

Mr. Speaker: That would be more or less a matter of opinion.

Shri T. K. Chaudhuri: What I want to know is whether companies which had invested capital in India but are incorporated in foreign countries are being encouraged to compete with Indian concerns.

Shri T. T. Krishnamachari: I am not able to understand the purport of this question but I would nevertheless say that the position is somewhat different in regard to companies which are already established. What these two statements refer to are in regard to companies that have been sought to be established after 1948 and 1949. So, if the hon. Member has in mind companies which were established earlier the policy indicated would not apply to them.

CLOSURE OF MILLS

*106. **Dr. Ram Subhag Singh:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that some cloth mills of Western India had expressed fear of the closure of the mills because of water scarcity; and

(b) if so, where those mills are located?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) and (b). Four Mills of Western India have given notice of closure because of water scarcity. One is in Jalgaon, the other at Baroda, and two in Bhavnagar. None of these four has actually closed.

Dr. Ram Subhag Singh: May I know whether any arrangement has been made by the Central Government or the State Governments to remove the water scarcity in those mills?

Shri T. T. Krishnamachari: These mills have merely given notice but they continue to work. Apparently the scarcity is not so acute.

Shri Kasliwal: Is it not a fact that certain mills have closed down for want of power instead of water supply?

Shri T. T. Krishnamachari: Maybe.

DEVELOPMENT OF ASSAM VILLAGES

*107. **Shri S. C. Samanta:** Will the Minister of Planning be pleased to state:

(a) whether the pilot project for development of Assam villages has been launched;

(b) if so, when and where;
(c) what is the primary object of the Scheme; and

(d) how the expenditure of the Project will be met and how long it will take to complete the Scheme?

The Minister of Planning and River Valley Schemes (Shri Nanda): (a) and (b). I presume the hon. Member is referring to Community Projects. Assam has been allotted two Community Projects, one in the Cachar District and another in the Darrang District, and two development blocks in the tribal area. Work on these is expected to commence early in October in time for the Rabi season.

(c) The central object of a Community Development Project is to secure the fullest development of the material and human resources of the area. The attainment of this object in rural areas demands urgent measures for a rapid increase in food and agricultural production.

(d) Expenditure in foreign currencies will be met through allotments from Fund A under the Indo-U. S. Technical Cooperation Agreement. Rupee expenditure will be met partly by the Central Government from the Special Development Fund, called Fund B, and partly by State Governments. It is expected that work on the projects will be completed in three years.

Shri S. C. Samanta: May I know what other development projects for villages are to be launched by either the State Governments themselves or in co-operation with the Central Government?

Shri Nanda: There is another project under an agreement reached with the Ford Foundation and that was expected to start in February this year.

Shri S. C. Samanta: May we know whether Government contemplate to take the assistance of non-official bodies in the execution of these works?

Shri Nanda: Yes, Sir, in as large a measure as possible.

Shri T. S. A. Chettiar: May I know what kind of work the Ford Foundation propose to contribute in this area?

Shri Nanda: In those projects, work of practically the same nature but of a restricted kind is going to be carried out—it will be mostly agricultural extension work.