

LOK SABHA DEBATES

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LOK SABHA

Wednesday, March 22, 1972/Chaitra 2,
1894 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER *in the Chair*]

MEMBER SWORN

Shri Giridhar Gomango (Koraput)

ORAL ANSWERS TO QUESTIONS

Issue of Letter of Intent for setting up of
Scooter Project in Hyderabad

*122. SHRI B. K. DASCHOWDHURY :
SHRI K. MALLANNA :

Will the Minister of INDUSTRIAL
DEVELOPMENT be pleased to state :

(a) whether Government have recently
issued a Letter of Intent for setting up a private
scooter project near Hyderabad ;

(b) if so, the estimated yearly production
of the project ; and

(c) the time by which the production is
likely to start ?

THE DEPUTY MINISTER IN THE
MINISTRY OF INDUSTRIAL DEVELOP-
MENT (SHRI SIDDHESHWAR PRASAD) :
(a) to (c). A statement is laid on the Table
of the House.

Statement

No letter of intent has recently been issued to any private party for setting up a scooter project near Hyderabad. However, letters of intent were issued in October, 1970 valid for a period of one year to two parties, namely, The Andhra Pradesh State Industrial Development Corporation Ltd., and Shri P. V. Ramaniah, Madras for the establishment of scooter manufacturing units in Andhra Pradesh for an annual capacity of 24,000 Nos. each. The locations proposed by these two parties are Hyderabad and Vijayawada respectively. On an application submitted by the Andhra Pradesh State Industrial Development Corporation, the validity of their letter of intent has been extended upto 6/10/1972. The letter of intent granted to Shri P. V. Ramaniah lapsed on 6.10.1971, as he neither fulfilled the conditions of the letter of intent nor applied for its extension. It is not possible to indicate at this stage the time by which the unit to be set up by the Andhra Pradesh State Industrial Development Corporation will go into production.

SHRI B. K. DASCHOWDHURY : From the statement I find that, on an application submitted by the Andhra Pradesh State Industrial Development Corporation, the validity of their letter of intent has been extended upto 6-10-1972. I would like to know from the hon. Minister whether the Ministry scrutinised the whole aspect before issuing and extending the letter of intent from manufacturers' quota to the Andhra Pradesh State Industrial Development Corporation, to the extent as to what will be the price and to what extent components would be required to be imported from foreign countries and their cost.

SHRI SIDDHESHWAR PRASAD : Unless the prototype is produced by the Corporation, we will not know exactly what will be the price of the product.

About the foreign exchange component,