

RAJYA SABHA

Thursday, the 10th September, 1964/ the 19th
Bhadra, 1886 (Saka)

The House met at eleven of the clock,
MB. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

भारत-अमरीकी इंजीनियरी फर्म

*९१. श्री भगवत नारायण भार्गव : क्या उद्योग तथा सन्भरण मंत्री यह बताने की कृपा करेंगे कि क्या सरकार ने हाल में संयुक्त राज्य अमरीका के सहयोग से एक इंजीनियरिंग फर्म स्थापित की है और यदि हां तो सहयोग का उद्देश्य और अन्य व्योरा क्या है ?

INDO-U.S. ENGINEERING FIRM

*91. SHRI B. N. BHARGAVA: Will the Minister of INDUSTRY AND SUPPLY be pleased to state whether Government have recently established an engineering firm in collaboration with the United States of America and if so, the purpose and other details of the collaboration?]

THE DEPUTY MINISTER IN THE
MINISTRY OF INDUSTRY AND SUPPLY
(SHRI BIBUDHENDRA MISRA): No, Sir.

‡[उद्योग तथा सन्भरण मन्त्रालय में उपमन्त्री

श्री भगवत नारायण भार्गव : क्या मैं यह जान सकता हूँ कि इसके बारे में कुछ प्रोजेक्ट्स अभी चल रहे हैं और अमेरिका से वातचीत हो

रही है ? इसके संबंध में क्या गवर्नमेंट के पास कोई सूचना है ?

SHRI BIBUDHENDRA MISRA: At the present moment it is just in the proposal stage; we are negotiating with the International General Electric Company for setting up a plant for the manufacture of steel turbines and turbo engines, besides the usual capacity that we already have in the three heavy electrical plants. Sir, at this stage I can only say that they have been asked to give a feasibility report which is expected by December 1964 and then only we will have discussion with them about the next step.

श्री शेरला : हिन्दी में बयान है तो हिन्दी में जवाब देना चाािे । आप क्यों अंग्रेजी में जवाब देने की इजाजत देते हैं ?

श्री सभापति : यही तरीका है यहाँ ।

I.D.A. CREDIT FOR MANUFACTURING GOODS•

92. SHRI A. D. MANT: Will the Minister of INDUSTRY AND SUPPLY be state:

(a) whether it is a fact that I.D.A. has given a credit of 90 million dollars to India for the production of manufactured goods; and

(b) if so, the kinds of goods proposed to be manufactured with this aid?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRY AND SUPPLY (SHRI BIBUDHENDRA MISRA): (a) and (b) The International Development Association, an affiliate of the World Bank, has extended to the Government of India a credit equivalent of US \$ 90 million on June 9, 1964. The credit is to be used for importing raw materials and components needed for expanding production in certain specific sectors which are commercial vehicles and ancillaries, machine tools and cutting tools, electrical equipment such as electric motors, trans

formers and switchgears, and construction equipment. A small part of the credit is also available for import of balancing equipment needed in these sectors. An amount of approximately \$15 million is to be used for importation of spare parts required to maintain the existing fleet of construction equipment in good order and also for imports of complete construction equipment of the types not produced in India.

SHRI A. D. MANI: Sir, has any stipulation been made by the I. D. A. that the machinery should be secured only from certain stated countries that is to say, they should import machinery only from the United Kingdom or the dollar-earning areas or the sterling areas, or is this credit available for the Indian Government to order supplies from any part of the world, including the free and the so-called not free world?

SHRI H. C. DASAPPA: Generally, Sir, these aid programmes imply that those materials are got or imported from the countries from which the aid comes. That is generally so. If you have got to do anything else, that is a matter for further talks.

SHRI A. D. MANI: Am I to understand that the goods can largely be ordered only from the United States and not from other countries? I want a specific answer, Sir.

SHRI H. C. DASAPPA: Sir, I have already said that we have got to look for these imports from the country which gives us aid. And if we have got to do anything else, that is a matter for further talks.

SHRI A. D. MANI: Has any preliminary survey been made by the I.D.A. or by the Government of India with regard to the potentiality of those industries mentioned by the Deputy Minister which require this aid in the form of machinery through the I.D.A.?

SHRI H. C. DASAPPA: That has been looked into in fair detail and

there is a certain programme as to the purposes for which the aid must be used. That is fairly clear.

SHRI SANTOKH SINGH: In view of the fact that there is acute shortage of raw materials in the case of many other vital industries wherein plants have already been imported and the capacity is lying idle, is there any possibility that the raw materials for those industries will also be allowed to be imported from this aid?

SHRI H. C. DASAPPA: Sir, it is not clear as to what industries my hon. friend is referring to but, as has already been answered by my colleague, they have been specified and there is no question of using this aid for any other purpose than what it is intended for.

SHRI SANTOKH SINGH: Chemicals and dyestuffs. 1

SHRI H. C. DASAPPA: That is not included.

SHRI NIRBN GHOSH: In view of the fact that each year we have to import Rs. 300 to Rs. 400 crores worth of spare parts and components, what steps are the Government proposing to take in order to set up industries for the manufacture of those components, and whether the prices of the components that are to be imported under this aid are higher than those obtaining in other countries?

SHRI H. C. DASAPPA: Sir, as the House very well knows, every effort is being made to manufacture indigenously the various types of plants and machinery and other component parts which are now propose to be imported, and that is the programme with which planning is concerned. I do not know whether the hon. Member expects me to say anything more than that.

SHRI NIREN GHOSH: My second question is whether the prices are higher.

MR CHAIRMAN: Mr. Mir.

SHRI G. M. MIR: What would be the interest which we are going to pay credit?

SHRI BIBUDHENDRA MISRA: *No* interest is to be charged as such but the loan is to be repaid in 50 years' time.

SHRI I. K. GUJRAL; The hon. Minister has mentioned that part of this credit will be used for the import of construction machinery. Is it proposed to import the construction machinery for Government projects or will the licences be given to private parties?

SHRI H. C. DASAPPA: It is for both the purposes, Sir, Government as well as private.

SHRI N. SRI RAMA REDDY: I would like to *know* if the importation of the materials mentioned by the hon. Minister to the extent of 90 million dollars would be sufficient for the Third, Fourth and Fifth Plans or is it sufficient only for the current year.

SHRI H. C. DASAPPA; This is mainly for the current year and possibly it will spill over for the next year also.

SHRI MULKA GOVTNDA REDDY: Is this aid earmarked for the public sector?

SHRI H. C. DASAPPA: No earmarking for the public sector as such. It is for both the sectors, public and private.

DR. M. M. S. SIDDHU: Sir, may I know whether the costs of the raw materials which are imported from the dollar area are usually 50 to 100 per cent more than of those imported from the soft currency area and, if so, will not the cost of manufactured goods go up considerably?

SHRI H. C. DASAPPA: Sir, it may be said that it is somewhat more but that is something which we cannot altogether avoid. When we get help, I suppose this also has to be considered and then we must take advantage of it.

**FIRE IN HEAVY ENGINEERING CORPORATION,
RANCHI**

*93. SHRI M. P. BHARGAVA: Will the Minister of INDUSTRY AND SUPPLY be pleased to refer to the answer given to Unstarred Question No. 136 in the Rajya Sabha on the 4th June, 1964 and state:

(a) whether police investigation* regarding the fire in the Heavy Engineering Corporation at Ranchi have since been completed;

(b) whether any ex-High Court Judge has been deputed to conduct any further enquiries into the incident; and

(c) whether the persons who were working as the Managing Director and the Personnel Manager at the time of the fire are still continuing in their posts and if not, what are their present assignments?

THE MINISTER OF HEAVY ENGINEERING IN THE MINISTRY OF INDUSTRY AND SUPPLY (SHRI T. N. SINGH): (a) It is understood that police investigation has been completed but no report from the State Government has been received by the Government of India.

(b) Yes, Sir; an enquiry was conducted.

(c) There was no Managing Director or Personnel Manager but the then Chairman and the Director (Personnel) are no longer continuing in the same posts. The Chairman has taken over as Adviser, Planning Commission and the Director has been transferred to Calcutta and is in charge of Movement and Claims.

SHRI M. P. BHARGAVA: May I know, Sir, whether the report of the Judge has been received and whether it is proposed to place it on the Table of the House?

SHRI T. N. SINGH: It has been received and it is being examined in our Secretariat. After due action is taken, Sir, we will make the summary