

(b) what is the requirement of raw jute by jute mill industry for the current year; and

(c) the steps Government propose to take to meet the deficit, if any?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI): (a) It is too early to give a precise quantitative idea of the size of the current season's crop. Due to lack of rains and subsequent floods, a shortage is anticipated.

(b) 68 lakh bales.

(c) Government have already authorised the import of 75,000 bales of superior quality jute to meet the immediate requirements. The question of further imports is being considered.

#### IMPORT OF DAIRY EQUIPMENT

\*661. SHRI ARJUN ARORA :

SHRI KRISHAN KANT :

PROF. SAIYID NURUL

SHRI A. P. CHATTERJEE :

HASAN :

Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) whether it is a fact that his Ministry issued instructions in June 1968 that in order to utilise the indigenous installed capacity for dairy machinery, there should be no import of dairy equipment either by purchase or under aid or as gift ;

(b) whether it is also a fact that in August, 1968, the Ministry agreed to permit M/s. Haryana Milk Foods to import capital equipment worth Rs. 8 lakhs from Denmark; and

(c) if the answers to parts (a) and (b) above be in the affirmative, what are the reasons for a change in policy in this respect?

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED): (a) to (c) A statement is laid on the Table of the House.

#### STATEMENT

(a) In June, 1968, instructions have been issued to all concerned that pro-

posals involving import of dairy equipment, whether under Aid or as gifts, should invariably be referred to the Director-General of Technical Development in the first instance for obtaining clearance from the indigenous angle.

(b) and (c) M/s. Haryana Milk Foods had submitted a proposal in September, 1966 for setting up a medium scale unit in District Karnal (Haryana) for the manufacture of milk products. The proposal involved a total requirement of capital equipment of Rs. 22.5 lakhs, of which equipment valued at Rs. 14.50 lakhs was proposed to be imported. The list of equipment to be imported was scrutinised by the Directorate General of Technical Development, which agreed to imports of only Rs. 8 lakhs. The case was considered by the Capital Goods Committee on April 17, 1967, and it was decided to note the requirements of Rs. 3 lakhs for being provided from future Danish credit.

In June, 1967, the firm reported that they had located suppliers in the German Democratic Republic, who would be able to supply the items cleared by the Directorate General of Technical Development. As there was no certainty about the availability of Danish credit, the firm wanted permission to effect imports from the GDR. This was agreed to after again obtaining the clearance of the D. G. T. D. from the indigenous angle and an import licence was issued in April, 1968 for Rs. eight lakhs.

In July, 1968, the firm reported that the suppliers in the GDR had declined to supply the equipment previously offered as these were no longer in their export programme. The firm, therefore, requested for a change in source of import from the GDR to Denmark, as was originally proposed. As the Danish credit had, by then, become available, the request was agreed to in August, 1968.

It will be seen that the imports by M/s. Haryana Milk Food had been cleared by the DGTD in the usual manner and items of equipment likely to be domestically available had been deleted from the original request for imports.