

PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

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HOUSE OF THE PEOPLE

Wednesday, 24th February, 1954

The House met at Two of the Clock

[MR. SPEAKER in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

3 P.M.

STATEMENT RE. INDUSTRIES
DEVELOPMENT CORPORATION

The Minister of Finance (Shri C. D. Deshmukh): With your permission, I should like to make a brief statement on certain discussions which have been going on for the last few days for the setting up of a Corporation to assist in the development of industries operated by private enterprise. In connection with the utilisation of the sale proceeds of certain commodities received by us under the Indo-U.S. Technical Co-operation Programme it was suggested by the Technical Co-operation Mission that the rupee equivalent of dollars 15 million should be made available by us to an industrial development corporation for the purpose of stimulating industrial development in the private sector if a corporation on a mutually satisfactory basis is established. We agreed, in consultation with the Planning Commission, to make such funds available out of the sale proceeds of iron and steel received under one of the recent agreements for the supply of 2,00,000 tons of

733 P.S.D.

sheets, plates rails and sleeper bars. A Mission from the International Bank for Reconstruction and Development, consisting of a senior officer of the Bank and two of its Advisers, has been in India for the last two or three weeks to explore the possibilities of interesting private industry in this country in the floatation of such a corporation. The Mission had certain preliminary discussions with senior Government officials and thereafter with the Minister for Commerce and Industry and myself and have also met important leaders of private industry in the country. A steering Committee consisting of five representatives of industry has been set up by the private industrialists to carry on further discussions with Government. There are indications that the International Bank for Reconstruction and Development would be willing to afford a line of credit to the new Corporation if it is set up. As I said, the discussions are still at a preliminary stage but in view of certain reports, not always accurate and certainly not authorised, which have been appearing in the Press, I thought it my duty to inform the House of these developments. I hope at a later stage in the session to be in a position to make a fuller statement when these discussions take final shape. For the present I would only mention that the Bank Mission are hopeful that these discussions will lead to the setting up of a Corporation which would be of benefit to the development of industry in this country.