

Shri Hem Barua: I had asked about the armed strength on the Ladakh frontier.

Shri Jawaharlal Nehru: We have no information on the subject. The question was whether the Chinese armed strength on the Ladakh border has increased considerably. We have no information about that. As the hon. Member, perhaps, knows, recently, about a month or more ago, I went to one or two parts of this border—right up to the border—to see our own troops there. And, I did not hear anything particular about this matter there.

Shri Yadav Narayan Jadhav: May I know whether a prominent member of the Communist Party from Hyderabad made a statement to the effect that the Chinese have not committed any aggression or entered into India up to this time and that they also do not acknowledge the Mac-Mohan Line?

Mr. Speaker: That does not arise out of this question.

Shri Vidya Charan Shukla: May I know if there has been any major or minor clash with the Chinese patrol parties within this period, 1st May, 1960 to this date?

Shri Jawaharlal Nehru: There has been no clash or contact in that sense.

Export of Engineering Goods

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 *257. { **Shri Bibhuti Mishra:**
Shrimati Ila Palchoudhuri:
Shri Ajit Singh Sarhadi:
Shri D. C. Sharma:
Shri Kodiyani:

Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that export potentialities of engineering goods manufactured in our country are now brighter than before;

(b) whether it is also a fact that exports of these goods at present amount to only about 3 per cent of their production;

(c) if so, the reasons therefor; and

(d) the steps taken or proposed to be taken to step up the exports?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra):

(a) Yes, Sir.

(b) Although the exact percentage has not been determined, it is a fact that only a small proportion of total production is exported.

(c) Relatively high internal demand and stiff international competition.

(d) Supply of raw materials at concessional rates, rebate on excise duty, drawback of customs duty and railway freight concessions are some of the important steps taken to step up exports which are gradually increasing.

Shri D. C. Sharma: I have been reading in the papers that the Government of India have arrived at some agreements with some foreign countries for the export of goods in which light engineering goods have been included. May I know what are those countries with which we are going to exchange light engineering goods for their goods?

Shri Satish Chandra: We try to sell them as and when possible. Some of our goods, such as sewing machines, are finding a market now in European countries as well as in the United States of America. We have tried that these may be lifted by those countries with whom we have rupee payment agreements. There are small electric motors, small pumps, sewing machines etc. There are possibilities of export of these to some countries and we have included those items in schedules to the agreements.

Shri D. C. Sharma: May I know if the Small Scale Industries Corporation and similar other bodies are doing anything to help the manufacture of engineering goods; and, if so, in what manner?

Shri Satish Chandra: There is the Export Promotion Council for engineering goods; and many schemes have been formulated to give raw material at concessional rates. For instance, in the case of steel the equalisation charge is not paid by exporters. There is drawback of customs and excise duty; railway freight rates have been reduced in the case of many items. Every attempt is being made to help the exporter.

श्री विभूति मिश्र : मैं जानना चाहता हूँ कि मुख्यतः कौन कौन से देशों में कौन कौन सा सामान हम भेजते हैं, और उनमें कितने परसेंटेज का कन्वेंशन देते हैं ?

अध्यक्ष महोदय : डिटेल्स मांगते हैं ।

श्री सतीश चन्द्र : फेडरिस्त तो बहुत लम्बी है । मोटे तौर पर सबसे ज्यादा इंजिनियरिंग गुड्स साउथ ईस्ट एशिया के मुल्कों में जाते हैं, फिर वैंस्ट एशिया में भी जाते हैं, अफ्रीका में जाते हैं । एक करोड़ का सामान हमने अमरीका भी सन् १९५६ में भेजा है । इस तरह से ५ करोड़ ६५ लाख का सामान हमने सन् १९५६ में बाहर भेजा है । इसकी फेडरिस्त बहुत लम्बी है ।

Shri Kodiyan: The hon. Minister has stated that Government have taken certain steps to step up export. May I know whether, as a result of these steps there has been any increase in export recently? If so, what is the percentage of increase?

Shri Satish Chandra: In 1958 the export of engineering goods was about only Rs. 4 crores. In 1959, it was Rs. 5.65 crores. In the first 6 months of this year it has reached about Rs. 4 crores. So, it is obvious that our exports are increasing. I think by the end of this year we will close with more than Rs. 8 crores.

Shri Harish Chandra Mathur: May I know if the hon. Minister has selected any particular items for which there is a great potentiality. If so,

what are those items and what are the expectations and targets?

Shri Satish Chandra: It is difficult to give the items. But I should like to give the broad details as to how the exports have taken place. Out of the Rs. 5,65,00,000 in 1959, we exported about 64 lakhs worth of aluminium, brass were etc. The export of light engineering goods which included several items agricultural implements, batteries, cells, electric fans, lamps, electric equipment steel furniture cutlery etc. was about Rs. 282 lakhs. Automobile parts, diesel engines, textile machinery etc. worth Rs. 68 lakhs were exported.

Shri Harish Chandra Mathur: The question was whether there was any organisation to promote the export of these items.

Shri Satish Chandra: We are trying to promote the export of every item—whatever can be exported.

Shri Vidya Charan Shukla: May I know what part of this export has been managed by the State Trading Corporation? Or, have they done nothing about it?

Shri Satish Chandra: Most of these are done by private manufacturers. The State Trading Corporation deals only with large items. May be in relation to the European countries important exports are handled through the State Trading Corporation. The genuine export is by somebody here.

श्री विभूति मिश्र : जिन देशों को यह ५ करोड़ ६५ लाख का सामान भेजा है उन देशों में उस माल की क्वालिटी के बारे में क्या खयाल है ?

श्री सतीश चन्द्र : एक्सपोर्ट बढ़ते जाते हैं, इससे खयाल यही है कि माल अच्छा है । सन् १९५६ में हम ने कुछ सौ साइकिलें भेजी थीं और सन् १९५६ में उनकी संख्या ७,००० हो गयी है । इससे मादूम होता है कि माल अच्छा ही है ।

Mr. Speaker: Next question, Shri D. C. Sharma:

Shri D. C. Sharma: May I know what was the total output of engineering goods during 1959-60 and whether there was any increase over the figures of last year.

Mr. Speaker: I asked the hon. Member to call the next question.

Shri D. C. Sharma: This question also may be answered now, Sir.

Shri Satish Chandra: The estimated production in the organised sector of the industry was about Rs. 325 crores in 1959. The exact estimate of the small scale industries is not available. But it would be another Rs. 100 crores. On that basis, we say that about 3 per cent is now being imported.

Mr. Speaker: Next question.

Antibiotics Plant at Chandigarh

*358. **Shri D. C. Sharma:** Will the Minister of Commerce and Industry be pleased to refer to the reply given to Starred Question No. 505 on the 1st March, 1960 and state:

(a) the progress made so far in the setting up of an antibiotics plant at Chandigarh by the American firm M/s. Pfizer Corporation; and

(b) when it is likely to start functioning?

The Minister of Industry (Shri Manubhai Shah): (a) and (b). A statement is laid on the Table of the Sabha.

STATEMENT

The progress so far made in setting up a plant for producing tetracycline and oxytetracycline at Chandigarh in Punjab State by Messrs Dumex Private Limited, Bombay, is given below:—

Construction of factory:

The foundation stone of the factory was laid on the 2nd May 1960. About 30 per cent of the building work has

been completed. The construction work is in progress.

Ordering of equipment:

About 77 per cent of the capital equipment required have been ordered, out of which 10 per cent has been received and the balance is expected to be received in the near future. Temporary power and water connections have been secured. Necessary applications for regular supplies have been made to the local authorities.

Recruitment of technical personnel:

One foreign technician has already been employed. One Indian technician has since been trained in U.S.A. and five more Indian technicians have been sent to U.K. for training. A skeleton staff of 12 including 8 managerial and supervisory personnel is at present employed in the project.

General:

According to present indications the construction of the factory building and the installation of plant and equipment will be completed by early 1961. The production will commence in the first quarter of the same year.

Shri D. C. Sharma: From the statement I find that this factory will start functioning in 1961. May I know what will be the approximate production of this factory during the first year and whether it will go on increasing as time goes on?

Shri Manubhai Shah: The estimated production is 2,000 kgs. of tetracycline and 3,000 gms of oxytetracycline.

Shri D. C. Sharma: May I know whether all the facilities will be afforded to Chandigarh for the marketing of these products?

Shri Manubhai Shah: This is to cater for the needs of the whole country. In proportion to Chandigarh's wants the sale of these drugs will take place there.