

request of the Government of Bihar on the 8th January, 1975, Laicr the Central Government appointed, on the 10th February 1975, a Commission of Inquiry under the Commissions of Inquiry Act with a wider scope. A copy of the notification regarding the appointment of this Commission of Inquiry is laid on the Table of the House. [Placed in Library. See No. LT-9246/75.]. The enquiry by the Commission is in progress.

**छिपे नागाघों के झड़ों से दस्तावेज**

**पकड़े जाना**

3952. श्री कूलचन्द्र वर्मा : क्या गृह मंत्री यह बताने की कृपा करेंगे कि

(क) क्या सुरक्षा बलों द्वारा नागालैंड में विद्रोही नागाघों का सफाया करने के लिए चलाये गए अभियान के दौरान छिपे नागाघों के झड़ों में कुछ महत्वपूर्ण दस्तावेज पकड़े गए हैं और इन में से एक दस्तावेज में चीन ने उन्हे वायु सैनिक प्रशिक्षण देने का वचन भी दे रखा है, और

(ख) यदि हा तो इस मामले में सरकार ने क्या कार्यवाही की है अथवा करने का विचार है ?

गृह मंत्रालय में उपमंत्री (श्री एफ० एच० मोहम्मद) : (क) छिपे नागाघों के विरुद्ध अपनी कार्यवाहियों के दौरान सुरक्षा बलों द्वारा कुछ दस्तावेज पकड़े गए हैं। छिपे नागाघों को वायुसेना का प्रशिक्षण देने के लिए चीन के प्रस्ताव के सम्बन्ध में कोई दस्तावेज सरकार के ध्यान में नहीं आया है।

(ख) प्रश्न नहीं उठता।

**Diversification of Imported Raw Materials to Companies having Foreign Equity upto 26 per cent**

3953. SHRI K. S. CHAVDA: Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) whether the policy of diversification in force between 1966-70, all companies including foreign ones were allowed to diversify their production by manufacture of new articles or expanding production of existing articles by 25 per cent of licensed capacities;

(b) whether import of raw materials was also allowed to all companies during this period;

(c) whether in 1970 relaxation of allowing imported raw materials was withdrawn and foreign companies were also debarred from diversification,

(d) the rationale in restricting the facilities for Indian medium sector upto the extent of Rs. 5 lacs for all activities covered under exemption to both registration and diversification, and

(e) whether this restriction has not prevented fuller utilisation of installed capacities for medium scale sector and whether Government have any proposal under consideration to give free hand in diversification in respect of imported raw materials to companies having foreign equity upto 26 per cent?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND CIVIL SUPPLIES (SHRI B. P. MAURYA): (a) to (e). In accordance with Government's announcement made in October, 1966, industrial Undertakings were allowed free diversification expansion upto 25 per cent of their licensed capacity subject to certain conditions. One of these conditions was that no additional expenditure of foreign exchange would be involved. Subsequently, in December, 1967, this condition was relaxed in res-

pect of cases of diversification into priority industries. In June 1969, Government reviewed this relaxation and decided that free diversification by use of imported or scarce indigenous raw materials would not be permitted in cases of items included in the banned list. In the revised orders issued on free diversification in July, 1970, it was stipulated that there should be no expenditure of foreign exchange either directly or indirectly for import of capital goods, raw materials or components. Under the policy announced in 1970, foreign majority companies and large industrial houses were not eligible for free diversification.

The present policy in regard to diversification is governed by the notification No. 98(E) IDRA/29B/73-1 dated 16-2-73 (a copy of which is available in the library of the Lok Sabha Sectt.) This policy is calculated to enlarge and intensify a variety of positive measures to promote the growth of small and medium entrepreneurs. In terms of this policy, an industrial licence is not necessary if the investment in fixed asset in land, building, plant and machinery for establishing a new industrial undertaking or for manufacturing a new article or for effecting substantial expansion does not exceed Rs one crore and provided certain other conditions are satisfied. One of the conditions to be satisfied is that the proposed investment should not require foreign exchange in excess of any of the following limits:—

(i) 5 per cent of the ex-factory value of annual production or Rs 5 lakhs, whichever is less for the import of raw materials (other than steel and aluminium) used in the manufacturing activity in any year;

(ii) 10 per cent of the ex-factory value of annual production or Rs. 5 lakhs, whichever is less, in any year after three years of the commencement of production for the import of components used in the manufacturing activity.

In view of the tight foreign exchange position, it is necessary to examine schemes involving outgo of foreign exchange in excess of the above limits so as to determine the net effect on balance of payments, import savings and the expenditure involved on the import of capital goods, raw material and components. Change in this policy is not contemplated at present.

#### **Commissioning of Second Unit of Rajasthan Atomic Power Project**

3954. SHRI N. K. SANGHI: Will the Minister of ATOMIC ENERGY be pleased to state:

(a) whether the second unit of the Rajasthan Atomic Power Project, scheduled to be commissioned in 1971, has not yet been ready;

(b) whether inordinate delay in the delivery of necessary equipment, both by foreign and Indian suppliers, is one of the reasons for delay in commissioning the project;

(c) if so, the names of the Indian firms who have failed to keep up the targets of supply;

(d) the extent to which the cost of the project has increased; and

(e) by what time it is going to be completed?

THE PRIME MINISTER, MINISTER OF ATOMIC ENERGY, MINISTER OF ELECTRONICS, MINISTER OF SPACE, MINISTER OF PLANNING AND MINISTER OF SCIENCE AND TECHNOLOGY (SHRIMATI INDIRA GANDHI): (a) and (b). Yes, Sir.

(c to (e). There are several firms both in the public as well as private sector, which have failed to adhere to the stipulated schedules for the supply of equipment. The main reason for this being the extensive developmental work involved and the unforeseen technical problems encountered during various stages of manufacture. The names of sup-