

**THE MINISTER FOR PRODUCTION (SHRI K. C. REDDY):** Eight officers who have been selected for higher training in ship-building are at present undergoing training at the Visakhapatnam Shipyard prior to their training at French Shipyard in accordance with the Agreement between the Hindustan Shipyard Limited, and the French firm (La Societe Anonyme des ATELIERS ET CHANTIERS de la LOIRE). Information regarding the trainees who have already undergone training at the French Shipyard is being collected and will be laid on the Table of the Rajya Sabha in due course. One officer was sent to the Netherlands for training with an United Nations Economic Development Fellowship.

**SHRI V. VENKATARAMANA:** May I know whether all these eight officers are from the existing staff or recruited recently for this purpose?

**SHRI K. C. REDDY:** Only one of them is from the existing staff, and the other seven officers were recruited from other sources.

**SHRI V. VENKATARAMANA:** May I know whether there are any equally qualified people now working in the Hindustan Shipyard?

**MR. DEPUTY CHAIRMAN:** There may be so many.

**SHRI V. VENKATARAMANA:** Then, may I know, Sir, why new people have been selected and sent to the foreign countries for training in ship-building?

**SHRI K. C. REDDY:** Because of necessity.

**MR. DEPUTY CHAIRMAN:** Yes, we want more technicians.

**SHRI J. V. K. VALLABHARAO:** May I know why only one man out of so many people who are already working as technicians there has been sent to a foreign country for training?

**SHRI K. C. REDDY:** It is a matter of opinion. The management goes into all these aspects. They have found it desirable to recruit only one officer who is already working in the Shipyard and they have found it necessary to recruit seven other people from other sources.

#### INDUSTRIALISTS' MEETING ON INDUSTRIAL DEVELOPMENT CORPORATION

\*193. **SHRI NARAYANDAS DAGA:** Will the Minister for COMMERCE AND INDUSTRY be pleased to state:

(a) whether the industrialists' informal meeting held recently in Bombay in connection with the setting up of an Industrial Development Corporation, was called by the Government of India;

(b) if so, who were the invitees;

(c) whether invitations were issued only to the industrialists from Bombay, Calcutta, Madras and Delhi; and

(d) if the answer to part (c) above be in the affirmative, what were the reasons for not inviting industrialists from other important industrial centres in Uttar Pradesh, Madhya Pradesh, Madhya Bharat, Andhra, Hyderabad, Mysore and Rajasthan?

**THE MINISTER FOR COMMERCE (SHRI D. P. KARMARKAR):** (a) Yes, Sir.

(b) A list of the invitees is placed on the Table of the House.

(c) The invitations were issued to the people in their individual capacity and not in consideration of the State or city they belong to.

(d) Does not arise.

*List of the people invited to the meeting held in Bombay on 6th August 1954 in connection with the Industrial Development Corporation.*

(i) Shri J. R. D. Tata.

(ii) Shri G. D. Birla.

(iii) Shri Sri Ram.

(iv) Shri Kasturbhai Lalbhai.

- (v) Shri Biren Mukerjee.
- (vi) Shri K. C. Mahindra.
- (vii) Shri A. Ramaswami Mudaliar.
- (viii) Shri S. P. Jain.
- (ix) Shri Khandubhai Desai.
- (x) Prof. D. R. Gadgil.
- (xi) Dr. J. C. Ghosh.
- (xii) Shri G. Sundaram and
- (xiii) V. N. Chandavarkar.

**SHRI NARAYANDAS DAGA:** Will the benefits of the proposed Corporation be extended to the inland centres?

**SHRI D. P. KARMARKAR:** Certainly, Sir, it is for the whole of India.

**SHRI NARAYANDAS DAGA:** What will be the strength of the Board of Directors?

**SHRI D. P. KARMARKAR:** I should like to have notice, Sir, because it is yet under formation.

**SHRI V. K. DHAGE:** May I know, Sir, what was the criterion in choosing the individuals to attend this conference?

**SHRI D. P. KARMARKAR:** The criterion was their capacity to serve a useful purpose in the meetings of the committee.

**SHRI NARAYANDAS DAGA:** May I know, Sir, whether there were no people available with that capacity in other States?

**SHRI D. P. KARMARKAR:** We had to make a choice, and we made what we thought to be a right choice.

**SHRI KANHAIYALAL D. VAIDYA:** May I know, Sir, what is the policy behind the formation of this Board?

**SHRI D. P. KARMARKAR:** The policy behind the formation of the Board, as my hon. friend might be already aware, is to co-operate with and help the industries which, without Government aid, it would be difficult to establish.

**SHRI KANHAIYALAL D. VAIDYA:** May I know, Sir, whether the Government is aware of the fact that Part B States are particularly backward areas, and if so, why did not the Government consider it necessary to invite some industrialists from there?

**SHRI D. P. KARMARKAR:** Sir, my hon. friend will easily realise that it is not the question of backward areas. People who know nothing will not serve any useful purpose in that committee. Not that backward States were not considered, but then we had to take the principal people who had experience in the industry in order to be able to help Government in this matter. When it is a question of choosing 10 or 15 industrialists, we are bound to be limited in our choice.

**SHRI V. S. SARWATE:** Is this Corporation to be a private concern?

**SHRI D. P. KARMARKAR:** It will be registered under the Companies Act, but it will be a Government-promoted concern. Government will provide initial capital, and the directors will be Government nominees.

**SHRI V. S. SARWATE:** Why was not the co-operation of other industrialists and big merchants, who were residing outside these four centres, invited by the Government?

**SHRI D. P. KARMARKAR:** Firstly, the assumption is wrong because I find two more centres, if they are to be called centres at all, included in the list. Shri Kasturbhai Lalbhai, Shri Khandubhai Desai and Prof. D. R. Gadgil from Poona. Now, regarding the latter part of the question, when we come to have a Corporation of this kind, we cannot afford to give territorial representation. Of course we do wish to invite co-operation of any one in this country towards making it a success, but when it comes to choosing 10 or 15 people from out of 360 millions, we are bound to be limited in our choice to what we consider to be the leading industrialists who will serve a useful purpose by being on this body.

SHRI NARAYANDAS DAGA: Is the Government aware of the fact that generally the benefit goes to the areas from where the directors come?

SHRI D. P. KARMARKAR: No Sir, I do not accept that assumption.

SHRI V. K. DHAGE: What is the extent of the capital that the Government has invested?

SHRI D. P. KARMARKAR: In the initial stages, I think, Government contributes a crore of rupees.

SHRI V. K. DHAGE: Does the Government propose to invite industrialists from others also?

SHRI D. P. KARMARKAR: I require notice, because the whole thing is under formation.

SHRI KANHAIYALAL D. VAIDYA: May I know whether there are no prominent industrialists in the backward areas?

MR. DEPUTY CHAIRMAN: Order, order. He has explained it sufficiently.

SHRI V. S. SARWATE: Has the Government attempted to prepare a list of prominent industrialists?

SHRI D. P. KARMARKAR: It is not a question of preparing a regular list. But we know who are prominent industrialists and who are not.

SHRI V. S. SARWATE: Are there no industrialists in other parts of the country?

MR. DEPUTY CHAIRMAN: Order, order.

SHRI NARAYANDAS DAGA: Can the Government supply a list to this House of prominent and non-prominent industrialists in Parts A, B and C areas?

SHRI D. P. KARMARKAR: I do not think it is a practical proposition, Sir.

SPECIAL BODY FOR THE ERADICATION OF CORRUPTION

\*194. SHRIMATI PARVATHI KRISHNAN: Will the Minister for IRRIGATION AND POWER be pleased to state:

(a) whether the Committee of Co-ordination consisting of engineers have set up any special body to devise means for the eradication of corruption in the various organisations set up for the execution of River Valley Projects;

(b) if so, what are the measures they have recommended; and

(c) whether Government have given any directions to the body; if so, what are they?

THE DEPUTY MINISTER FOR IRRIGATION AND POWER (SHRI J. S. L. HATHI): (a) Yes, Sir. The Committee of Co-ordination of Engineers have set up a Sub-Committee for suggesting positive measures for the eradication of corruption.

(b) The report of the Sub-Committee has not yet been received.

(c) No, Sir.

SHRIMATI PARVATHI KRISHNAN: May I know, Sir, whether any instances of corruption have already been brought to the notice of the Ministry?

SHRI J. S. L. HATHI: Yes, Sir. There are several instances which have been brought to our notice.

SHRIMATI PARVATHI KRISHNAN: May I know whether any judicial action has been taken or whether this Committee is only being set up in order to suggest action for eradicating the causes of corruption?

SHRI J. S. L. HATHI: That is a general question. On specific instances where corruption has occurred, the officers concerned have been prosecuted or are being prosecuted.