

people, hostile people, came to the outskirts of Kohima town on the night of the 14th just to try to upset people who were preparing for the celebrations on the Independence Day, the next day. So, odd shots were fired and then these people were pushed out. So far as I know no damage was done.

SHRI S. C. DEB: May I know, Sir, whether the so-called Naga national flag was hoisted on the night of the 14th August, and if so what it was?

SHRIMATI LAKSHMI MENON: That does not arise out of this question. The question deals with Naga hostiles' attack on army men.

INDIANS EMPLOYED IN FOREIGN FIRMS IN INDIA

*357. SHRI MAHESWAR NAIK: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have made any assessment of employment of Indians in foreign firms functioning in India;

(b) if so, what is the present ratio of Indians to that of non-Indians in the salary groups of below and above Rs. 1,000; and

(c) how these figures compare with those of the last three years?

THE MINISTER OF INDUSTRY (SHRI MANUBHAI SHAH): (a) Yes, Sir.

(b) and (c). A statement is laid on the Table of the House.

STATEMENT

Nearly 96 per cent. of the posts carrying salaries below Rs. 1,000 per month were filled by Indians as early as 1955. Since then, information regarding this category is not being collected.

2. The percentage of Indians employed in salary groups of Rs. 1,000 and above in foreign firms upto 1st January, 1959 is 59.7 per cent.

3 Figures of Indians and non-Indians employed by foreign firms as on the 1st January of each of the years 1956 to 1959, are given below:—

Year	Indians	Per- centage	Non- Indians	Per- centage	Total
1956	4,685	41.6	6,566	58.4	11,251
1957	5,614	48.2	6,025	51.8	11,639
1958	6,704	54.3	5,652	45.7	12,356
*1959	7,249	59.7	4,901	40.3	12,150

*The figures for 1959 relate to only 766 firms from whom returns have so far been received. It will be seen that the figures compare favourably with the figures of the previous years.

SHRI MAHESWAR NAIK: From the statement it appears that the percentage of Indians employed in salary groups of Rs. 1,000 and above in foreign firms up to 1st January, 1959, is 59.7 per cent, and the number of firms is given as 766. May I know, Sir, what is the total number of foreign firms now which are engaged in business in India?

SHRI MANUBHAI SHAH: This is more or less the total. Excepting some firms not on record, this number 766 represents the majority of the foreign firms in India.

SHRI MAHESWAR NAIK: May I know, Sir, what is the policy of the Government of India in respect of Indianisation of the staff of foreign firms?

SHRI MANUBHAI SHAH: That has been debated upon in the House. Also, we have been issuing press notes in December every year. There is a progressive policy of Indianisation, in consultation with the Indian Tea Association and also the Associated Chamber of Commerce, Calcutta, which generally represents all the

foreign interests. The progress, that could be seen from the statement, has been rather very satisfactory, much more than the target we had fixed for this period.

SHRI MAHESWAR NAIK: May I know, Sir, whether Government have all the information from the rest of the firms?

SHRI MANUBHAI SHAH: Yes, Sir. Every firm is asked, and it is sending regular information and data not only with regard to the total number of foreign employees employed, but the salary groups—how many above Rs. 1,000, how many above Rs. 1,500, how many above Rs. 2,000, etc. A very comprehensive press note is being published in December every year and this has been published in the last three years.

SHRI MAHESWAR NAIK: May I know, Sir, which are the rest of the firms beyond those 766?

SHRI MANUBHAI SHAH: There are very few firms. The number is indicated, though we do not know whether it is ten or twenty. There are a few firms. All the other firms are covered in this number 766.

SHRI BHUPESH GUPTA: May I know, Sir, whether it is a fact that although the instruction was sent from the Centre to the foreign concerns to give a list of Indian officers, the firms are supplying some lists in which the salaries of Indian officers are shown inflated, and in some cases actually the salaries are shown high in the books, although they are not given, in order to circumvent the policy of the Government of India in this matter?

SHRI MANUBHAI SHAH: No such information has come to our notice and I will be obliged to all the hon. Members who can send some information. As a matter of fact, we have been repeatedly saying that—not only about salaries—if there is any discrimination made in allowances,

housing, etc., excepting foreign leave, we will be prepared to take corrective measures.

SHRI BHUPESH GUPTA: He said that we should bring it to his notice. I have mentioned it many times in the House, I do not know how many times . . .

SHRI V. K. DHAGE: Give him complete cases.

SHRI BHUPESH GUPTA: Just a minute. What is the use of giving him details? You can go and become a Deputy Minister . . .

MR. CHAIRMAN: Order, order. No conversation there.

SHRI BHUPESH GUPTA: May I know, Sir, in view of the very many facts that have been revealed in both Houses of Parliament, whether the Government did institute any enquiry into the matter to find out exactly what the position was?

SHRI MANUBHAI SHAH: The question of any enquiry hardly arises. For the information of hon. Members, if I may supply slightly additional information, the figures are: Below Rs. 1,000, practically the whole staff are Indians; between Rs. 1,000 and Rs. 1,500, 88.2 per cent. Indian personnel; between Rs. 1,500 to Rs. 2,000, 69.4 per cent. Indian personnel; between Rs. 2,000 and Rs. 3,000 42.5 per cent. Indian personnel. This is as high as one could be satisfied.

DR. R. B. GOUR: Has any time-limit been fixed by the Government of India for complete Indianisation of the personnel in these concerns and for parity of emoluments between Indians and foreigners during this period?

SHRI MANUBHAI SHAH: As far as the first part of the question is concerned, there is no such policy of complete Indianisation. There will always be necessity for any of these

highly complicated and traditional industries to have some foreign collaboration at one time or the other. As far as the second part is concerned, we do have a gradual Indianisation policy consistent with the economic and other considerations that should be there for foreign collaboration. Regarding allowances, as I said already, there is a uniform policy and no discrimination is allowed between a foreign and an Indian personnel of equal competence.

PROPOSAL TO REVIEW THE COST STRUCTURE OF MANUFACTURED GOODS BY INDIAN INDUSTRIES

*358. SHRI MAHESWAR NAIK: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Indian industries are being asked by Government to review their cost structure in order to reduce costs and make Indian goods competitive in foreign markets;

(b) whether any concrete proposals have been forwarded in this regard for consideration of the industries; and

(c) if so, what are those proposals?

THE MINISTER OF INDUSTRY (SHRI MANUBHAI SHAH): (a) to (c). Yes, Sir. As and when occasion arises Government make general suggestions to industries to review their cost structure so as to reduce costs of production.

SHRI MAHESWAR NAIK: May I know whether these instructions issued to industries are by way of directives or just by way of suggestions?

SHRI MANUBHAI SHAH: Actually, there are various categories of industries, as the hon. Member is aware. From time to time, the Government comes to the House for approval of the various measures that the Tariff Commission recommends. There are

regular quasi-statutory enquiries instituted and reports are submitted to the House.

SHRI MAHESWAR NAIK: May I know whether the Government have any expert body like the Tariff Commission to go into the cost structure of industries and suggest specifically as to the ways in which the cost structure should be reduced?

SHRI MANUBHAI SHAH: For the information of the hon. Member and of the hon. House, I might say that in spite of the fact that in the last ten years the agricultural commodities and food prices have registered sometimes a price rise of 14 to 15 per cent., the manufactured articles have only stood between three to four per cent. over 1951 as the base year. Regarding the reduction of the cost structure of manufactured articles, we are contemplating establishing three or four study groups for some of the important consumer goods industries to see in what manner the present cost structure operates and to what extent we can reduce the cost so as to compete in foreign markets.

SHRI MAHESWAR NAIK: May I know whether any results have been achieved so far?

SHRI MANUBHAI SHAH: Oh, yes, results are being achieved.

*359. [For answer, vide cols . . . 1747-48 infra.]

U.S. LOAN TO BIRLAS FOR SETTING UP AN ALUMINIUM PLANT IN U.P.

*360. SHRI N. C. SEKHAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Birlas have obtained a loan of about \$19 million from the United States of America for setting up an Aluminium Plant in Uttar Pradesh;

(b) if so, who are the parties that have agreed to give the loan; and