

COUNCIL OF STATES

Monday, 20th April 1953.

The Council met at a quarter past eight of the clock in the morning, Mr. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

ADVISERS FOR THE MANUFACTURE OF INSULATED TELEPHONE CABLES

*447. SHRI M. VALIULLA: Will the Minister for PRODUCTION be pleased to state:

(a) who are the technical advisers for the manufacture of insulated telephone cables;

(b) what is the remuneration that will be paid to the technical advisers;

(c) what are the other terms of agreement between the technical advisers and Government; and

(d) when the cables are expected to be turned out?

THE MINISTER FOR PRODUCTION (SHRI K. C. REDDY): (a) Messrs. Standard Telephones and Cables Limited, London.

(b) and (c). A statement showing the main provisions of the agreement is laid on the Table of the House. For further details, the Hon. Member's attention is invited to the copy of the agreement between the Government of India and Messrs. Standard Telephones and Cables Limited, dated the 30th November 1949, which is available in the Library of Parliament.

(d) Production of cables is expected to commence by the end of 1953.

STATEMENT

Main provisions of the agreement dated 30th November, 1949 with the Standard Telephones and Cables Limited.

- (1) S.T.C. to be Technical Consultants for a period of 20 years for manufacture of telephone cables comprising—

Communication cables and associated accessories, fine enamelled wires,

but excluding submarine cables and power cables.

- (2) S.T.C. to submit to Government, within three months from signing of the agreement, drawings, designs, estimates etc. for erection of the factory; supervise erection of the factory and supply necessary information to the building contractors; take technical responsibility for putting into service plant and machinery and provide engineers at their cost for the initial construction period.
- (3) S.T.C. to supply all technical information required for manufacture, give licence for patents etc., to Government.
- (4) S.T.C. to employ their staff at Government expense in the factory—number and salary to be mutually agreed upon.
- (5) S.T.C. to train selected Indian personnel at Government expense on their works outside India.
- (6) S.T.C. to see to it that in 3 years after the initial construction period the factory comes into full production according to schedule.
- (7) S.T.C. to produce in the factory S.T.C. products (not in the manufacturing programme) within two years from the date on which Government give notice of their intention as such.
- (8) Government have undertaken that Government and quasi-Government bodies would get their requirements of cables from the factory, till such time as the factory does not produce all types, 25 per cent. of

the requirements not manufactured in the factory would be purchased from S.T.C.

- (9) Government to pay 6 per cent. of the total cost of factory, plant equipment, etc., payment to be made after 3 months from the date of agreement in six quarterly payments of £5,000 each and then quarterly payments at 6 per cent. of the estimated disbursements during the succeeding quarters.

- (10) Government to pay 2 per cent. of the sale price of products manufactured in the factory, payable at the end of each year; with a minimum of £5,000 per annum for the first three years (after the construction period)—payments to be increased in case coaxial and carrier cables are also included for manufacture.

- (11) Government also to pay 6 per cent. of the cost of any expansion or improvement to the factory if undertaken by S.T.C.

SHRI M. VALIULLA: When the agreement was entered into, what was the period envisaged for the factory to go into production?

SHRI K. C. REDDY: About three years.

SHRI M. VALIULLA: Three years have passed.

SHRI K. C. REDDY: Just passed.

SHRI M. VALIULLA: What is the cost of the factory?

SHRI K. C. REDDY: The present estimate is about Rs. 110 lakhs.

SHRI M. VALIULLA: How many miles of cables are going to be manufactured per year, according to the agreement?

SHRI K. C. REDDY: I am afraid I am not in a position to give an answer to that question.

SHRI M. VALIULLA: In what other form is the estimated production to be given, if not in the form of miles of cables?

SHRI K. C. REDDY: If the hon. Member puts a separate question, I shall be glad to answer it.

SHRI M. VALIULLA: What is the annual requirement of India now in miles of cables?

SHRI K. C. REDDY: The present requirement of the country is estimated at between 1,000 and 1,200 miles length of cables.

SHRI M. VALIULLA: What is the cost of production per mile of cable when it is manufactured in this factory?

SHRI K. C. REDDY: That will have to be worked out.

SHRI M. VALIULLA: Before setting up the plant, did the Government not find out whether the cables would cost less or more than at present? There should have been some estimate. Is there not an estimate?

SHRI K. C. REDDY: What the exact cost per mile of cable will be when the factory goes into production will have to be worked at that stage.

SHRI M. VALIULLA: What is the estimate?

SHRI K. C. REDDY: I am sorry I cannot give the figure just now.

SHRI K. C. GEORGE: May I know what is the production capacity of the factory today?

SHRI K. C. REDDY: The plant has not yet gone into production. It is to go into production by the end of this year.

SHRI K. C. GEORGE: What will be the production?

SHRI K. C. REDDY: As I have already said, to give the exact figure of estimated production I would like to have notice.

PHILIP G. RANGA: Apart from the exact figure, the hon. Minister must be having some approximate figure. What is the present position? Are we renewing this agreement? Shall we be able to get our own technical experts trained here so that they would be able to manage this factory?

SHRI K. C. REDDY: Six of our men have already gone abroad for training in the company's plants.

PERCENTAGE OF INDIA'S SHARE IN THE WORLD TRADE

*448. SHRI M. VALIULLA: Will the Minister for COMMERCE AND INDUSTRY be pleased to state:

(a) what is the percentage of India's share in the world trade in each year from 1947 to 1952; and

(b) what is the percentage of Asia's share in the world trade in each year during the same period?

THE MINISTER FOR COMMERCE AND INDUSTRY (SHRI T. T. KRISHNAMACHARI): (a) India's share of world trade was approximately 2 to 3 per cent. during each of the years from 1947 to 1951. Information for 1952 is not available.

(b) Asia's share of world trade during the same period was about 11 to 15 per cent.

SHRI M. VALIULLA: Was any conference of Asian countries held with a view to promoting exports of more articles to other countries?

SHRI T. T. KRISHNAMACHARI: No such conference was held for that specific purpose. But we have conferences under the aegis of what is called ECAFE. We have also conferences for promotion of trade within the area.

SHRI M. VALIULLA: The hon. Minister was pleased to mention that various conferences are held. For ins-

tance, was there any conference held in addition to the conferences held in Singapore and in Manila?

SHRI T. T. KRISHNAMACHARI: I must ask for notice.

SHRI M. VALIULLA: What are the recommendations of these conferences?

SHRI T. T. KRISHNAMACHARI: There are no recommendations as such. These conferences are clearing houses for information. Speeches are made and information is given and it is up to the countries concerned to follow it up. No specific recommendations are entertained in these conferences.

SHRI M. VALIULLA: Is the Government aware that it is the unanimous opinion of the conferences that the countries should arrange for having more co-ordinated research programmes and for the establishment of more regional research laboratories?

SHRI T. T. KRISHNAMACHARI: All kinds of matters are brought within the scope of discussion in these conferences. Government are undoubtedly aware of what is being done. But what the Indian Government can do is limited by the availability of men, materials and resources.

SHRI M. VALIULLA: Am I to take it that nothing is being done by the Government of India to arrange special meetings with other countries for purposes of co-ordinated work?

SHRI T. T. KRISHNAMACHARI: What is being done is to enter into bilateral trade negotiations with various countries. We have not gone further than that, excepting for the part we take in these various conferences. No doubt we have often-times studies made of our export possibilities, and this is a continuous process. I am exercising my mind on these things now and again when I have a little time. But I must again plead that dearth of personnel and resources hampers progress.