

LOK SABHA DEBATES

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LOK SABHA

Wednesday, November 11, 1987/
Kartika 20, 1909 (Saka)

The Lok Sabha met at
Eleven of the Clock

[MR. SPEAKER in the Chair]

MEMBER SWORN

[English]

SHRI TANDEL GOPALBHAI
KALANBHAI (Daman and Diu).

SHRI DINESH GOSWAMI : He may
be the youngest one in the House.

MR. SPEAKER : He can have that
privilege.

PROF. MADHU DANDAVATE : Had
he the right to vote ?

SHRI T. BASHEER : Baby of the
House !

SHRI SHANTARAM NAIK : He has
taken away part of my constituency.

ORAL ANSWERS TO QUESTIONS

[English]

Manufacture of V.C.R. and V.C.P.

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*61. SHRI AMARSINH
RATHAWA :

SHRI VAKKOM PURUSHO-
THAMAN :

Will the PRIME MINISTER be pleased
to state :

(a) whether the demand of V.C.R. and
V.C.P. is increasing day by day in the
country ;

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(b) whether Government have taken
a decision to permit manufacture of V.C.P.
and V.C.R. within the country and have
invited applications for establishing the
manufacturing units ;

(c) if so, the details thereon ;

(d) whether any foreign company has
shown interest to establish its unit in
India to manufacture V.C.R. and V.C.P. ;
and

(e) the final decision taken by Govern-
ment in this direction ?

THE MINISTER OF STATE IN THE
MINISTRY OF SCIENCE AND TECHNO-
LOGY AND MINISTER OF STATE IN
THE DEPARTMENTS OF OCEAN
DEVELOPMENT, ATOMIC ENERGY,
ELECTRONICS AND SPACE (SHRI K.R.
NARAYANAN) : (a) and (b) Yes, Sir.

(c) Composite applications for the
manufacture of VCR/VCP were invited by
Government vide Press Note of October,
25, 1985.

(d) Foreign companies have shown
interest in entering into technical colla-
boration with equity participation with
Indian companies, but not in establishing
units on their own.

(e) No final decision has been taken.

[Translation]

SHRI AMARSINH RATHAWA : Mr.
Speaker, Sir, I want to know from the
hon. Minister how many applications for
the setting up of V.C.R. and V.C.P.
manufacturing units have been received
and how many have been given
approval so far ? Have you received any
application from the tribal areas also ?

[English]

SHRI K.R. NARAYANAN : Well, I
cannot specifically say whether particular

applications have been given approval. But we have given preference and special consideration to development of industries, electronic industries as a whole, in hilly areas and tribal areas.

SHRI VAKKOM PURUSHOTHAMAN : For the first part of the question whether the demand of VCR and VCP is increasing day by day in the country, the answer is 'Yes'. On that basis, the Minister has said that the Government have invited applications for the manufacture of VCR and VCP in October 1985. The people are crazy for the VCR and are also purchasing the imported smuggled VCR at a very high price. Why have you not taken a decision during the last two years? What is the reason for the delay?

PROF. MADHU DANDAVATE : Now VCR is cheap due to smuggling.

SHRI K.R. NARAYANAN : The reason is that this is a somewhat complicated process...*(Interruptions)* May I explain it?

PROF. MADHU DANDAVATE : What is the complication? Smuggling?

SHRI NARAYAN CHOUBEY : What is the complication, Sir?

SHRI K.R. NARAYANAN : Sir, I can tell the procedure we had adopted. Earlier in 1980-82, we had given licences to about seventy units for manufacturing VCR and VCP and they have manufactured a few. But this really did not take off because of the inability of these units to sink sufficient money, have technology, develop R&D and all that. It is not that we did not give the licences. In 1980-82, seventy units, ten in the organised sector and sixty in the small scale sector were given approval for establishing such units. But they really did not take off very much though they produced some VCRs. In 1985, we issued a press note inviting applications, About 65 applications came. 14 were shortlisted and then finally we shortlisted five of them. On an examination by the Department, it is found that they were not ready with all the things like foreign collaboration. They could not give all the answers with regard what would be the equity, what is the kind

of technology they could get and what is the R&D arrangements they could establish in their units. So, because of this, we could not choose anyone at that time. Again this matter is being considered because the public sector ET&T Corporation has come forward with a proposal for manufacturing one million units of VCR and five other companies have also made offers. All these are being now put to the Project Approval Board.

SHRI K.S. RAO : I understand that a licence is given to the Andhra Pradesh Electronic Corporation to manufacture VCR at Tirupati in Chittoor District at a value of about Rupees one hundred crores. As you all know, Chittoor District is a very underdeveloped district. I wish to know whether the delay in establishing this factory is on the part of the State Government or on the part of the Central Government in giving the land. There are rumours that the project may be transferred from Andhra Pradesh to Maharashtra. Is it a fact or not? As Chittoor District is an underdeveloped district in Andhra Pradesh, the differences between the State Government and the Central Government should not come in the way of establishing this factory at Tirupati.

SHRI K.R. NARAYANAN : There is no question of such differences coming in the way unless from that side there is any objection. As I said, all such proposals will be placed before the Project Approval Board and they are the one who should take a decision from the point of view of capital investment, their capacity to enter into collaboration with the parties, their total plan for phased manufacture for indigenisation. On the basis of full examination, a decision will be made.

PROF. N.G. RANGA: Chittoor district is a very backward area. It should not be neglected.

SHRI K.R. NARAYANAN: We are not going according to the area but according to the merit of the project except for some undeveloped areas like hill areas,

SHRI V.S. KRISHNA IYER ; When there are a number of electronic industries in the public sector both at State and Central levels and they are ready to take

the manufacture of VCRs, where is the need to call for the applications from the private sector for collaboration and all that? I understand that BEL and Andhra Pradesh Electronic Corporation have asked for permission to manufacture VCRs.

SHRI K.R. NARAYANAN : The proposal from BEL and Andhra Pradesh State Electronics Development Corporation are not for the manufacture of VCRs but for the manufacture of colour television tubes.

[Translation]

Issue of Letters of Intent for Setting up Electronic Units

*62. SHRI HARISH RAWAT : Will the PRIME MINISTER be pleased to state :

(a) the number of letters of intent issued during the last 3 years for setting

up of electronic units in various parts of the country ;

(b) whether these letters of intent have not been utilised by many entrepreneurs ; and

(c) if so, the number of letters of intent which have not been utilised ?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN) : (a) to (c) The total number of Letters of Intent (LOI) issued, Industrial Licences (ILs) issued and LOIs which were cancelled/lapsed during the three years 1984, 1985 and 1986 are given in the statement below. The valid letters of intent are at various stages of implementation.

Statement

Sl. No.	State	No. of LI issued from 1984 to 1986	Industrial Licences issued from 84 to 86	No. of (I cancelled/lapsed
1	2		4	5
1.	Chandigarh	5	3	1
2.	Delhi	43	5	9
3.	Haryana	53	9	9
4.	Himachal Pradesh	32	1	10
5.	Jammu & Kashmir	13	—	5
6.	Punjab	27	8	5
7.	Rajasthan	38	5	8
8.	Uttar Pradesh	122	27	24
9.	Goa, Daman & Diu	20	4	4
10.	Gujarat	60	13	7
11.	Madhya Pradesh	38	4	21
12.	Maharashtra	112	23	13
13.	Assam	4	1	1
14.	Bihar	7	—	—