

(b) whether such losses were due to the violation of the contract by the U. S. S. R. to purchase wagons from India; and

(c) if so, the steps taken by Government to provide relief to the wagon building industry?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) Some Wagon Building units have reported that they have incurred certain losses during 1968-69.

(b) No, Sir.

(c) Does not arise.

#### Licensed Capacity of Oil Barrel Fabricators

10194. SHRI SITARAM KESRI : Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to refer to the reply given to Starred Question No. 1013 on the 14th April, 1970 regarding licensed capacity of Oil Barrel Fabricators and state :

(a) when the capacities of Industrial Containers Ltd., and Steel Containers Ltd. were not assessed before Government undertook assessments of all units in the Drum and Barrel Industry in 1969; whether it does not indicate that Government were allocating raw materials to them on the basis of their licensed capacities till then; and

(b) if so, the reasons for allotment of raw materials to Bharat Barrel and Drum Mfg. Co. (P) Ltd., on the basis of 18,000 tonnes instead of their licensed capacity of 27,000 tonnes?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) The Indian Galvanising Company (1926) Ltd., had been engaged in the manufacture of barrels with capacities of 5860 tons and 6000 tons per annum at Bombay and Calcutta. When this Company went into liquidation in 1958, new companies M/s. Steel Containers Ltd., and M/s. Industrial Containers Ltd. were formed to carry on the barrel manufacture at Bombay and Calcutta. M/s. Balmer Lawrie and Co. Ltd., made applications for industrial licences on

behalf of these companies for the manufacturing activity at these two places. Licences were accordingly issued for the same capacities of 5860 tons and 6000 tons per annum respectively to M/s. Steel Containers Ltd. and Industrial Containers Ltd. and these were the capacities for the purpose of raw material allocation to the new units at Bombay and Calcutta, till the same were revised as a result of the general assessment undertaken during 1963-64.

(b) M/s. Bharat Barrel and Drum Manufacturing Co. (Pvt.) Ltd., Bombay were granted a carrying on business licence in 1954 for the manufacture of 3600 steel barrels per day on single shift. On an application for expansion a licence was issued to them in 1960 indicating a total capacity of 27800 tons per annum, which was amended at their request in 1961 to specify a capacity of 10,80,000 numbers per annum in respect of steel barrels apart from small drums and bitumen drums. As their capacity was actually assessed at 18000 tons on single shift on actual time and motion study in 1953, the same was adopted as the basis for allocation of raw material, till the time of 1963-64 re-assessment.

#### Objection of State Governments Against Shifting of Capacity of Barrel Manufacturers

10195. SHRI SITARAM KESRI : Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to refer to the reply given to Unstarred Question No. 5395 dated 7th April, 1970 regarding the Barrel Fabricating Industry and state :

(a) whether Government would place on the Table of the House copies of the letters of State Governments of West Bengal and Maharashtra indicating their objection therein to the proposed shifting of capacity of the existing barrel manufacturers to the State of Tamil Nadu;

(b) how Government now propose to utilise the ample idle licensed capacities lying in the Drum and Barrel Industry before allowing additional and fresh capacities; and

(c) what action Government have taken against the barrel fabricators who have unauthorisedly created additional and fresh capacities in violation of the industries (Development and Regulation) Act, 1951?

**THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) :** (a) Copies of the letters of the State Governments of West Bengal and Maharashtra are placed on the Table of the House. [Placed in Library. See No. LT—3602/70]

(b) Allocations are made on the basis of assessed capacities only. Efforts are made to allow import of steel sheets to barrel fabricators to the extent that imports coupled with indigenous allocations would enable all the fabricators to work upto their assessed capacity. Creation of any additional or fresh capacity will be governed by the Licensing Policy in force.

(c) The Estimates Committee in their 85th Report presented to the Lok Sabha on the 30th April, 1969 have made certain recommendations in this regard. Government's replies have been communicated to the Estimates Committee and further action will be taken on receipt of further recommendations of the Committee.

**Foreign Experts at Heavy Engineering Corporation Ltd., Ranchi**

10196. **SHRI BENI SHANKER SHARMA :** Will the Minister of STEEL AND HEAVY ENGINEERING be pleased to state :

(a) the number of foreign experts employed at the Heavy Engineering Corporation Ltd., Ranchi, with their nationality and the type of job handled by each together with the salary paid to them and other perquisites ;

(b) how long they have been there and whether any attempt has been made to Indianise the posts held by them ; and

(c) how long they are intended to be further retained in their present posts ?

**THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND HEAVY ENGINEERING (SHRI K. C. PANT) :** (a) to (c). The information is being collected and will be laid on the Table of the House.

**Inspection of Accounts of Goenka Group of Concerns**

10197. **SHRI INDRAJIT GUPTA :** Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to

refer to the reply given to Starred Question No. 343 on the 2nd December, 1969 regarding the inspection of Accounts of the Goenka Group of concerns and state :

(a) whether the reports submitted by the Company Law Board Inspectors on the National Company Limited and five other Goenka Companies have since been duly examined ; and

(b) if so, what action has been decided to take thereon ?

**THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) :** (a) Yes, Sir.

(b) The C.B.I. have registered a case on the 14th February, 1970 against Shri Ram Nath Goenka and others under Section 120B (criminal conspiracy), read with Section 409 (criminal breach of trust) and 477A (falsification of accounts) of the Indian Penal Code.

**Price Charged from Scrap**

10198. **SHRI INDARJIT GUPTA :** Will the Minister of STEEL AND HEAVY ENGINEERING be pleased to state :

(a) whether dealers in Scrap are at present compelled to sell the bulk of their scrap to indigenous furnaces at an uneconomic price ;

(b) how this price compares with prices available in export market ;

(c) whether Government have received any representations from Scrap dealers asking for either higher internal prices or increased export quotas ; and

(d) if so, action taken in this regard ?

**THE DEPUTY MINISTER IN THE MINISTRY OF STEEL AND HEAVY ENGINEERING (SHRI MOHD. SHAFI QURESHI) :** (a) There is no control either on the price or on the distribution of ferrous scrap. The Iron and Steel Scrap Association of India and the Steel Furnace Association of India have however a voluntary agreement (protocol) under which members of the I.S.S.A.I have undertaken to supply to members of the S.F.A.I. three categories of scrap at the agreed prices. This protocol is renewed from year to year when prices are also revised.