

(b) if so, on what terms?

The Deputy Minister in the Ministry of Commerce (Shri S. V. Ramaswamy): (a) and (b). Agreements have been entered into between the State Trading Corporation of India and two British Companies for the import of Cotton and Woollen Textile machinery. The terms of import are as follows:

**I. Import of Cotton Textile Machinery from Platt Bros., U.K.**

(i) An initial payment of 5 per cent. of the total value of the contract by direct transfer to the Seller or to Midland Bank Ltd., Overseas Branch, London, for credit of the Sellers' account to be received within 30 days of the signing of the contract;

(ii) A confirmed and irrevocable Letter of Credit for 5 per cent. of the total value of the contract to be established in London in favour of the Seller payable on presentation of certificate from Midland Bank Ltd., of the first payment to the Seller. All expenses relating to the opening, confirming and extending of the above Letter of Credit will be borne by the Seller;

(iii) Two further payments each of 5 per cent. of total contract value by the Buyers' Promissory Note issued on date of contract in favour of the Seller and guaranteed by the Government of India payable respectively 21 and 30 months after the date of contract;

(iv) For the balance 80 per cent. of the total f.o.b. value of the equipment a financing agreement has been entered into with Midland Bank according to which they will pay to Platt Bros. the 80 per cent. of the f.o.b. value of the machinery on presentation of Bills of Lading. The State Trading Corporation would be required to pay to the Bank by Promissory Notes, maturing every 6 months over a period of 10 years;

(v) The rate of interest on 80 per cent. will be 5½ per cent per annum on amounts outstanding upto 7 years, and 6½ per cent. per annum on amounts out-standing beyond 7 years (free of tax).

**II. Import of Woollen Textile Machinery from M/s. Prince Smith and Stells Ltd., U.K.**

(i) 10 per cent of f.o.b. value to be paid within 14 days of placing of orders;

(ii) Further 5 per cent. of f.o.b. value on presentation of shipping documents;

(iii) Balance 85 per cent. of f.o.b. value in twenty equal successive half yearly instalments; first instalment to start from six months after the date of shipment;

(iv) Interest to be paid at 6 per cent per annum on diminishing balance outstanding on the date of payment.

**Small Scale Industries**

895. { Shri S. N. Chaturvedi:  
Shri M. Rampure:  
Shri Bibhuti Mishra:

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

(a) whether Government propose to regulate and control the growth of small scale industries; and

(b) if so, the reasons which have necessitated such a step?

The Deputy Minister in the Ministry of Industry and Supply (Shri Bibudhendra Misra): (a) and (b). There is a proposal under Government's consideration to regulate the growth of small scale industries which require scarce raw materials with a view to ensuring that (i) these materials are put to maximum advantage in the overall national interest, and (ii) the new entrepreneurs setting up small scale units are not put in the

difficult position of not having raw materials to utilise a reasonable portion of their capacity. Development of small scale industries which do not require scarce raw materials will continue to be free as at present.

#### **Earth Keeping Spots on the Railway Stations**

**896. Shri D. N. Tiwary:** Will the Minister of Railways be pleased to state:

(a) whether it is a fact that earth keeping spots have been provided at certain important stations on some of the Railways for passengers to wash their hands after ablution;

(b) whether any arrangements have been made to store earth at such places; and

(c) whether it is a fact that very seldom earth is stored and the places of storage remain vacant due to which passengers are put to inconvenience?

**The Minister of State in the Ministry of Railways (Dr. Ram Subhag Singh):** (a) and (b). Yes.

(c) No complaints in this respect have been received. However, instructions have been issued to the Railways to ensure that earth is always available at such places for the use of the passengers.

#### **Newsprint Factory in Uttar Pradesh**

**897. { Shri Ramachandra Ulaka:  
Shri Dhuleshwar Meena:**

Will the Minister of Industry and Supply be pleased to refer to the reply given to Unstarred question No. 1160 on the 13th March, 1964 and state:

(a) whether the revised proposal for setting up a newsprint factory in Uttar Pradesh has been examined; and

(b) if so, the result thereof?

**The Deputy Minister in the Ministry of Industry and Supply (Shri**

**Bibudhendra Misra):** (a) and (b). Yes, Sir. The firm has been issued a letter of intent to enable them to finalize the terms of technical and investment collaboration and also to make arrangements to import the plant and machinery.

#### **Inspection Cell in Dusseldorf**

**898. { Shri Ramachandra Ulaka:  
Shri Dhuleshwar Meena:**

Will the Minister of Industry and Supply be pleased to refer to the reply given to Unstarred Question No. 1161 on the 13th March, 1964 and state:

(a) whether the question of opening an Inspection Cell in Dusseldorf has since been considered; and

(b) if so, the details thereof?

**The Minister of Supply in the Ministry of Industry and Supply (Shri Raghuramaiah):** (a) Yes. The proposal has since been approved.

(b) The Inspection Cell in Dusseldorf will be set up by transfer of 15 posts from the India Supply Mission, London and creation of 4 additional posts locally. The Cell will mainly consist of Technical Officers who will carry out inspection of the goods purchased in Western Europe. The Cell will function under the overall control of the India Supply Mission, London.

#### **Manufacture of Automobile Tyre and Tube valve cores**

**899. Shri Shree Narayan Das:** Will the Minister of Industry and Supply be pleased to state:

(a) whether it is a fact that small units manufacturing automobile tyre and tube valve cores are not supplied with the required raw materials for the purpose;

(b) if so, the reasons therefor; and

(c) the foreign exchange involved in the import of these items?