

**SHRIMATI SUSHILA ROHTAGI :** Sir, on the question of loss, the calculated loss if any, the time delay, etc. will be taken into consideration as soon as this project is implemented and, we hope, it will be done by October.

**SHRI RAJ KUMAR RAI :** It is very uncommon, Sir.

**SHRI RAM PYARE PANIKA :** Sir, I do not agree. This project was started..

(Interruptions)

[Translation]

My colleagues from Uttar Pradesh are saying that I should speak in Hindi. Therefore, I shall speak in Hindi only. I am glad to say that the N.T.P.C. has taken up this project very systematically, but the difficulty now being experienced is that there is no coordination between the concerned departments, as a result of which there has been some difficulty in the matter of supplies. As regards other power projects.. ..

**MR. SPEAKER :** Are you asking a question or replying to it.

**SHRI RAM PYARE PANIKA :** The completion of this project will be delayed as there is no coordination between the departments. Will the hon. Minister assure the House that the other projects will be completed in time by necessary monitoring and their infrastructure will also be completed in time ?

**SHRIMATI SUSHILA ROHTAGI :** If there is lack in coordination it will be remedied, but so far there has been no lack in the coordination in this field.

**SHRI BALKAVI BAIRAGI :** Mr. Speaker, Sir, from the reply, it appears that this reply is not from the Government side but from a company named N.E.T. This company is deliberately delaying it and is creating impediments in the execution of so big a project by not supplying the equipment. I want to know whether she is going to set up a committee which should see that the project is completed in time ? Whatever

reply you give, it should be from the Government and not on behalf of the company.

[English]

**THE MINISTER OF ENERGY (SHRI VASANT SATHE) :** In this matter we have taken the matter at the highest level. Our secretary went to U.K. last month and we have told the Government of U.K. as well as this Company that this project must be completed expeditiously. There is already a penalty clause in the Agreement. We can use it, if necessary. Now they have agreed to bring down the delay which was earlier expected to be about a year to four months. They have assured that they will gear up their entire machinery. They have already posted some high level officials here to ensure that this project is completed latest by October. I think this should satisfy.

[Translation]

**SHRI DAMODAR PANDEY :** Mr. Speaker, Sir, the hon Minister has stated that there was a delay of only four months and not a year. I would like to know the escalation in cost due to this delay and whether such a situation is not anticipated when the project is conceived ?

**SHRI VASANT SATHE :** It is, of course, anticipated. There can be a minor time lag when such a big project is being executed ; I am not defending it, but when such things take place, our endeavour is to see that the cost does not overrun even if the time has overrun.

[English]

#### Import of Telecommunication Equipment

\*164. **SHRI MOOL CHAND DAGA :** Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether imports of telecommunication equipment have been liberalised;

(b) how much foreign exchange is to be spent during 1986-87 and 1987-88, indicating the names of the exporting countries ;

(c) the number of public sector units permitted to manufacture parts for telecommunication equipment ; and

(d) the manner in which the interests of public sector units will be safeguarded taking into consideration heavy imports and production from Indian Telephone Industries ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMUNICATIONS (SHRI RAM NIWAS MIRDHA) :

(a) No, Sir, Import of Telecommuni-

cation equipment is resorted to only when such equipment are not available from indigenous sources, with prior clearance from the Department of Electronics and Director-General of Technical Development from the indigenous angle.

(b) to (d). A statement is given below :

Statement

Sl. No.	Name of items	Quantity	FOB amount in Rs. crores	Name of Country	Reason for Import
1	2	3	4	5	6
1.	Underground Telephone Cables.	2000 Kms	17.2	South Korea/FRG	Indigenous capacity inadequate.
2.	13 GHz Digital M/w Equipment,	12 hcps	5.50	Italy	Indigenously not produced
3.	140 Mb/s Digital Coaxial Equip.	—	7.4	Holland	-do-
4.	Emergency Communication Terminals	10 Nos.	4.2	Japan	-do-
5.	Testing Instruments	—	3.3	USA/Japan	-do-
6.	Spares for various Telecom. Equipments.	—	1.7	Japan/France	Spares for equipment imported earlier.
7.	Bilingual Electronic Teleprinters.	20 Nos.	0.01	France	Indigenously not produced.
8.	C-400 Crossbar Telephone Exchange Equipment.	9 K lines OKI 23 K lines-NEC	5.1 9.5	Japan	For extension of existing exchanges imported earlier.
9.	Fetex Type local Electronic Exchanges.	15 K lines	6.3	Japan	-do-

1	2	3	4	5	6
10.	Electronic PABX	20 K lines 8 K lines	6.0 3.2	France/ Japan Belgium	No indigenous manufacture available at present.
11.	Containerised Small Telephone Exchanges for free trade zones.	4 Nos	0.8	Japan	Indigenously not produced.
12.	Containerised local exchange equipment.	15 K lines	8.0	Holland	Expansion of existing ex- changes.
13.	Digital TAX's	11 stations	18.0	France	Indigenously not produced.
14.	Electronic Telex Equipment	4 stations	5.3	West Germany	-do-
15.	Miscellaneous for E-10 B Exchanges TRC etc.	—	0.60	France	-do-
	Total		102.11		

**Note : I** Information regarding Foreign Exchange to be spent during 1987-88 will be available only after budget allocation/Foreign Exchange is available. The names of exporting countries shall be known only when import orders are placed.

**Note : II** Prior clearance of Director General of Technical Development/Department of Electronics has been taken in all these cases for 1986-87.

(c) Public Sector Units Permitted to manufacture Telecom. Equipments/Turnover.

1. Public Sector Units — 7
2. Public/Joint Sector Units — 38
3. Turnover during 1985 — Rs. 340 crores.

(Turnover of Rs. 340 crores includes supplies made to the Deptt of Telecommunications and other users).

(d) Steps being taken to safeguard interests of Public sector units—

1. Strict scrutiny is made, before imports are resorted to, to restrict imports to minimum essential items, and only if indigenous production is not available.
2. Steps are being taken for import substitutions by encouraging indigenous production through indigenous Research and Development wherever possible and through transfer of technology wherever necessary.

[Translation]

**SHRI MOOL CHAND DAGA :** Mr. Speaker, Sir, with all humility, I want to say that this procedure of laying the statement on the Table of the House, which is resorted to quite frequently now a days, does not give an opportunity to the House to know all the facts. By giving this facility, you have deprived us eliciting information on all the facts.

**MR. SPEAKER :** If the reply to a question runs into 5-7 pages, other questions will be left out ; you see the other aspect also.

**SHRI MOOL CHAND DAGA :** I would like to bring to your notice what Chairman and Managing Director of Telephone Industries has said :—

[English]

The Managing Director of Indian Telephone Industries, Shri Nambiar had recently criticised the DOT's lack of faith in the abilities of our engineers and scientists. He stated that ITI is in a position to meet the country's requirements of switching equipments for the coming two decades. He has also claimed that the ITI's new factory at Manakpur in Uttar Pradesh has achieved a high degree of indigenisation in the field of digital exchanges and that the exchanges manufactured by the ITI have been found to be more suitable even by the Defence Services.

[Translation]

This is his statement dated 14th June, 1986 and your office has obliged you by giving a stale reply. For this you must thank your department, but let me tell you that this will lead to a heavy retrenchment in your department. Your I.T.I. in Bangalore is of the view that this decision will result in retrenchment of a large number of employees. According to one estimate, 10,000 people will be thrown out of their jobs.

**MR. SPEAKER :** You put the question.

**SHRI MOOL CHAND DAGA :** Your factory is giving a good production and can manufacture all the equipment. But your officers apprehend retrenchment; you are also importing the equipment at a very high cost. What clarification you would like to give in this regard ?

**SHRI RAM NIWAS MIRDHA :** As usual, the hon. Member has linked up a number of questions together ; I shall try to reply each of his questions briefly. This House is also well aware that the scheme of setting up a second electronic digital factory in Bangalore is under consideration of the Government for quite sometime now and whatever the Managing Director of ITI has said is correct. The same thing I have repeatedly said in this House that if decision on second factory is not taken early, we shall have to seriously think about giving alternative employment to about 7,000 people working in various factories with old technology. Therefore, the Managing Director of ITI has said nothing new and as such there is no contradiction between his statement and that of mine. We are encouraging ITI and they have introduced many new lines and our policy is that not only ITI but Joint Sector Undertakings of the States such as Electronics Development Corporation should also be associated with this work. During this period, we have entrusted a lot of work to the private sector too. Therefore, we want that the equipment which we are importing or the equipment that we would need in future should, as far as possible, be manufactured indigenously to meet our needs.

[English]

**PROF. N.G. RANGA :** Then, why these imports, Sir ?

[Translation]

**SHRI MOOL CHAND DAGA :** Mr. Speaker, Sir, an announcement was made in this House in 1984 that they were taking a new decision. 27 licences were issued to those private companies in which 51 per cent of shares were owned by the Govern-

ment. Six companies have already started work. They have said :—

[English]

“Accordingly, six companies in the State and joint sectors have already been licensed to produce 60,000 rural exchange lines each, and another 27 have been permitted to manufacture telephone instruments. Several State Electronics Corporations are also expected to supply various items of transmission equipment”.

[Translation]

In 1984, 6 companies were producing the required equipment for you and you issued licence to 27 companies. Although the companies had given a guarantee to supply equipment in 1987, yet you are importing equipment worth crores of rupees during the Seventh Five Year Plan ?

SHRI RAM NIWAS MIRDHA : First of all, it is not correct to say that we are importing telephone equipment worth crores of rupees, because nowhere in this statement have I said that we are importing telephone equipment.

So far as the question of issuing licences is concerned, I have already stated that our policy is that not only telephone exchanges and telephone instruments but cables, teleprinters, Coin boxes, PABX etc. should also be given to the private/joint sector for production. For example, let me tell you that 50 licences have been issued in the joint and private sector for the manufacture of telephone instruments. The private sector people make tall claims but when it comes to showing results and supplying the equipment in time, they always failed to deliver the goods. Our policy is to give full opportunity to the private and the joint sector so that our requirements of telephone exchanges could be met from indigenous production.

[English]

PROF. MADHU DANDAVATE : I hope the operators will be indigenous.

SHRI RAM NIWAS MIRDHA : We are making it automatic.

SHRI DINESH GOSWAMI : Apart from substituting imports, the other alle-

gation that is often levells is that the type of equipments that we are importing, are not of the best standard. Sometimes, the outmoded equipments are being dumped in this country, with the result that the telephones have become a headache for every individual in this country. Therefore, may I know what safeguards Government is taking to see that while we import these things, i.e. items and equipments, only the best available items are imported ?

SHRI RAM NIWAS MIRDHA : We have a elaborate and a very rigid system of evaluating foreign technologies which we want to adopt under transfer of technology agreements. In this process, the Department of Electronics is involved, the public sector enterprises like the Bharat Electronics, ECIL, Keltron are all involved in the process of evaluation, if the relevant production falls in that area. It is done only after inviting world tenders, complete evaluation of the capabilities, visits to factories and all the expertise available in the country is utilised for evaluating them. I can assure the hon Members that through this process, only the best will come up.

SHRI INDRAJIT GUPTA : If I am not mistaken, the other day when replying to a question in this House regarding the proposed phased closing down of those two units in Bangalore and Rae Bareli, the reason given by the Minister was that the cross bar equipment and one other equipment—I have forgotten its name—which are being produced there, have become obsolete. In this list which is given today in the statement, of the items for import, I find that item No. 8 again refers to imports which will cost, something like, between Rs. 14 crores and Rs. 15 crores for cross bar telephone exchange system, from Japan ; and the reason given is that it is for the extension of existing exchanges imported earlier. The existing exchanges imported earlier and which have been in operation for some time are, I think, the very ones which he mentioned last time. They were obsolete, or are getting obsolete now. So, I want to know firstly, why Rs. 15 crores are to be spent once again for importing from Japan equipment for extending these existing obsolete cross bar exchanges. (2) Out of 15 items listed in

this statement, the reason given for import against 10 of them is that the item is indigenously not produced and that is why it is being imported. In that case, I would like to know whether the overall picture is one of our being almost totally dependent on foreign sources for our telecommunication equipment and further development. If 10 out of 15 items are indigenously not produced at all uptill-now, it means we will have to depend entirely on the imported sources. I want to know whether government consider that to be a desirable thing from any point of view.

**PROF. MADHU DANDAVATE :** It is just like Maruti....

**SHRI RAM NIWAS MIRDHA :** About item no. 8 which says import of crossbar equipment from Japan, when I answered the pointed question in this House some time back regarding phasing out of the production in the ITI factories, what I said was that we were producing strowger and "Penta conta type" crossbar exchanges which were antiquated and gradually will phase them out for which we have drawn up a programme, but in their place more electronic production capacity had to be built up. These exchanges were constructed in a big building and in the first phase certain exchanges were installed ; and this Japanese variety was a part of the expansion of the same exchange ; no new building was contemplated ; no extra expenditure by way of a plan was contemplated, but it was anticipated, even when those exchanges were started, that there will be second phase of expansion in which infrastructure including building etc. were provided.

**SHRI INDRAJIT GUPTA :** Why do you expand the system which is already obsolete, and as a result of which some 10,000 workers are going to lose their jobs in those two factories ?

**SHRI RAM NIWAS MIRDHA :** We are absorbing every item that the ITI is producing. Import is not being done at the cost of the indogenous production but because of shortage of production in our ITI factories that some marginal import has to be resorted to. As regards

equipment for which we do not have the indigenous capacity, I have some list before me. In many of these items already negotiations are going on for transfer of technology agreement. For example, item no. 2, which is digital microwave equipment ; already we have floated world tenders. ITI is involved in this ; Baharat Electronics Ltd. is involved in this. We are involving them in productionising these things and they are involved in appraising the offer that has been received ; technically as well as financially they are appraising it. Same is the case with item no. 3. This is digital electronic equipment. ITI again is involved in transfer of technology and we are appraising things. In that way, most of the items that are listed here, we are also taking steps either by developing them by our own or through the transfer of foreign technology to fill in these gaps. We are very much conscious of the point raised by the hon. Member that the item which we are receiving now, importing now and which do not have the indigenous produce has to be productionised here. This is exactly the direction in which we are going.

**PROF. N.G. RANGA :** The Estimates Committee and some other Committee have to examine this question.

#### Shifting of LPG Godowns from populated areas

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\*167. **SHRI DHARAM PAL SINGH MALIK :**

**SHRI ANANTA PRASAD SETHI :**

Will the Minister of **PETROLEUM AND NATURAL GAS** be pleased to state :

(a) whether it is a fact that a number of LPG godowns are functioning in very thickly populated areas in the capital and other major towns in the country ;

(b) the number of such godowns which are functioning in very thickly populated areas of the capital ;