

LOK SABHA

Tuesday, June 22, 1971/Asadha 1, 1893 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Issue of Licences for setting up of an Automobile Tyre Factory in Kerala

*634. SHRI M. K. KRISHNAN : Will the Minister of INDUSTRIAL DEVELOPMENT be pleased to state the progress made in regard to the issuing of licence for setting up of an automobile tyre factory in Kerala ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT (SHRI MOINUL HAQUE CHOUDHURY) : A Letter of Intent has been given to Messrs. Ruby Rubber Works Ltd. Changanachery (Kerala) on 25-11-1970 for a new undertaking to manufacture automobile tyres and tubes with an annual capacity of 3 lakh numbers each in Kerala State.

SHRI M. K. KRISHNAN : May I know from the Minister when M/s. Ruby Rubber Works Ltd. will start production ?

SHRI MOINUL HAQUE CHOUDHURY : Sir, the position is somewhat like this. They have appointed a General Manager for the project. They have also appointed M/s. Atkins Pvt. Ltd., Calcutta for preparation of techno-economic feasibility report. They have also indicated that there has been considerable delay in the finalisation of the report and the same was expected to be ready by the end of May, 1971. The company have also requested the Government of Kerala to allot a plot of approximately 100 acres of land. Therefore, it is in preliminary stage and it is difficult to say when they will come into production. In the mean time the firm has asked for extension of validity period of the Letter of Intent for one

year and that is under consideration of the Government.

SHRI V. N. P. SINGH : Will the hon. Minister tell us while issuing the Letter of Intent has target for production been fixed ?

SHRI MOINUL HAQUE CHOUDHURY : A target was fixed for the company at three lakhs numbers of tyres and tubes each.

Loss incurred to Heavy Electricals (India) Limited, Bhopal

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*635. SHRI FATE SINGH RAO GAEL-KWAD :
SHRI M. M. JOSEPH :
SHRI BHOGENDRA JHA :

Will the Minister of INDUSTRIAL DEVELOPMENT be pleased to state :

(a) whether the state-owned Heavy Electricals (India) Limited, Bhopal has incurred a heavy loss ;

(b) if so, the loss suffered by the factory during the last three years, year-wise ; and

(c) the reasons for the loss and the steps taken by Government to make it a profitable concern ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT (SHRI MOINUL HAQUE CHOUDHURY) : (a) to (c). A statement is laid on the Table of the House.

Statement

Heavy Electricals (India) Limited, Bhopal has been incurring losses in the formative years since it went into production from 1961-62. The losses incurred during the years 1968-69 and 1969-70 were Rs. 5.84 crores and 7.75 crores respectively. According to provisional estimates the total loss for the year 1970-71 is likely to be Rs. 5 crores. The recurrence of