

(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].

(2) A copy of the Burn Company and Indian Standard Wagon Company (Nationalisation) Rules, 1977 (Hindi and English versions) published in Notification No. S.O. 755(E) in Gazette of India dated the 7th November, 1977 under sub-section (3) of section 31 of the Burn Company and Indian Standard Wagon Company (Nationalisation) Act 1976. [Placed in Library. See No. LT-1281/77].

(3) A copy of the Braithwaite and Company (India) Limited (Acquisition and Transfer of Undertakings) Rules, 1977 (Hindi and English versions) published in Notification No. S.O. 756(E) in Gazette of India dated the 7th November, 1977, under sub-section (3) of section 30 of the Braithwaite and Company (India) Limited (Acquisition and Transfer of Undertakings) Act, 1976. [Placed in Library. See No. LT-1282/77].

(4) A copy of the Corrigendum\* to the English version of the Audit Report\* on the account of Coir Board, Ernakulam for the year 1975-76. [Placed in Library. See No. LT-1283/77].

**NOTIFICATIONS UNDER MERCHANT SHIPPING ACT, 1958 AND SEAMEN'S P.F. (AMT.) SCHEME, 1977**

**THE MINISTER OF STATE IN CHARGE OF THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI CHAND RAM):** I beg to lay on the Table—

(1) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 458 of the Merchant Shipping Act, 1958:—

(i) The Merchant Shipping (Fire Appliances) Amendment Rules, 1977, published in Notification No. G.S.R. 1223 in Gazette of India dated the 17th September, 1977.

(ii) The Indian Merchant Shipping (Construction and Survey of Passenger Steamers) Amendment Rules, 1977, published in Notification No. G.S.R. 1444 in Gazette of India dated the 29th October, 1977. [Placed in Library. See No. LT-1284/77].

(2) A copy of the Seamen's Provident Fund (Amendment) Scheme, 1977 (Hindi and English versions) published in Notification No. G.S.R. 1591 in Gazette of India dated the 19th November, 1977, under section 24 of the Seamen's Provident Fund Act, 1966. [Placed in Library. See No. LT-1285/77].

**ANNUAL REPORT OF DEVELOPMENT COUNCIL FOR FOOD PROCESSING INDUSTRIES FOR 1976-77**

**THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (KUMARI ABHA MAITI):** I beg to lay on the Table a copy of the Annual Report (Hindi and English versions) of the Development Council for Food Processing Industries for the year 1976-77, under sub-section (4) of section 7 of the Industries (Development and Regulation) Act, 1951. [Placed in Library. See No. LT-1286/77].

**NOTIFICATIONS UNDER CENTRAL EXCISE RULES, 1944 AND DELHI SALES TAX (THIRD AMT.), RULES, 1977**

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ZULFIQUARULLAH):** I beg to lay on the Table—

(1) A copy each of the following Notifications (Hindi and English versions) issued under the Central Excise Rules, 1944:—

(i) G.S.R. 722(E) published in Gazette of India dated the 30th November, 1977 together with an explanatory memorandum.

\*The Audit Report was laid on the Table on 15.6.77.