

cases were brought to my notice. I have ordered an inquiry and am myself looking into the matter.

**SHRI INDRAJIT GUPTA :** There are reports to the effect that the foreign consultants, namely, GEC, AEI, the British concern, have not rendered that satisfactory service as was expected from them. I would like to know whether it is a fact that particularly with regard to the manufacture of turbines and generators, the technological difficulties which have arisen and difficulties in the supply of components and so on can be ascribed to the poor performance of these foreign consultants. I would also like to know whether the consultancy agreement, which was due to expire in November last year, has been renewed or not.

**SHRI MOINUL HAQUE CHOUDHURY :** The consultancy agreement with the firm, it is true, expired on the 16th November, 1970 and the same has not been renewed thereafter. The company has, however, entered into separate agreements with these consultants for the manufacture of some lines of sophisticated equipments like steam turbines for the Delhar project and nuclear turbines for the Madra: atomic power project. They have no other collaboration with them.

**SHRI INDRAJIT GUPTA :** I wanted to know how far the technological difficulties which have arisen and the lack of supply of components and so on are due to the unsatisfactory performance of these foreign consultants.

**SHRI MOINUL HAQUE CHOUDHURY :** There are no such reports that it is due to the unsatisfactory performance of the consultants, but one thing was brought to my notice that they were not getting certain materials from the foreign consultants about which they had asked for. I had asked for a report about it and the detail proposals on behalf of Heavy Electricals.

**SHRI BHAGWAT JHA AZAD :** From part (c) of the statement it is not clear as to what are the precise reasons for this huge loss of Rs. 56 crores. Unless these areas are located specifically and the reasons found out, how will the Minister be able to redeem this and make it profitable ?

**SHRI MOINUL HAQUE CHOUDHURY :** Even initially, when this project report was prepared, that is, even before setting up this industry, it was known that it would suffer loss for nine years.

**AN HON. MEMBER :** Ninety years ?

**SHRI MOINUL HAQUE CHOUDHURY :** Not ninety years but nine years, I would not live so long to see it. According to the estimate made then, as against an output of Rs. 5,699 lakhs, the loss would have been Rs. 2,726 lakhs. But in the mean time Government revised the target upwards and brought in certain new items to be manufactured in this project. The result is that actual output was Rs. 8,858 lakhs as against which we had suffered a loss of Rs. 5,150 lakhs by 1969-70. Therefore, it is obvious that because of the revised target, the loss would be higher than what was anticipated originally. But after the targetted break-even period, the loss should have been reduced, but it is not. That is worrying me. Therefore, I am not satisfied personally.

श्री अटल बिहारी वाजपेयी : अध्यक्ष जी, क्या यह सच है कि हैवी इलेक्ट्रिकल्स में हम जो सामान मंगा रहे हैं उसकी कीमत उसी तरह का जो सामान बाहर से मंगाया जाता है उससे ज्यादा है? और अगर ज्यादा है तो इसकी क्या वजह है, और कीमत कम करने के लिये क्या कोशिश की जा रही है?

श्री मोईनुल हक चौधरी : मुझे ऐसी कोई रिपोर्ट नहीं मिली। बल्कि मुझको यह रिपोर्ट दी गयी है कि हम लोगों को कम कीमत पर मिल रहा है हैवी इलेक्ट्रिकल्स वगैरह में।

#### Industries reserved for Development in Small-scale Sector

\*636. **SHRI JYOTIRMOY BOSU :** Will the Minister of INDUSTRIAL DEVELOPMENT be pleased to state :

(a) the orders under which some industries have been reserved for exclusive development in small-scale sector ;

(b) the names of industries reserved for exclusive development in small-scale sector ;

(c) the measures taken by Government for the development of these industries; and

(d) the outcome of the measures taken so far?

**THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT (SHRI SIDDHESHWAR PRASAD) :** (a) to (d). A statement is laid on the Table of the House.

*Statement*

(a) and (b) To the 55 industries reserved for small-scale sector under Schedule II of the Ministry of Industrial Development and Internal Trade Notification No. S. C. IDRA/29B/70/1 dated 19-2-1970, 73 industries were added under Notification No. IDRA/29B/71/4 dated 24-2-1971. A list of the items is laid on the Table of the House. [*Placed in Library. See No. L.T—486/71*].

(c) The Directors of Industries in the State and Small Industries Service Institutes have been asked to encourage the growth of the reserved industries where substantial gap exists between the existing demand and supply in their respective areas, to prevent shortages. Banks have been advised to give financial assistance to entrepreneurs taking up the reserved items for manufacture. Similarly, the National Small Industries Corporation is giving assistance to the reserved industries in respect of supply of machinery on hire purchase basis. The Small Industries Service Institutes have been instructed to depute their technical officers for giving intensive assistance to the small-scale units in the reserved lines to improve the quality of their products.

(d) It would appear that the small-scale units have been able to cater to the growing demand in the country for the reserved items. So far no reports have been received regarding shortages in the supply of the items reserved for the small-scale sector or about any substantial increase in the price level of these articles.

**SHRI JYOTIRMOY BOSU :** In view of the fact that bank financing was made available to small-scale industries to the tune of only Rs. 200 crores as against Rs. 2000 crores to large-scale sector, will the hon. Minister

kindly tell us how do the Government propose to provide adequate finance to industries reserved for development in small-scale sector?

**SHRI SIDDHESHWAR PRASAD :** The banks have been advised to give financial assistance to small-scale sector as far as possible and, according to the new policy, we hope that small-scale industries will get a large share.

**SHRI JYOTIRMOY BOSU :** Out of a total investment of Rs. 2,200 crores, only Rs. 200 crores went to the small-scale industries. That is the latest position. I want to know what specific steps Government have taken to provide more finance to small-scale sector.

**SHRI SIDDHESHWAR PRASAD :** We have advised banks to be liberal in giving finance to small-scale industries.

**SHRI JYOTIRMOY BOSU :** In view of the fact that 75 per cent of the sale value, ex-factory value, of the small-scale product goes to raw material and in view of the fact that the import licences for raw materials given to small-scale industries sector were to the tune of only Rs. 68 crores as against Rs. 274 crores given to large-scale sector, what specific steps have the Government taken or propose to take to give them adequate raw materials to see that they keep themselves going.

**SHRI SIDDHESHWAR PRASAD :** As far as the shortage of raw materials is concerned, if anything is brought to my notice about a particular item, we will take up with the concerned Ministry and try to make it available to the small-scale industries sector.

**SHRI JYOTIRMOY BOSU :** I have not been able to make him understand. Out of Rs. 274 crores, they have given only Rs. 68 crores worth of raw materials to the small-scale sector.

**SHRI M. SATYANARAYAN RAO :** I would like to know from the hon. Minister whether any measures have been taken for the development of small-scale industries in Telengana region in view of the availability of cheap labour, cheap land and raw material, etc.....

**MR. SPEAKER :** This does not relate to any particular State.

SHRI M. SATYNARAYAN RAO : I want to know what treasures have been taken for the development of small-scale industries in the Telengana region.....

MR. SPEAKER : That can be treated as a suggestion but not as a question. This is a general question. If you go State-wise, there will be no end to it. If I allow you, then others also will ask about their States.

श्री हुकूम चन्द कछवाय : अभी मंत्री महोदय ने प्रश्न के उत्तर में बतलाया कि हमने बैंकों को सलाह दी है कि लघु उद्योगों को अधिक से अधिक ऋण दिया जाये। इसके लिये 200 करोड़ रुपया घोषित किया गया है। क्या इससे अधिक ऋण देने के लिये बैंकों से कहा गया है या कोई सीमा बांधी गई है? क्या यह बात सही है कि शासन द्वारा हर प्रान्त में कुछ जिले छूटे गये हैं जो बहुत पिछड़े इलाके हैं और जहां उद्योग चालू करने चाहिये? क्या उनके लिये कोई विशेष धन राशि स्वीकार की गई है?

श्री सिद्धेश्वर प्रसाद : जहां तक देश के विशेष रूप से पिछड़े इलाकों और जिलों का सवाल है, हमने राज्य सरकारों को सलाह दी है और बैंकों की तरह की जो अन्य संस्थाएँ हैं उन को सलाह दी है, कि उनके ऊपर वह विशेष रूप से कृपा करें और उनको विशेष रूप से पैसा दें। अगर कोई विशेष योजना सरकार के सामने आती है तो सरकार उस पर विशेष रूप से अलग से विचार करती है।

SHRI SANJEEVI RAO : In spite of Government promises and also small service institute promises, the banks are not coming forward in financing the small-scale industries. I know of many specific cases. What effective steps are the Government taking in regard to that ?

SHRI SIDDHESHWAR PRASAD : If any specific case is brought to our notice, we will certainly look into it.

**Re-opening of India Electric Works Ltd.,  
Calcutta**

\*644. SHRI INDRAJIT GUPTA : Will the Minister of INDUSTRIAL DEVELOP-

MENT be pleased to state :

(a) whether Government are considering ways and means of re-opening the India Electric Works Ltd., Calcutta, a Government managed concern which has been closed for over a year ;

(b) whether the workers of the said concern have not even received their statutory retirement and other dues so far ;

(c) whether any examination has been made of the specific proposals for reopening the concern, contained in a memorandum submitted to the Prime Minister on the 21st December, 1970 ; and

(d) whether the Industrial Reconstruction Corporation has taken up the case of India Electric Works for consideration and necessary action ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT (SHRI MOINUL HAQUE CHOUDHURY) : (a) No, Sir.

(b) These will be paid to them from out of sale proceeds of the I.E.W. to the extent possible after liquidation has been completed.

(c) Yes, Sir.

(d) This Ministry have no information.

SHRI INDRAJIT GUPTA : The reply of the hon. Minister indicates that the Government is determined not to re-open this factory. I would like to know from him whether he is aware that a large number of items which are necessary for defence purposes, for Railways and for other Government Departments can very well be manufactured in this factory. Details have been submitted in a memorandum sometime ago. Why has Government not examined the possibility of re-opening this plant and running it on a viable basis so that it can perform a useful purpose in meeting Government orders and, particularly, Defence orders ?

SHRI MOINUL HAQUE CHOUDHURY : A Committee went into the matter and, after taking its report into consideration, the Government decided that it should be wound up.

SHRI INDRAJIT GUPTA : The hon. Minister has said in reply to part (b) of the