

SHRI H. C. MATHUR: May I know, Sir, whether it is the view of scientists now that instead of heavy water beryllium would be an equally good moderator?

SHRI JAWAHARLAL NEHRU: I am afraid the hon. Member is getting into heavy waters himself. I do not want to test my capacity for swimming in these heavy seas.

SHRI H. C. MATHUR: If I am correctly informed, Sir, I am afraid, we will land ourselves unnecessarily into difficulties if we do not re-examine the whole issue at the present moment. That is why I wanted to spot-light this and bring it to the attention of the Prime Minister. It is no use saying we cannot swim in heavy waters.

MR. CHAIRMAN: Let us proceed to the next question.

SHRI H. C. MATHUR: May I at least get an assurance from the Prime Minister that he will examine this question, in view of the latest reports of information by scientists, particularly at the Geneva Conference?

SHRI JAWAHARLAL NEHRU: This question is obviously under constant examination. The whole position with regard to atomic energy production is a changing one, an advancing one and one has to keep completely up-to-date with it. I am glad to say that our scientists are up-to-date and they are certain that, in any event, heavy water is necessary, whatever other changes might take place.

**STATE-OWNED HEAVY ELECTRICAL EQUIPMENT FACTORY**

•20. SHRI H. C. MATHUR: Will the Minister for PRODUCTION be pleased to refer to the answer given to Starred Question No. 413 in the Rajya Sabha on the 12th September, 1955, and state:

(a) whether Government have since decided to set up a State-owned Heavy Electrical Equipment Factory, and if

so, whether the project will be undertaken in co-operation with any foreign firm; and

(b) if the answer to part (a) above be in the affirmative, whether the terms of agreement with any firm and the range of items to be manufactured have been settled?

THE MINISTER FOR PRODUCTION (SHRI K. C. REDDY): (a) Yes. Government have decided to set up a Heavy Electrical Equipment Factory in the country with Messrs. Associated Electrical Industries of the U.K. as Technical Consultants.

(b) Yes.

SHRI H. C. MATHUR: May I know whether this firm with which an agreement has been reached has big commercial interests in the country, and if it is so, may I know how these commercial interests are to be reconciled?

SHRI K. C. REDDY: This firm has got some establishments in this country and is carrying on trade. But that in no way affects the agreement or the implementing of the agreement that we have entered into with them.

SHRI H. C. MATHUR: What are the terms of the agreement? j. particularly put all these questions because this firm is already manufacturing most of the items which you now intend to manufacture. So when you enter into an agreement with such a firm, it would be natural for them to get big commercial interests in this country, and they are already wanting to dispose of their manufactured items. So I want to know whether you have provided anything in the agreement to reconcile the interests of the concern which we are setting up, with the commercial interests of this particular firm.

SHRI K. C. REDDY: Yes, the point referred to by the hon. Member has been borne in mind. The items which the new project is going to manufacture in this country are not the same as those that are being manufactured

by the company here at present. And j regarding the terms of the agreement, ; Sir, I would like to inform the hon. Member that copies of the agreement ! have already been sent to the Library of the House. They have been placed in the Library of Parliament and I might invite the attention of the hon. Member to the same.

SHRI B. C. GHOSE: May I know what other countries had offered similar facilities? I believe that the terms arrived at with A.E.I., were accepted because they were the best but I should like to know whether any other country had also offered technical assistance or aid in this matter. I should also like to know .the name of ithose countries.

SHRI K. C. REDDY: We consu ted our technical advisers and issued invitations to about 11 or 12 firms on the recommendation of a<sup>l</sup> committee of experts. Out of these 11 about 9 or 10 firms replied to our questionnaire. The information received from these firms was very carefully gone into again by a committee of experts and it was I decided that the offers of two fiims should be carefully examined. Later on, that committee added one more firm. The offers of these three firms were considered in all their aspects and, after satisfying ourselves that the terms offered by A.E.I., were the best .....

SHRI B. C. GHOSE: I want to know the name of these three firms.

SHRI K. C. REDDY: I am sorry I have not got information read ly available with me about the nine or -ten firms.

SHRI B. C. GHOSE: At least tie other two.

SHRI K. C. REDDY: The two firms, other than A.E.I., are Siemens >t Germany and the English Electric Co.

SHRI H. C. MATHUR: May I know whether any claims have been made

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regarding the location of this enterprise? How does the Government propose to go about in this matter?

SHRI K. C. REDDY: No decision has yet been taken regarding the location of this project.

SHRI H. C. MATHUR: I was asking about the claims not about the decision.

SHRI K. C. REDDY: Our consultants will go into the question and make recommendation to us within four months from the date of signing of the agreement. After receipt of that information, Government will take a decision regarding the location of the plant. Meanwhile, we have issued a questionnaire to all the State Governments requiring them to supply information on various points.

#### SEMINAR OF ENGINEERS HELD AT SRINAGAR

21. SHRI N. D. M. PRASADARAO: Will the Minister for IRRIGATION AND POWER be pleased to state to what extent the recommendations of tne Seminar of Engineers held at Srinagar have been implemented?

THE DEPUTY MINISTER FOR IRRIGATION AND POWER (SHRI J. S. L. HATHI) : A statement giving the required information is laid on the Table of the House. [See Appendix XI, Annexure No. 8]

SHRI N. D. M. PRASADARAO: In regard to item II, it has been said that a sub-committee of Ministers has been formed. I would like to know the latest position with regard to that recommendation.

SHRI J. S. L. HATHI: The meeting of the Co-ordination Board of Ministers was held on the 5th October and this sub-committee was appointed only on the 5th. That sub-committee has not yet met.