

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):**

(a) No, Sir.

(b) and (c). Do not arise.

**Shri Subodh Hansda:** May I know whether Government have received any proposal other than this?

**Shri Satish Chandra:** As the House is aware, a proposal is under consideration for sometime for the setting up of a raw film factory in collaboration with an East German firm. That is the only offer. Regarding the question put by the hon. Member, there has been no offer at all from U.S.A. except that a representative of some factory visited this place to assess the possibilities of establishing a factory. Later on, the firm expressed inability to set up a factory here.

**Shri Subodh Hansda:** Because of the heavy import of raw film into the country is the Government taking any initiative of its own for the establishment of raw film factory?

**Shri Ranga:** With the help of some other country?

**Shri Satish Chandra:** The matter is under consideration. Government wishes to establish a factory in the public sector for the production of raw films.

**Shri Jadhav:** How do the price of raw film compare with that of last year?

**Shri Satish Chandra:** I require notice for that.

**Shri S. C. Samanta:** May I know whether any contact has been made with any other country for this purpose?

**Shri Satish Chandra:** The proposal of East Germany is in a very advanced stage of consideration. Experts have come and gone and the project report has been received. It is in the final stage. Our Minister of Industries, who is now in America, may visit Germany also, if possible, on his way back, to finalise these matters.

**Shri Heda:** May I know the amount which we have to pay as foreign exchange for importing raw film even after the restrictions? What is the demand for raw films?

**Shri Satish Chandra:** I do not know the exact value. The demand is about 300 million cubic metres and may go up to 400 million by the end of the Plan period. The cost of cinematograph film imported in 1956-57 was Rs. 1.45 crores and other photographic films etc. Rs. 2.2 crores.

#### **Tyre Manufacturing Companies**

**\*1598. Shri Chandak:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether the tyre manufacturing companies have taken any steps towards increased participation of Indian capital in their enterprise as recommended by the Tariff Commission;

(b) if so, the total Indian capital invested in the above companies so far;

(c) if the reply to part (a) is in the negative the reasons therefor; and

(d) the steps proposed to be taken in the matter?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):**

(a) to (d). A statement is laid on the Table of the House

#### *Statement*

Of the tyre companies, there are only two namely, Messrs. Dunlop Rubber Company (India) Ltd., and Messrs. Firestone Tyre and Rubber Company (India) Ltd., which are manufacturing concerns. As regards Dunlops, the principal shareholders, Messrs. Dunlop Rubber Company (U.K.) are in the process of disposing of 3,36,500 ordinary shares of Rs. 10 each to the Indian public thus reducing their holding from about 90 per cent. to 51 per cent. In the new issue of ordinary shares of Rs. 140 lakhs also,

the U.K. firm has taken up only 51 per cent. shares in Messrs. Dunlop Rubber Company (India) Ltd.

2. The paid up share capital of Messrs. Firestone Tyre and Rubber Company (India) Ltd., is only Rs. 20,000. The question of Indian participation in the share capital of this concern will be kept in view when it asks for sanction to issue additional capital.

**Shri Chandak:** May I know whether the non-tyre manufacturing companies have been asked to wind up their business?

**Shri Satish Chandra:** They have not been asked to wind up their business. But there are many tyre companies which get part of their goods manufactured by other tyre-manufacturing companies in India.

**Shri Chandak:** May I know what are the percentages of Indian capital participation in the two proposed tyre factories in Madras and Bombay.

**Shri Satish Chandra:** The existing factories or the future factories?

**Shri Chandak:** The proposed factories.

**Shri Satish Chandra:** Three new factories are proposed to be set up. One firm, Ceat Tyres, have entered into collaboration with Tatas, where the Indian capital would be 40 per cent. initially, to be raised gradually to 50 per cent. There is another proposed factory in collaboration with Daton Rubber Company, in which the equity capital will be 50:50. The National Rubber Company, which will be set up in Calcutta, will be an Indian company.

**Shri Chandak:** May I know whether the proposed tyre factory at Bombay will be with the collaboration of the Italian firm, who are new in the line and who will work with American patent and, if so, why the promoters have not been asked to get direct participation of the U.S. firm?

**Shri Satish Chandra:** The Tatas have selected their collaborators. So, they must have taken into consideration the suitability of that firm to render help before they came forward with their proposal.

**Shri V. C. Shukla:** From the statement it appears that Messrs. Firestone Tyre and Rubber Company have only Rs. 20,000 as paid-up share capital. May I know how they are manufacturing tyres with this paid-up capital? Do they bring in loans etc. from outside?

**Shri Satish Chandra:** Firestone is a large tyre manufacturing company. It is obviously the subsidiary of its foreign company abroad. It has been registered here for convenience in operations with a nominal capital. There are no other shareholders.

**Shri Ramanathan Chettiar:** In view of the low percentage of Indian shareholding in the existing companies what steps will the Government take to negotiate with those companies to see that they increase the shareholding of Indian participants?

**Shri Satish Chandra:** If the hon. Member looks into the statement he will find that in the Dunlop Rubber Company, which is the only company with a big share capital, is reducing its foreign capital. The percentage has gone down from 90 to 51, and that is being offered to Indian shareholders.

#### Supply of Water in the Bapu Park

\*1600. **Shrimati Sucheta Kripalani:** Will the Minister of Works, Housing and Supply be pleased to state the time by which it would be possible to supply unfiltered water in the urban localities of South Delhi and in particular the Bapu Park?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** The supply of unfiltered water in the Government Colonies on the South of Delhi is expected to be available by the end of 1959. For other localities like the Bapu Park, which are under the Municipal Corpó-