**

**SHRI A. G. KULKARNI :**

**SHRI CHITTA BASU :**

**SARDAR RAM SINGH :**

**SHRI S. S. MARISWAMY :**

**DR. BHAI MAHAVIR :**

Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to state :

(a) whether Government have recently declared its policy on foreign collaboration;

(b) if so, what are the details thereof;

(c) whether Government are aware of the reaction of the Industrialists and foreign entrepreneurs in India in this regard; and

(d) what is the result of this policy on the Government's efforts on import substitution ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED) : (a) and (b) Government's policy in regard to foreign collaboration continues to be guided by the statement which the Prime Minister made in the Constituent Assembly of India on the 6th April, 1949. However, with a view to avoiding repetitive import of know-how, Government have decided that coordinated negotiation should be conducted with foreign parties in fields where :

(i) a number of foreign collaboration agreements already exist and a new party applies for the same or similar know-how; or

(ii) where a number of new units in the same field are proposed to be set up in the country at about the same time, the object being,

(a) to reduce the outgo of foreign exchange, and

(b) to encourage indigenous research and technological development.

(c) Yes, Sir.

(d) This policy is not likely to have any adverse impact on our efforts for import substitution.

**यूरोप के लिए नया व्यापारिक मार्ग**

340. डा० भाई महावीर :

श्री एन० श्रीराम रेड्डी :

क्या वाणिज्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या ईरान के शाह ने भारतीय माल को यूरोप पहुंचाने के लिये कैस्पियन सागर और रूस के क्षेत्र से होते हुए एक नये व्यापारिक मार्ग का सुझाव दिया है; और

(ख) यदि हां, तो इस पर सरकार की क्या प्रतिक्रिया है ?

†[NEW TRADE ROUTE TO EUROPE

340. DR. BHAI MAHAVIR :

SHRI N. SRI RAMA REDDY :

Will the Minister of COMMERCE be pleased to state :

(a) whether the Shah of Iran has suggested a new trade route for the transshipment of Indian goods to Europe via Caspian sea and the U.S.S.R. territory; and

(b) if so, what is Government's reaction thereto ?]

वैदेशिक व्यापार तथा पूर्ति मंत्रालय में उपमंत्री (श्री चौधरी राम सेवक) : (क) तथा (ख) शहंशाह की भारत यात्रा के समय परिवहन सहित विभिन्न क्षेत्रों में भारत-ईरानी सहयोग की सम्भाव्यताओं के बारे में इस विषय पर कुछ सामान्य बातचीत हुई थी। इस सम्बन्ध में कोई व्यौरे प्रकट करना लोकहित में नहीं है।

†[THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE AND SUPPLY (SHRI CHOWDHARY RAM SEWAK) : (a) and (b) There was some general discussion on the subject at the time of the visit of the Shahanshah to India about the possibility of Indo-Iranian co-operation in various sectors including transport. It is not in the public interest to disclose any details in this regard.]

TRACTOR MANUFACTURE

341. SHRI JAGAT NARAIN :

SHRI B. K. KAUL :

SARDAR NARINDAR SINGH BRAR :

Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to state :

(a) the number of applications received from the tractor manufacturers so far after delicensing of tractor manufacturing;

†[ ] English translation.