

(c) if so, in what manner?

THE DEPUTY MINISTER OF LABOUR, EMPLOYMENT AND PLANNING (SHRI L. N. MISHRA): (a) to (c) Attention is invited to the functions and terms of reference of the Planning Commission as set out in Government of India Resolution No. I-P(C)/50 dated March 15, 1950. No change is contemplated in these.

#### DEVELOPMENT OF ANCILLARY INDUSTRIES

\*439. SHRI M. S. GURUPADASWAMY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state whether any positive steps have been taken by Government for the development of ancillary industries and if so, what are those steps?

THE MINISTER OF INDUSTRY (SHRI MANUBHAI SHAH): A statement is laid on the Table of the House.

#### STATEMENT

Yes, Sir. The following steps have been taken for development of ancillary industries:

(i) Development of a number of small units around large units to serve as perpetual feeders of components and parts to large manufacturing units in the public as well as private sectors. This is achieved by prior agreement of the large units to enter into long term contracts with ancillaries assuring them a minimum annual off-take at pre-determined prices. So far, negotiations have been completed with 9 public sector projects and 14 firms in the private sector;

(ii) Supply of machinery on more liberal terms to ancillary units under the Hire Purchase Scheme of the National Small Industries Corporation.

(iii) Relaxation of capital investment of units manufacturing ancillaries. It has been decided that certain facilities at present available to small scale industries should be extended to small scale units engaged in

the production of ancillaries and components required by large industries, even if their capital investment is upto Rs. 10.0 lakhs. These facilities will be (a) technical assistance through the Small Industries Service Institutes, (b) Supply of machinery under the hire-purchase scheme and (c) allotment of factories in Industrial Estates. To begin with, the relaxation in capital ceiling shall apply to industrial units manufacturing ancillaries and components for certain specified industries.

(iv) A survey in each State is being undertaken to find out the extent of purchase being made by large scale units from small scale units and how to give greater impetus to this trend of ancillary development.

SHRI M. S. GURUPADASWAMY: Sir, I find from the statement that negotiations have been completed with nine public sector projects and fourteen firms in the private sector. May I know why up to now no ancillary industry has been started and what accounts for this delay?

SHRI MANUBHAI SHAH: No, Sir. The Hindustan Machine Tools has already started this and other public sector projects will also take it up.

\*440. [Transferred to the 31st August, 1960].

#### †STANDARDS FOR WORSTED HOSIERY YARN

\*307. SHRI P. N. RAJABHOJ: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the *ad hoc* Committee set up to consider the problems facing the hosiery industry has recommended the setting up of a branch of the Indian Standards Institution for evolving standards for the worsted hosiery yarns; and

(b) if so, what action Government propose to take in this regard?

THE MINISTER OF COMMERCE (SHRI N. KANUNGO): (a) The *Ad Hoc*

†Postponed from the 19th August, 1960.