

Dastur and Co.

*263. {
 Shri P. R. Chakraverti:
 Shrimati Savitri Nigam:
 Shri P. C. Borooah:
 Shri A. N. Vidyalkar:
 Shri D. C. Sharma:
 Shrimati Tarkeshwari Sinha:
 Shri Hukam Chand
 Kachhavaia:
 Shri Brij Raj Singh:
 Shri Bade:
 Shri Indrajit Gupta:
 Shri Yashpal Singh:
 Shri Daji:
 Shri Mohammad Elias:
 Shrimati Vimla Devi:
 Shri D. J. Naik:
 Shrimati Sharda
 Mukerjee:
 Shri R. Barua:
 Shri D. D. Mantri:
 Shri Basumatari:
 Dr. L. M. Singhvi:
 Shri R. S. Pandey:
 Shri Bagri:

Will the Minister of Steel and Mines be pleased to state:

(a) whether it is a fact that M/s. Dastur and Co. has withdrawn its offer to convert the firm into a public sector organisation of Industrial Consultants;

(b) if so, the reasons advocated by the firm; and

(c) whether the Indo-Soviet agreement on Bokaro contained any clause indicating the extent to which M/s. Dastur and Co. would fit into the new set-up?

The Minister of Steel and Mines (Shri Sanjiva Reddy): (a) to (c). During the negotiations with Messrs Dastur & Co., the firm had indicated that they were not willing to be taken over in the public sector as they were not prepared to give majority shareholding to Government, and that with Government control they would lose their independent method of operation. Government did not, therefore, consider it worthwhile to pursue this aspect with the firm.

According to Article 4 of the Indo-Soviet Agreement dated the 25th January, 1965, for the construction of Bokaro Steel Plant, Indian organizations will be associated with the engineering of Bokaro. Government have since decided that such of the work as will devolve on Indian organisations according to this Agreement will be assigned to Messrs. Dastur & Co. subject to a satisfactory agreement regarding fees. The extent of Messrs Dastur & Co's association, however, is to be discussed and settled with Soviet organisations after the detailed project report for the steel-works at Bokaro is submitted and accepted by the Government. Proposals have also been made to Dasturco for their association with work on the Bokaro Steel Plant which is outside the scope of the Soviet organizations and Dasturco's reply is awaited in this regard.

Prices of Cars

*264. {
 Shri P. C. Borooah:
 Shri Warrior:
 Shri Prabhat Kar:
 Shri Vasudevan Nair:

Will the Minister of Industry and Supply be pleased to refer to the reply given to Short Notice Question No. 8 on the 9th April, 1965 and state:

(a) whether inquiry into the cost structure of cars manufactured in India has since been completed;

(b) if so, the findings thereof; and

(c) the action taken thereon?

The Deputy Minister in the Ministry of Industry and Supply (Shri Bibudhendra Misra): (a) to (c). In the reply given to Short Notice Question No. 8 on the 9th April, 1965, it was stated that Government would examine to what extent the increases effected by some of the manufacturers of motor vehicles consequent on the levy of the 10 per cent regulatory duty were excessive or improper and take suitable action in the matter. This has since been done. While the