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being released and that is for the purpose of maintaining their transmission systems and the generators.

श्री हुकम चन्द कछवायः मैंने यह पूछा थाकि कितना उन्होंने मांगाथा और कितना आपने दिया है—पहले इस प्रश्न का उत्तर आ जाये तो मैं दुसरा प्रश्न करू।

DR. K. L. RAO: As I have submitted, the total amount is fixed for five years and it is about Rs. 42 crores, out of which Rs. 39<sup>±</sup> crores is for the DESU. It will be sp ead over five years. It is likely that in the course of discussions they may have asked for some thing more, but I am not aware of that. The Planning Commission has fixed the amount for this year at Rs. 6 95 crores. That is more or less adequate.

भी हुकम चन्ध कछवाय : मंत्री महोदय ने इस वक्तव्य मे बताया है कि हमने जो पहले लोन दिया था उस पर साढे तीन प्रतिशन से लेकर 6 प्रतिशत तक का ब्याज लिया है और अब 6 प्रतिशत का ब्याज निध्चित किया है तो मै आपके माध्यम से सरकार से जानना चाहता हू कि यह जो ब्याज की दर बढ़ाई गई है उसका क्या कारण है और पहले की दरो पर आप लोन क्यो नहीं दे रहे हैं?

DR. K. L. RAO: The rates of interest vary from time to time. In this particular case, the loans are given at the rate of 8½ per cent interest, and forready payment, a rebate of 2½ percent is allowed and that is how 6 percent comes in. If the DESU does not pay in time, they have got to pay much higher rates of interest.

श्री एच० के॰ एल॰ मगत : मै मंत्री महोदय से जानना चाहना हूं कि जो लोन दिया गया है उसकी वापसी सेन्ट्रल गवर्नमेंट को डेसू केडयूल के मुताबिक कर रही है या नही ?

DR. K. L. RAO : As regards the recovery of these loans, these loans are repayable in 15 years. In the first year only the interest is payable and the DESU has been making payments.

# Creation of a Zonal or Divisional Headquarters for Southern Railway at Bangalore

\*1095. SHRI DHARMARAO AFZAL-PURKAR : Will the Minister of RAILWAYS be pleased to state :

(a) whether representations have been received by his Ministry regarding the creation of a Zonal or Divisional Headquarters of the Southern Railway in Bangalore keeping in view the industrial importance of the city; and

(b) if so, the reaction of Government thereto ?

THE MINISTER OF RAILWAYS (SHRI HANUMANTHAIYA) : (a) No representation of creating the Zonal Headquarters of the Southern Railway at Bangalore has heen received.

However, suggestions for setting up an additional divisional headquarters of the Southern Railway at Bangalore have been received.

(b) The creation of an additional divisional headquarters at Bangalore, besides the one at Mysore is not considered justifiable.

SHRI K. MALLANNA: Is there any proposal to convert from metre gauge to broad gauge the lines from Bangalore to Miraj and Bangalore to Guntakal and to introduce electrification from Madras to Bangalore, in view of the industrial importance of Bangalore?

SHRI HANUMANTHAIYA : The question does not arise out of the original question.

SHRI K. MALLANNA: In view of the industrial importance of Bangalore, it becomes relevant.

SHRI HANUMANTHAIYA : Though the two hon. members are trying to help me because that is my constituency, still I have to adhere strictly to the original question. The point he is making does not come within that question.

### Expansion of Kerala Ceramics Limited Kundara

# \*1096. SHRI C. K. CHANDRAPPAN : SHRIMATI BHARGAVI THAN-KAPPAN :

Will the Minister of INDUSTRIAL DE-VELOPMENT be pleased to state :

(a) whether the Kerala Government has

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proposed to the Centre to sanction renewal of collaboration of Kerala Ceramics Limited, Kundara with Japan Ceramic Engineering Company Limited, Tokyo;

(b) whether the State Government has also proposed various expansion schemes for the Kerala Ceramics Limited ;

(c) if so, the main features of the schemes, and

(d) the decision of the Centre in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRIAL DEVELOP-MENT (SHRI GHANSHYAM OZA): (a) to (d). A statement is laid on the Table of the House.

#### Statement

(a) and (b). The Kerala Government had requested the Central Government in March 1971 to grant sanction for a revised scheme for the manufacture of ceramic transfer pictures by the Kerala Ceramics Ltd., Kundara in collaboration with M/s. Japan Ceramic Engineeing Co. Ltd., Tokyo. Kerala Government had also recommended in October, 1970 the application for industrial licence of the Kerala Ceramics Ltd. for effecting substantial expansion in the manufacture of Chinaware and pottery and for the manufacture of L. T. Insulators

(c) and (d). The revised scheme for collaboration for the manufacture of 1.35 lakhs sheets of Ceramic Transfer Pictures per annum was approved with some modifications on 17.5.71.

A letter of intent has been granted to the Kerala Ceramics Ltd. on 10.6.71 for effecting substantial expansion in the manufacture of Chinaware and Pottery for an annual capacity of 1,440 tonnes (after expansion) and for the manufacture of L.T. Insulators for an annual capacity of 120 tonnes on the basis of maximum utilisation of plant and machinery. This substantial expansion proposal involves import of capital goods valued at Rs. 30.23 lakhs and foreign collaboration but no import of raw materials is involved. The party has agreed to export 30% of the production. SHRI C. K. CHANDRAPPAN: It is mentioned in the statement that the scheme of collaboration proposed by the Kerala Government had been approved with some modifications. What are the modifications made by the Centre ?

SHRI GHANSHYAM OZA: The modifications are reduction in the fees to the foreign collaborator for technical know how from Rs. 2,26,500 (Tax Free) proposed by Kerala Government to Rs. 1,51,500 (Taxable).

SHRI C. K. CHANDRAPPAN: Is it a fact that the scheme proposed by the Kerala Government was drastically changed? If so, what are the reasons therefor?

SHRI GHANSHYAM OZA: Because it was not possible for them to implement the previous scheme. There was some difference of opinion between the foreign collaborator and the Kerala Ceramics. Therefore, on their request they had to change it from time to time. Ultimately, this is the position.

## Production in Bharat Heavy Electricals Limited at Hardwar, Tiruchirapalli and Hyderabad

•1098. SHRI S. M. BANERJEE : Will the Minister of INDUSTRIAL DEVELOP-MENT be pleased to state :

(a) whether production at the units of Bharat Heavy Electricals Limited at Hardwar, Tiruchirapalli and Hyderabad had gone up last year;

(b) if so, how the figures compare with those of 1969;

(c) the value of production in each unit in 1969 and 1970; and

(d) the profit loss sustained in these years in each unit ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT (SHRI MOINUL HAQUE CHOUDHURY): (a) to (d). A statement is laid on the Table of the House.

## Statement

Production at the units of Bharat Heavy Electricals Limited at Hardwar and Tiruchirapalli has gone up during the last year; at