

a member of this Committee. The report will be submitted in three weeks...*(Interruptions)*

**SHRI KRISAN DUTT SULTANPURI:** May I know from the hon. Minister the details regarding the number of agents appointed under the small deposit schemes and the amount of commission paid to them?

**SHRI DALBIR SINGH:** The State Government does the collection work. As I said earlier, 75% of the amount so collected is given to the States. The State Collectorates also do the collection work.

*[English]*

**MR. SPEAKER:** Shri V.S. Rao. You have always been asking so many questions. You should give chance to others also.

**SHRI SOBHANADREESWARA RAO VADDE:** I would like to know from the Government that in view of the two factual positions- the expenditure on behalf of the Government will be minimal in respect of collection of the small scale deposits through the post offices located in the rural areas and that the rural people can also take back the amounts they deposit with less expenditure - will the Government take the maximum differential rate of interest to the rural people to encourage more deposits through the post offices? I am sure this will give benefit to the rural people.

**MR. SPEAKER:** He is asking about the differential rate of interest to the people from rural areas.

*[Translation]*

**SHRI DALBIR SINGH:** From 1.10.91 a 13.5% rate of interest has been offered on small scale deposit schemes in post offices to attract the investors.

**SHRI KALKA DAS:** Small scale deposit schemes play an important role in the country's economy. Just now the hon. Minister said that the collection level of small scale deposit schemes is falling. I would like to

know the amount collected under this scheme over the last five years year-wise, and the steps being taken by the Government to make the scheme more attractive.

**MR. SPEAKER:** You can provide the relevant statistics.

**SHRI DALBIR SINGH:** I have the year-wise statistics as asked by the hon. Member. I shall give it to him with your permission.

**MR. SPEAKER:** You may do so.

### **German Investment in India**

*[English]*

**430. DR. C. SILVERA:** Will the Minister of FINANCE be pleased to state:

(a) whether a delegation from Germany visited India recently;

(b) if so, the broad account of the issues discussed and the outcome thereof;

(c) whether an assurance of fresh investments by Germany in India has been received; and

(d) if so, the details hereof and further action taken in the matter?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR):** (a) to (d). A Statement is laid on the Table of the House.

### **STATEMENT**

A delegation led by the German Federal Minister for Economics visited India from 17.11.91 to 19.11.91 in connection with the IXth Session of the Indo-FRG Joint Commission on Industrial and Economic Cooperation. Issues pertaining to trade, investment and development cooperation assistance came up for discussion. India's need for enhanced flows of capital transfers and for

enhanced market access of its exports to the markets of the developed countries was recognised by the German delegation. The Indian delegation outlined the recent steps taken by the Government of India for creating conditions conducive to direct foreign investment in India.

As the discussions were a policy dialogue between the two countries, no specific investment proposals were sought by the Indian side. However, interest was shown by the officials of the Federal Government as well as representatives of German Trade and Industry in the emerging investment climate in India.

DR. C. SILVERA: Sir, according to the reports, in the recent visit to India the German Minister of Economics with his delegation held discussions with our officials. They seem to have been satisfied with our officials. They seem to have been satisfied with the new economic and industrial policies followed by the Government of India. According to some reports, assurances are seemed to have been given for fresh investments by Germany in India. The German interest in making investment in India was evident from the composition of their delegation which included some of the leading representatives of the German industry and the banks. In view of the above, may I know from the hon. Minister as to what are the new major projects the Germans are contemplating to finance in India and what are the major projects in India which are financed by Germany so far?

SHRI RAMESHWAR THAKUR: Sir, the Indo-German Joint Commission on Industrial and Economic Cooperation had high level discussions and had broadly discussed about the areas of fresh investments in India and also India's assessability in the European market including German market, in regard to Indian export. There has been a very satisfactory discussion in this regard. The German side also said that the Indian enterprise could also take part in the development and infrastructure and industrial development of eastern Germany. And they

have invited Indian enterprises to participate in that.

*(Interruptions)*

As regards the participation, year-wise, we have got, right from the beginning, from the year 1957 to 1990, 13,667 foreign collaborations out of which German collaboration accounts for 2476 which constitute 18 per cent of the foreign collaboration which India had. During the recent times also, i.e., during the current year, we have got approval; in the year 1991 upto August, 60 cases of foreign collaboration with German firms involving investment of Rs. 229.1 million have been approved.

DR. C. SILVERA: Some of the projects in different States are financed by German companies. Can State Governments have direct negotiations with these companies to take up pending projects in their respective States?

SHRI RAMESHWAR THAKUR: Sir, normally the projects are dealt from Government to Government level unless it is a private project where a private entrepreneur deals with it. So far as the German assisted projects are concerned, normally they are at the Government level.

*[Translation]*

SHRI NITISH KUMAR: Sir, a German delegation had come to Delhi and the Indian Prime Minister had also gone to Germany. He had requested for German investment in India. I would like to know whether any talks were held with regard to the defence and automobile sector. If so, the response thereof?

*[English]*

SHRI RAMESHWAR THAKUR: Sir, as I mentioned earlier, there was discussion on specific projects because this was a very high level discussion.

**MR. SPEAKER:** What about Defence automobile?

**SHRI RAMESHWAR THAKUR:** On defence automobile, no specific projects have been discussed so far as the last Meeting is concerned.

**SHRI SARAT CHANDRA PAT-TANAYAK:** May I know from the hon. Minister the names of the sectors where Germany has shown interest to invest on technology?

**SHRI RAMESHWAR THAKUR:** Indo-German collaborations have generally taken place in the chemicals and petro-chemicals and electricals, machineries, precision tools and industrial machineries.

There are also other areas of high technology in which we have interest and we have possibility of higher collaboration under the Indo-German Technical Collaboration Agreement.

[*Translation*]

**SHRI S.M. LALJAN BASHA:** Sir, talks were held with the German delegation regarding Indo-German collaboration in the field of industrial machinery. In this context, does the Government propose to take steps to set up high-technology projects with German collaboration?

**SHRI RAMESHWAR THAKUR:** Under an agreement between the two countries for transfer of technical know-how, specific projects have been agreed upon. One of these is related to machine tools in Ludhiana, Lucknow and Bhopal. Apart from these, three others are being set up. In this way we seek technical know-how on the basis of need. This may be done in future also.

**SHRI RAM NARAIN BERWA:** Sir, is any German company interested in setting up a two-wheeler industry in India? If so, what type of assistance will the Government provide?

[*English*]

**THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH):** Sir, there is a proposal to have collaboration between Escorts and BMW in this respect.

[*Translation*]

**SHRI NAVAL KISHORE RAI:** Sir, the hon. Minister in his reply has stated that investment in any particular area was not discussed. May I know from the hon. Minister if there would be a proposal from India's side for German investment in the industrial sector in the near future.

**MR. SPEAKER:** He has already explained that point at length.

**SHRI RAMESHWAR THAKUR:** There is co-operation between the two countries in the area of high technology, at the Government and non-Government levels.

#### WRITTEN ANSWERS TO QUESTION

[*English*]

##### Indian Council of World Affairs

\*406. **DR. A.K. PATEL:**  
SHRI SHANKERSINH  
VAGHELA:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether the Government have taken any decision on the question of reintroduction of Bill in Parliament for taking over the management of the Indian Council of World Affairs:

(b) if so, the details thereof;

(c) whether any funds have been re-