

### Relaxation of Travel Restrictions for Business Tours Abroad

8516. SHRI D. N. PATODIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that West Asian, East African and East Asian countries want more trade with India;

(b) whether it is also a fact that the present travel restrictions on businessmen and manufacturers are preventing them to move frequently to these countries to establish business contracts and explore the demand in country's favour; and

(c) whether Government propose to grant further relaxations to businessmen to undertake business-tours ?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI): (a) to (c). There is a general desire to increase trade between Indian and these countries. Adequate facilities are provided by the Reserve Bank for bonofide business visits abroad. For export promotion purposes the blanket permit facility is also available to those who qualify under that scheme. No further relaxations appear necessary at this stage.

### Raids of foreign Airlines' Offices in Delhi

8517. SHRI D. N. PATODIA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Enforcement Directorate had raided some Offices of foreign airlines in Delhi early in 1968 in connection with the violation of foreign exchange regulations;

(b) if so, the names of the foreign airlines that were raided; and

(c) the results thereof ?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : (a) and (b). Yes, Sir. The premises of M/s Middle East Airlines in Delhi and Bombay were searched by the Enforcement Directorate in April, 1968 for suspected contravention of the provisions of

the Foreign Exchange Regulation Act, 1947.

(c) On the basis of the scrutiny of the documents seized during the search and after investigations, the Enforcement Directorate have issued two show-cause notices to the said Airline and some of its officers, in respect of certain *Prima facie* contravention of the Foreign Exchange Regulation Act, 1947. Replies to these notices are awaited. Some further investigations in the matter are also in progress.

### Advice to Engineers to set up their own Industries

8518. SHRI BABURAO PATEL : Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to state :

(a) whether it is a fact that on the 16th November, 1968 the Prime Minister, while delivering the Convocation address at the Indian Institute of Technology, gratuitously advised Engineers to set up their own industries rather than depend on paid jobs.

(b) if so, whether Government have any ready-made scheme to help the Engineers; and

(c) if there is a scheme, its salient details ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) Yes, Sir. The Prime Minister advised Engineers to set up their own industries rather than depend on paid jobs.

(b) and (c). A scheme for 'Financial Assistance to Engineers, Technicians and other Technically Qualified Entrepreneurs for setting up small Scale Industries' has been formulated and circulated to the State Governments as a 'Model Scheme' for inclusion by them for assistance within the State Sector. Following are the salient features of the Scheme :—

(1) The main objective of the Scheme is to encourage and assist technicians, engineers and also other qualified persons who are keen and capable of setting up and operating

small scale industries, but are unable to do so owing to inadequate financial resources of their own, to set up such units.

(2) The schemes will be operated by the State Governments and Administrations of Union Territories, in the State Sector.

(3) All technicians, technologists, engineers and other Technically qualified persons such as Graduates in Science, Commerce etc. would be eligible for assistance, provided that they do not own, wholly or partially, any other industrial unit.

(4) The eligible persons may set up any small scale industry but preference will be given to the following industries:

- (i) industries which help import substitution, export promotion or production of inputs for agriculture;
- (ii) those which act as ancillaries to large scale undertakings;
- (iii) those which produce essential consumer goods and are dependent mainly on indigenous raw materials; and
- (iv) those which establish rural workshops.

(5) Initially the total financial assistance to a single unit may not exceed Rs. 6.00 lakhs in the case of small scale industries and Rs. 8.00 lakhs in the case of ancillary industries.

(6) The financial assistance may be given in the following forms :

- (i) *Land, Building and Machinery*

40% in the form of State participation and wherever considered necessary another 55% as long term loan and balance of 5% is to be raised by the technicians engineers etc.

- (ii) *Working Capital*

20% as short term loan, 70% to be obtained from financial institutions and 10% to be raised by the entrepreneur himself.

(7) The loan provided for the purchase of machinery etc. should be repaid in 7 years whereas the other assistance given for other purposes should be repaid in 5 years subsequent to the 7 years.

(8) Long-term loans for fixed capital may be granted by the State Government if it is found difficult to arrange them from financial and banking institutions including the State Bank of India, State Financial Corporation or other commercial banks.

#### **Improvement in the Working of Hindustan Steel Ltd.**

8519. SHRI BABURAO PATEL : Will the Minister of STEEL AND HEAVY ENGINEERING be pleased to state :

(a) the details of measures taken to improve the working of the Hindustan Steel Ltd., since the pamphlet "Performance of Hindustan Steel Ltd." was issued on the 5th April 1968, departmentwise;

(b) the actual monthly saving in rupees in expenditure effected in Management Organization, Control techniques, Cost Reduction, Sales Promotion, Manpower and other departments, departmentwise;

(c) The names of experts or consultants consulted for the above and the fees paid to them; and

(d) the total difference in rupees by way of saving or otherwise, the above measures would have made at the end of the year 1968-69 ?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND HEAVY ENGINEERING (SHRI K. C. PANT) : (a) to (d). The various measures taken/initiated to bring about improvement in the working of Hindustan Steel Ltd. had been mentioned in the Pamphlet "Performance of Hindustan Steel Ltd". These are being implemented but will take some time to make their full impact. It is not possible to quantify individually the financial effect of each of these measures but their overall impact is already reflected in higher production and despatches during 1968-69 as compared to 1967-68. There was an increase of 7.9% in production of steel ingots and 8.2% of saleable steel. Despatches of pig iron were higher by