

(b) if so, the facts thereof; and

(c) the action taken by Government thereon?

THE PRIME MINISTER (SHRI MORARJI DESAI): (a) Government is aware of the report referred to in the question.

(b) and (c). In accordance with the provisions of the Foreign Exchange Regulation Act (FERA), 1973, Government had asked IBM to convert their branch into an Indian company and to dilute the foreign equity in that company to 49 per cent. However, in their response of 7 November, 1977, IBM have conveyed to Government their inability to comply with these requirements of the FERA, and their decision, as a consequence, to phase out their operations here. As part of this phase-out, IBM have offered that the computer and other data processing equipment which have been rented out by them to users, would be sold outright to users on the following terms:

- (i) The purchase price would be an amount equivalent to three month's rental charges;
- (ii) Existing users would continue to use their IBM equipment during the three months for which the above purchase price is paid and IBM would provide maintenance services during this period at no additional charge. IBM's phase-out plan is under the consideration of Government.

PART II

12 hrs.

PAPERS LAID ON THE TABLE

ANNUAL REPORTS OF INDIAN STATISTICAL INSTITUTE, CALCUTTA FOR 1973-74 AND 1974-75

THE PRIME MINISTER (SHRI MORARJI DESAI): I beg to lay on the Table—

- (1) A copy of the Annual Report (Hindi and English versions) of the

Indian Statistic Institute, Calcutta, for the year 1973-74.

- (2) A copy of the Annual Report (Hindi and English versions) of the Indian Statistical Institute, Calcutta, for the year 1974-75. [Placed in Library. See No. LT-1277/77].

NAVAL CEREMONIAL CONDITIONS OF SERVICE AND MISCELLANEOUS (AMENDMENT) REGULATIONS, 1977

THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM): I beg to lay on the Table a copy of the Naval Ceremonial Conditions of Service and Miscellaneous (Amendment) Regulations, 1977 (Hindi and English versions) published in Notification No. S.R.O. 278 in Gazette of India dated the 13th August, 1977, under section 185 of the Navy Act, 1957. [Placed in Library. See No. LT-1278/77].

ANNUAL REPORTS OF DEVELOPMENT COUNCIL FOR AUTOMOBILES, AUTOMOBILE ANCILLARY INDUSTRIES ETC., AND DEVELOPMENT COUNCIL FOR PAPER PULP AND ALLIED INDUSTRIES FOR 1976-77, BURN CO. & BRIATHWAITE CO. (INDIA) LTD. (ACQUISITION AND TRANSFER OF UNDERTAKINGS) RULES, 1977, ETC. ETC.

THE MINISTER OF INDUSTRY (SHRI GEORGE FERNANDES): I beg to lay on the Table—

- (1) A copy each of the following Reports (Hindi and English versions) under sub-section (4) of section 7 of the Industries (Development and Regulation) Act, 1951:—

- (i) Annual Report of the Development Council for Automobiles, Automobile Ancillary Industries, Transport Vehicle Industries, Tractors, Earthmoving Equipment and Internal Combustion Engines for the year 1976-77. [Placed in Library. See No. LT-1279/77].

- (ii) Annual Report of the Development Council for Paper, Pulp and Allied Industries for the year 1976-77. [Placed in Library. See No. LT-1280/77].