

Completion of Blanket Unit at Ordnance Clothing Factory, Shahjahanpur, U.P.

4196. SHRI JITENDRA PRASADA : Will the Minister of DEFENCE be pleased to state :

(a) whether the construction of the Blanket Unit at the Ordnance Factory, Shahjahanpur, U.P. has been completed if not, the reasons therefor and the date by which it is likely to be completed ;

(b) the other new projects being taken up in the Ordnance Clothing Factory, Shahjahanpur, Uttar Pradesh with details of each project, dates of commencement of works and completion of the projects ;

(c) whether orders given by the Army for clothing items are so large that the ordnance clothing factories are incapable of producing them and the requirement of the Army is being procured from the private trade, if so, the details of the items being procured from the private sector ; and

(d) whether with a little investment these factories can fulfil the entire requirement of the Army by expanding their existing capacities and also utilising fully their existing capacity ?

THE MINISTER OF DEFENCE (SHRI P.V. NARASIMHA RAO) : (a) No, Sir. The delay is because of delay in completion of Civil Works and delay in receipt of some machines from suppliers.

The project is expected to be completed early in 1986.

(b) The other new project being taken up in the Ordnance Clothing Factory Shahjahanpur, U.P. relates to augmentation of capacity for manufacture of certain clothing items by 50 lakh man hours. The project was sanctioned in October 1983. The work on the project is expected to be completed by October 1987.

(c) Due to introduction of new uniforms and replacement of certain items on life cycle concept, a one-time pack requirement was projected by Army. It was not possible for the Ordnance Equipment Group of Factories to meet the whole of it within the

time frame laid down. Even if the capacity had been augmented it would have taken 3 to 4 years to make the supply. There a decision was taken to meet a part of the Army's requirement by procuring the items from trade. The items being procured from trade consist of Durries, Socks, Vests, Blankets, Jerseys, Towels, Caps, Boots and the like.

(d) The available capacity in the Ordnance Equipment Group of Factories is being utilised fully. It is not economical to add to the capacity in the Ordnance Factories by making further investments where the balance requirements can be met from the trade at no extra cost.

Outlay for Heavy Industry

4197. SHRI B. V. DESAI : Will the Minister of INDUSTRY AND COMPANY AFFAIRS be pleased to state :

(a) whether the Seventh Plan outlay for heavy industry has been retained at the Sixth Plan level :

(b) if so, the main reasons for the same;

(c) whether a number of suggestions have been made by the Planning Commission in this regard ;

(d) if so, details thereof ; and

(e) whether there is a move to increase the outlay for heavy industry during the Seventh Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS AND IN THE MINISTRY OF HOME AFFAIRS (SHRI ARIF MOHAMMAD KHAN) : (a) Seventh Plan outlay for Heavy Industry has not been finalised yet.

(b) to (e) Do not arise.

Suspension of Assistance to Cement Plants

4198. SHRI B. V. DESAI : Will the Minister of INDUSTRY AND COMPANY AFFAIRS be pleased to state :

(a) whether the financial institutions have decided against further financing of new cement projects in the country ;

(b) if so, to what extent the production of cement will be reduced ; and

(c) the measures Government propose to take to ensure that the cement capacity is not reduced ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS AND IN THE MINISTRY OF HOME AFFAIRS (SHRI ARIF MOHAMMAD KHAN) : (a) Industrial Development Bank of India (IDBI) has indicated that institutions may not finance any large grass root projects for cement for the time being. Institutions may however consider on a selective basis proposals for expansion at the same location, and increase in capacity by technological improvements such as installation of pre-calcinators, conversion from wet/semi dry to dry process.

(b) Due to the prolonged gestation period involved in setting up cement plants, the present restriction imposed by IDBI is not likely to affect production of cement at present.

(c) Adequate capacity has already been approved for setting up cement plants upto the end of Seventh Five Year Plan and beyond.

Work Programme of ONGC

4199. SHRI B. V. DESAI : Will the Minister of PETROLEUM be pleased to state :

(a) whether there will be no change in the work programme of the Oil and Natural Gas Commission in the next five years ;

(b) if so, the original plan outlay decided for the ONGC programme ;

(c) whether the Planning Commission had earlier decided to cut the outlay ; and

(d) if so, the programme ONGC is likely to undertake during the five years from now ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM (SHRI NAWAL KISHORE SHARMA) : (a) to (d) The Working Group on Petroleum had proposed a plan outlay of Rs. 17609.06 crores for exploration and exploitation of hydrocarbons for ONGC during the Seventh Plan period. The Seventh Plan outlays and programmes are still to be finalised.

Proposal to Raise Funds by way of Convertible Debentures by Lohia Machines Ltd.

4200. SHRI B. V. DESAI : Will the Minister of INDUSTRY AND COMPANY AFFAIRS be pleased to state :

(a) whether Union Government have finally cleared the long pending proposal of Lohia Machines Ltd. to raise additional resources to the tune of Rs. 10 crores from the public by way of convertible debentures to fund its on-going two-wheeler Vespa Scooters project in collaboration with Italy ;

(b) whether according to the latest decision the Lohia Machines Ltd. has been permitted additional resources of Rs. 10 crores due to sickness of that industry ;

(c) whether the Lohia Machines has not so far provided two-wheeler Vespa Scooter to those who have registered with them since 1983 ; and

(d) if so, to what extent this proposal of raising more funds will help them to provide the scooter to those who have registered them in advance ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS AND IN THE MINISTRY OF HOME AFFAIRS (SHRI ARIF MOHAMMAD KHAN) : (a) and (b) Ministry of Finance, who are the competent authority in this case, have given consent to the proposal of M/s. Lohia Machines to the issue of secured partially convertible debentures for Rs. 10 crores for financing expanded of production capacity for 2-wheelers.

(c) Company has advised having despatched about 32,000 scooters up to 31.7.1985 to registered customers against bookings for about 21 lakhs,