

[English]

Setting up of Ordnance Factory in Bihar

4256. SHRI K.D. SULTANPURI : Will the Minister of DEFENCE be pleased to state :

(a) whether Markacho, Hazaribag District of Bihar has finally been approved by Union Government for setting up of an Ordnance factory; and

(b) If so, the time by which the foundation stone will be laid ?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ V. PATIL) : (a) and (b). Decision regarding location of the proposed Ordnance factory has not yet been taken by the Government.

Technically Assistance from Italy

4257. SHRI SWAMI PRASAD SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether some measures are under consideration of Government to remove the trade imbalance with Italy;

(b) if so, the details thereof;

(c) whether India has sought expert technical assistance in certain specialised

sectors from Italy;

(d) if so, the details thereof and the nature of expert technical assistance; and

(e) the value of trade with Italy during the current year ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES & THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES (SHRI RAM NIWAS MIRDHA) : (a) and (b). Steps are taken as a continuous process to improve the country's exports and remove trade imbalance with different countries, including Italy. Several trader promotion and product development measures are undertaken including participation in exhibitions and trade fairs, exchange of trade and industry delegations, and market promotion and publicity campaigns. At the official level, the Indo-Italian Joint Committee meets alternatively in Rome and Delhi in order to monitor the progress in commercial and economic exchanges between India and Italy.

(c) and (d). India has sought Italian assistance towards developing certain specific products like leather goods, precious metals jewellery, sports goods, processed foods, textile manufactures for sophisticated markets in industrialised countries.

(e) India's trade with Italy during the current year has been as follows :

(Rs. crores)

	Exports	Imports	Balance of Trade
*1986-87	320.32	489.59	—169.27
*1987 (Apr.-June)	109.77	121.96	— 12.19
*1986 (Apr.-June)	59.97	94.67	— 34.70

*Provisional.

Source : DGCI & S, Calcutta.

Assistance by C.P.O. to Small Scale and Cottage Industries

4258. SHRI PRATAPRAO B. BHOSALE : Will the Minister of COMMERCE be pleased to state :

(a) whether the Central Purchase Organisation has been helping development of small scale and cottage industries;

(b) if so, the details of assistance given by it to Small scale and cottage industry separately;

(c) how the Central Purchase Organisation helps the Public Sector Undertakings;

(d) the way import substitution is rendered by the Central Purchase Organisation and its activities during 1986 and 1987 in the field; and

(e) the specific object for which the Central Purchase Organisation has been set up?

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI N.D. TIWARI) : (a) Yes, Sir.

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

(e) The primary objective of the Central Purchase Organisation is to procure stores/equipments required by the Government Departments, of specified quality, on time and at reasonable prices.

Statement

(b) The following are the significant facilities extended to small scale and cottage industry by the Central Purchase Organisation :

- (i) The Small Scale units registered with the National Small Industries Corporation are treated as registered with the DGS and D under single point registration scheme.
- (ii) In 1980, as an experimental measure, the State Small Industries Development Corporations and National Small Scale Industries Corporation were treated as registered suppliers without registering individual units for submitting tenders on their behalf. This scheme has been extended on year to year basis since then;
- (iii) The small scale units are entitled to a price preference of upto 15%, on merits, when competing with large scale units;
- (iv) 409 items of stores are reserved for exclusive purchase from small scale units. In addition 75% of the requirement in respect of 13 items and 50% of the requirement in respect of 28 items are also

reserved for these units;

- (v) Tender sets have been issued free of cost to N.S.I.C. for distribution among the SSI units and also to all State Small Industries Development Corporations;
- (vi) The requirement that a manufacture seeking registration with the Central Purchase Organisation should possess its own testing facilities has been relaxed in the case of small scale units provided they have regular arrangement with other testing agencies in their areas for having their products tested;
- (vii) Security deposit required from un-registered firms for due performance of the contract is not normally insisted upon from SSI units on their producing a satisfactory competency certificate from NSIC within the stipulated period;
- (viii) As for cottage industries, 12 items are reserved for purchase from handicraft sector and 14 items for purchase from handloom sector. In the latter case, a few of the items like Dusters, bed-sheets and towels etc. are to be purchased from handloom sector only when Khadi and Village Industries Commission is not in a position to supply.

(c) Public Sector Undertakings are entitled to a price preference upto 10% when competing with large scale units. In two specific areas of (i) cotton/woollen fabrics, and (ii) drugs and pharmaceuticals (not manufactured in the small scale sector) purchases are made from the notified public sector undertaking to the extent supplies can be made by them.

(d) In consonance with the established policy of the Government, efforts are continuously made (i) to confine imports from abroad in respect of such items for which indigenous capacity does not exist and (ii) to induce development of additional indigenous sources of supply. The following new sources of supply were developed during the last two years :

1985-86

- (i) Polyester Peel Coat Film required by Survey of India, Dehradun.
- (ii) DHT Truck mounted Water Well Drilling Rigs required by Central Ground Water Board.
- (iii) Spares for Earth Moving Equipment of imported origin under 'Wilfit' category in lieu of imported stores.
- (iv) Superstructure for Fire Fighting on Ashok Leyland Chassis.

1986-87

- (i) Vibration testing system required by NCMC, Bombay.
- (ii) Spare parts for Earth Moving Machinery for which 'Wilfit' Category R/Cs have been concluded with various Indian manufacturers
- (iii) Air port lighting lamps in lieu of imported stores.

Project on Salinity Control

4259. SHRI NARSINGH SURYA-WANSHI : Will the Minister of FINANCE be pleased to state :

(a) whether the current International Development Association credit include a project on Salinity Control;

(b) whether a project report envisaging a cost of Rs. eight billion has been prepared;

(c) whether World Bank propose to provide any funds for it; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) There is no separate project on Salinity Control. However, some of the on-going irrigation projects, like Narmada River Development (Gujarat) Water Delivery and Drainage Project, Mahanadi Barrage Project (Orissa), Gujarat Major Irrigation Project II, etc. being implemented with IDA assistance include a drainage component.

(b) to (d). No such report on Salinity

Control project has been received.

[*Translation*]

Opening of Regional Office of Oriental Insurance Company in Patna

4260. SHRI RAMSWAROOP RAM : Will the Minister of FINANCE be pleased to state :

(a) the criteria laid down for opening of regional office of Oriental Insurance Company;

(b) whether there is any proposal to open regional office of Oriental Insurance Company in Patna during the current financial year; and

(c) if so, the time by which it is likely to be opened ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The setting up of a Regional Office by a subsidiary is governed by certain criteria laid down by the Board of General Insurance Corporation of India such as, volume of premium income, Divisional Offices to be supervised and cost norms.

(b) and (c). A proposal to open a Regional Office of the Company in Patna during the year 1988 is under consideration.

[*English*]

Representation of Kerala in Rubber Import Monitoring Cell

4262. SHRI K. KUNJAMBU : Will the Minister of COMMERCE be pleased to state :

(a) whether Kerala has no representation in the Import Monitoring Committee on rubber;

(b) if so, the reasons therefor; and

(c) whether representations will be given to rubber growers in Kerala ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES AND MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES