

को चुनने की क्या कसौटी है, जब कि वहाँ 36 जिले हैं ?

SHRI MOHAN DHARIA There is some confusion, it seems. We have selected or identified the industrially backward districts in all the States, and out of these industrially, backward districts, that is, districts like Jhansi and Ballia have been selected for ten per cent subsidy. We had requested the State Governments to take the decision and they have taken the decision.

SHRI VASANT SATHI In view of the fact that the rural employment potential is in the consumer goods industries what are the positive steps proposed to be taken by Government to see that these consumer goods industries are located in the rural areas, in order to prevent migration to the urban areas and to see that these consumer goods industries are located in the rural areas, in order to prevent migration to the urban areas and to see that they are not concentrated in the urban areas like Bombay by having the twin city? I would like to know the specific relevance of the twin city to the question of diversification and dispersal of industries.

SHRI PILOO MODY He is asking for a reversal of the socialistic policy.

SHRI MOHAN DHARIA So far as the problem of the twin city is concerned, memorandum is being examined in the Planning Commission. So far, the proposal has not come to the Planning Commission nor have we given any approval to it.

Regarding the establishment of the consumer industries in the rural areas, while discussing our Fifth Five Year Plan with the State Government, it shall be our endeavour to see that these consumer industries are established or diversified in the rural areas.

SHRI PILOO MODY, A pious hope.

Production of Cinema Carbon by the foreign firm beyond the Capacity

24 **SHRI N. K. SANGHI**, Will the Minister of INDUSTRIAL DEVELOPMENT AND SCIENCE AND TECHNOLOGY be pleased to state

(a) whether contrary to a high-level decision fixing a capacity ceiling on the manufacture of cinema carbons by the individual manufacturers, a certain foreign firm had been allowed to double the limit and to import capital goods worth Rs 27 lakh at the cost of the indigenous manufacturers who were to employ the know-how developed by the National Physical Laboratory,

(b) whether the CSIR, took strong objection to the capacity expansion being allowed to the firm; and

(c) whether some of the indigenous entrepreneurs while applying for licences indicated their import requirements as half of what was allowed to the foreign firm?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT (SHRI PRANAB KUMAR MUKHERJEE): (a) to (c) A statement is laid on the Table of the House. [Placed in Library. See No. LT-4190/73.]

SHRI N. K. SANGHI: In view of the answer given by the hon. Minister that import licence for capital goods for a value of Rs 27.2 lakhs had been given to the Union Carbides, and then they Union Carbides, and then they came in for approval of 6 million pairs of carbon in 1962, may I know whether this matter was examined that they got import licence for a much bigger capacity than they were originally given, compared to the other licences given at that time?

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND SCIENCE AND TECHNOLOGY (SHRI C. SUBRAMANIAM): In 1961, when Union Carbide was given this licence,

there was no other applicant. It was only subsequently that other applicants came. In 1962, with the same machinery, perhaps by working another shift, they wanted to have the production raised to the 6 million level. This was finalised in 1963. Since then, they have been producing at this level. Therefore, there is no question of examining it at this stage after 10 years.

SHRI N. K. SANGHI: The hon. Minister has said that the CSIR has not raised any objection. May I know if the CSIR had not insisted that part of the production should have been exported by Union Carbide? If so, have they exported any of this and has there been any control maintained on pricing by Union Carbide? The prices have been continuously increasing in the country in the last ten years.

SHRI C. SUBRAMANIAM: The hon. member perhaps is referring to the subsequent developments. In 1962-63 when increase in production to the level of 6 million was granted, there was no question of CSIR objection. Later on, there was an indigenous know how developed for this purpose. Therefore, CSIR insisted that future licensing will have to be with reference to the indigenous knowhow. That has been taken note of. But unfortunately, in spite of the letters of intent given to various parties on the basis of the indigenous knowhow, no unit has come up yet for production. This is the real difficulty.

DR. MAHIPATRAY MEHTA: Is it a fact that Union Carbide has stopped production of low intensity carbon since March 1970 resulting in our having to import low intensity carbon worth Rs. 10—12 lakhs per month? They have increased the capacity rather for production of high intensity carbon to more than their licensed capacity from 6 million to 9 million, thus dumping the country with high intensity carbon so that new companies

cannot come up. The CSIR has also recently given a report against it. What steps have Government taken against the officials who have allowed this lapse by way of breach of rules on the part of the company?

SHRI C. SUBRAMANIAM: No doubt Union Carbide have applied to increase their capacity further to 9 million units. That has not been granted. With regard to the increase of 3 million, we are insisting that it should be in the low intensity carbon area rather than in the high intensity carbon area, so that in the area of high intensity carbon production any increase in the production could take place in the new units. Therefore, there is no question of allowing them to have increased production of high intensity carbon units. But we will insist that they go to the more difficult areas for expansion. We are taking care of this so that the new unit will be able to take advantage of the less sophisticated areas of production.

DR MAHIPATRAY MEHTA: This is not the answer to my question. I said Union Carbide have stopped production of low intensity carbon in 1970 resulting in the country having to import low intensity carbon worth Rs. 10—12 lakhs per month.

SHRI C. SUBRAMANIAM: That is what I answered. We are insisting that any further expansion in production will have to be in the low intensity carbon area.

DR. MAHIPATRAY MEHTA: What action has been taken against the officers for this lapse on the part of the company?

SHRI C. SUBRAMANIAM: There is no question of any action against officers in this, for any lapse on the part of Union Carbide.