

(b) the number of encounters and the number of the Nagas and Mizos captured by the Security Forces in the wake of the recent skirmishes; and

(c) the weapons recovered from them and the number of the Nagas and Mizos killed in encounters with the Security Forces?

**THE DEPUTY MINISTER IN THE MINISTRY OF HOME AFFAIRS (SHRI F. H. MOHSIN):** (a) to (c). According to the information available with the Government, approximately 60-70 underground Nagas are reported to have crossed over to Burma enroute to China during the first fortnight of November, 1974. There have been 9 encounters resulting in killing of 7 rebels, capture of 135 rebels and seizure of 43 arms during the period from October, 1974 to February, 1975. The information in regard to the Mizo rebels is 'Nil'.

**Report of Balachandran Committee and Yunus Commission on Coca Cola**

2976. **SHRI K. S. CHAVDA:** Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) broad features of the Report on Coca Cola submitted by Balachandran Committee in 1971 and the Yunus Commission in 1972;

(b) whether Balachandran Committee made favourable recommendations for Coca Cola Export Corporation, if so, the facts thereof;

(c) the loss of foreign exchange on all accounts, separately, to the national exchequer due to implementation of the reports of the above Committee/Commission;

(d) the assets which were built up by Coca Cola Export Corporation due to the recommendations of the above Commission/Committee and how they have hit in the Indian Industry; and

(e) whether these recommendations were helpful to give strong footings to the multi-national giant in our country, if not, the reasons thereof?

**THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND CIVIL SUPPLIES (SHRI B. P. MAURYA):** (a) and (b). An Inter-Ministerial Committee constituted under the Chairmanship of Shri Mohammed Yunus broadly recommended that the import content of Coca Cola concentrate was between 4 to 5 per cent, and that, therefore, the figure of 4.5 per cent would represent a fair rate of import content. Prior to the Report of the Yunus Committee, the Import Replenishment granted to the firm for export of coca cola concentrates was 20 per cent. After the Yunus Committee Report, the Import Replenishment percentage was reduced to 4½ per cent.

Since this would have permitted the import of raw materials for concentrate production only barely sufficiently to sustain the export of concentrates, and none whatsoever for bottlers for domestic supply, the question of finding a suitable formula for this, in the light of all relevant factors, was entrusted to an inter-Ministerial Committee under Shri K. Balachandran.

The main findings and recommendations of the inter-Ministerial Committee under the Chairmanship of Shri K. Balachandran are broadly given below:—

(i) That the firm should be asked to make a net contribution through its export performance of at least 20 per cent in relation to the outgo of foreign exchange on its account.

(ii) On the basis of the 1971 production, after deducting the quantity of concentrates exported, it was found that 690,186 kgs. of concentrates were used for domestic production of coca cola beverages. As the import content had already been determined by the Yunus Committee as 4.5 per cent of the F.O.B. value, the quantum of imported raw materials necessary for this purpose worked out to Rs. 16.4 lakhs approximately.

(iii) The approved capacity of the 22 bottling plants was 1350.21 million bottles. The Committee noted that the actual production in 1971 was 760.00 million bottles accounting for an average utilisation of capacity of 56 per cent. There has been substantial investment in these wholly Indian-owned industrial units which also provide large opportunities for employment, both direct and indirect. The Committee felt that it may not be fair to deny these bottling plants their raw materials for building up utilisation of installed plant and equipment to the extent of capacity approved by Government. To this extent, it was felt necessary that till such time as these units were able to develop an alternate drink, they be assisted in meeting their requirements of raw materials. At the same time, it had to be borne in mind that this was a non-priority industry, though through its export performance the unit manufacturing the concentrates had own for itself the priority status. Balancing all the relevant considerations, the Coca Cola Export Corporation should push up their exports substantially in the years to come and the bottling plants should, on the other hand, be provided with raw materials to increase their utilisation of capacity by a reasonable amount each year to reach their approved capacity in a period of 5 to 6 years.

(iv) On this basis, the bottling plants may be allowed an annual growth rate of about 5 percent provided that the Coca Cola Export Corporation will be able to achieve a corresponding growth rate in its net export earnings (net of all foreign exchange outgoes).

(v) No serious efforts seems to have been made by the bottling plants to develop wholly indigenous drink similar to what they are manufacturing today. National laboratories like the Central Food Technological Research Institute,

Mysore could be of assistance in this direction in developing flavours like mango, ginger, orange etc. to exploit our national resources and also become self sufficient.

(vi) The quantum of imported raw materials to be allotted for indigenous production, based on the norms already approved by Government, would be approximately Rs. 16 lakhs for 1971.

(c) As will be seen, the Balachandran Committee formula provided for a net inflow of foreign exchange into the country as a result of the operations of the Coca Cola Export Corporation.

(d) and (e). The total capital employed in India by M/s. Coca Cola Export Corporation, as on 31-12-1974, has been estimated at approximately Rs. 4.9 crores. Figures of the build up of the assets of the Corporation, if any, are not available. Since the application of the Corporation under FERA is under active consideration, it is not felt necessary to call for such figures at this stage.

#### **Role of Foreign Agencies and Foreign Money in Agitations in the Country**

2977. SHRI N. K. SANGHI: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether some of the agitations now being carried out in the country are being assisted by foreign money;

(b) whether apart from money, these foreign agencies are assisting the agitators in any other way also; and

(c) if so, the findings of Government in the matter and the names of foreign agencies found indulging in such activities?