

**Shri Indrajit Gupta:** As far as I know, this wage board has rather a peculiar characteristic because it is the first wage board which is going to deal with an industry part of which is in the public sector and the other part in the private sector. That is why I wanted to ask whether Government has any contemplation while framing the terms of reference, whether there is any likelihood of their directing the Board to consider two separate sets of decisions, one for the steel plants in the public sector and another for those in the private sector.

**Shri Nanda:** That is not being contemplated.

**Mr. Speaker:** He explained it. I think the hon. Minister said that there is a desire to have a uniform standard for the whole of India without any difference between the private and the public sector.

Next question.

#### Newsprint Factory in Kangra

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\*210. { **Shri Bhakt Darshan:**  
**Shri Hem Raj:**  
**Shri Sarju Pandey:**  
**Shri D. C. Sharma:**

Will the Minister of Commerce and Industry be pleased to refer to the reply given to Starred Question No. 290 on the 10th August, 1961 and state the progress made so far in setting up a newsprint factory in Kangra District of Punjab?

**The Minister of Industry (Shri Manubhai Shah):** The licensed capacity of the newsprint mill proposed to be set up in the Punjab has since been increased from 30,000 tons to 60,000 tons per annum.

The party have not yet submitted the final proposals of foreign collaboration terms, etc.

**श्री भक्त दर्शन:** श्रीमन्, क्या यह सत्य है कि इस कारखाने के बारे में पहले जिस स्थान का निर्णय किया गया था वह काँगड़ा

जिले की सीमा के अन्दर था? और अब उसे वहाँ से किस कारण से हटाया जा रहा है?

**श्री मनुभाई शाह:** कोई स्थान तै नहीं हुआ था। अभी भी तै नहीं है। वह बहू देखा रहे हैं कि किस जगह सबसे ज्यादा इकानमिक साइट होगी। होगा तो वह पंजाब ही में।

**श्री भक्त दर्शन:** श्रीमन्, मैं यह जानना चाहता हूँ कि कौन कम्पनी इसका निर्माण कर रही है और इसके लिए क्या उसको विदेशी सहायता मिल रही है?

**श्री मनुभाई शाह:** करम चन्द थापड़ इसका निर्माण कर रहे हैं और कनेडियन्स कोलेबोरेशन कर रहे हैं।

**Shri D. C. Sharma:** What are the parties with whom the Government is negotiating for the setting up of this factory?

**Shri Manubhai Shah:** This is a private industry and the industrialists are negotiating with a Canadian firm and two or three consortiums in order to get the technical know-how

**Shri Achar:** In view of the very great shortage of newsprint, may I know what steps are the Government taking, especially in view of the elections that are coming and the great demand for the newsprint?

**Shri Manubhai Shah:** The House will be glad to know that many extensive steps have been taken to bring the country to self-sufficiency in newsprint. This is one factory in Punjab with 60,000 tons capacity; there is another factory to come up in Moradabad and a third in Karad in Maharashtra, each with 60,000 tons capacity. The public sector factory NEPA is being expanded from 30,000 to 60,000 tons. In the next three years we shall have more than 2.5 lakh tons per year.

**श्री अचल सिंह:** क्या माननीय मंत्री जी यह बताने की कृपा करेंगे कि यह फैक्टरी बन

जाने के बाद क्या न्यूजप्रिंट की ओर कमी है वह पूरी हो जाएगी ?

श्री मनुभाई शाह : हां ।

**Shri T. B. Vittal Rao:** According to the Industrial Policy Statement we should avoid concentration of economic power in a few hands. Then why has a licence been given to Messrs. Karam Chand Thapar and Sons who has already got so many industries?

**Shri Manubhai Shah:** I would not like to discuss individuals here but all these aspects have been fully considered.

श्री अ० मु० तारिक : मैं जानना चाहता हूँ कि क्या यह हुकूमत की तैशुदा स्कीम है कि शुमान की छोटी छोटी पसमांदा रियासतों में, चाहे वह जम्मू काश्मीर हो, या हिमाचल प्रदेश हो या पंजाब हो, जितने कारखाने कायम किए जाते हैं खासकर पेपर के, वह प्राइवेट सेक्टर को दिए जाते हैं ? क्या इसकी यह वजह है कि हम इन चीजों को पब्लिक सेक्टर में चलाने में नाकामयाब रहे हैं या कोई और वजह है ?

(ع - م - طارق : میں جاننا چاہتا

ہوں کہ کیا یہ حکومت کی طے شدہ اسکیم ہے کہ شمال کی چھوٹی چھوٹی پسماندہ ریاستوں میں - چاہے وہ جیموں کشمیر ہو یا ہماچل پردیہ ہو یا پنجاب ہو - جتنے کارخانے قائم کیے جاتے ہیں - خاص کر پیپر کے - وہ پرائیویٹ سیکٹر کو دئے جاتے ہیں - کیا اس کی یہ وجہ ہے کہ ہم ان چیزوں کو پبلک سیکٹر میں چلانے میں ناکامیاب رہے ہیں یا کوئی اور وجہ ہے -

श्री मनुभाई शाह : ऐसी कोई बात नहीं है । यह नई लाइन है इसलिए यह काम प्राइवेट सेक्टर को दिया गया है । इसके अलावा कंज्यूमर गुड्स का काम ज्यादातर प्राइवेट सेक्टर में रखा जाता है, हालांकि जितने रिसोर्सेज हमको मिलते हैं उनको हम पब्लिक सेक्टर में डाल कर उसको फैलाने की कोशिश कर रहे हैं ।

श्री अ० मु० तारिक : प्राइवेट सेक्टर को क्यों यह काम दिया जा रहा है खास तौर पर करम चन्द थापर और शान्ति प्रसाद जैन को ?

(ع - م - طارق : پرانویٹ سیکٹر کو کیوں یہ کام دیا جا رہا ہے خاص طور پر کرم چند نہاير اور شانتی پرشاد جن کو ؟

**Mr. Speaker:** The hon. Member ought not to go on sitting and talking.

**Shri A. M. Tariq:** I am sorry, Sir.

श्री हेम राज : पहले थापड़ इस कारखाने को कांगड़े में लगा रहे थे लेकिन अब व्यास बांध और पांडू बांध के बनने की वजह से उसको दूसरी जगह ले जाना चाहते हैं, क्या यह बात सही है ?

श्री मनुभाई शाह : फिलहाल जो उनकी टेकनिकल एडवाइस है वह यह है कि पांडू और व्यास डाम के बीच में कोई सही जगह देखी जाए जहां कारखाना लगाया जाएगा ।

**Mr. Speaker:** To an earlier question from Shri Vittal Rao as to why one individual was given all the contracts or licences, the hon. Minister replied that it was the question of an individual. It is a matter that requires explanation to this House.

**Shri Manubhai Shah:** That is not true, Sir. This particular party has very few paper factories..... (Interruptions.)

**Shri T. B. Vittal Rao:** He has got two paper factories.

**Shri Manubhai Shah:** My submission was that the cases of individuals should not perhaps be a matter of discussion here.

**Mr. Speaker:** So far as the Industrial Policy Resolution is concerned it says—the Act also says that there must be as large a dispersal as possible, not only in area but in individuals also.

**Shri Manubhai Shah:** It is so, Sir ...  
(Interruptions.)

**Shri A. M. Tariq:** He has already got a mill in Jagadhri in Punjab.

**Shri Manubhai Shah:** The point is that there are two matters which are being mixed up. This is a newsprint factory: there is no newsprint factory in the State. This is a new line altogether. Secondly, we always try to encourage new entrepreneurs as far as possible in all these consumer industries. In the last five years more than 20 new industrial entrepreneurs have come up entirely in the paper industry.

**Shri Hem Raj:** May I know whether the report of the foreign experts of our foreign collaborators has been considered?

**Shri Manubhai Shah:** They are still considering it. Specimens of Punjab woods have been sent out in order to test the suitability of the fibres and to decide on many other technicalities. This is a difficult industry and a thorough research work has to be done before the final project report is prepared.

**Shri T. B. Vittal Rao:** Is it not a fact that the Andhra Pradesh Government wanted to start a factory in the public sector in Bodaun and it was not given a licence?

**Shri Manubhai Shah:** No, there was nothing of that sort. The House will recall that the Andhra Pradesh Government has been given a licence for quadrupling the existing paper fac-

tory. We have also told them that if they or anybody else wants to put a paper factory in that place, they will be welcome.

**Shri Braj Raj Singh:** Who are the other applicants who had applied for setting up this factory in Punjab or elsewhere in the public sector?

**Shri Manubhai Shah:** None, Sir.

**Shri T. B. Vittal Rao:** May I point out that in the Second Plan, Rs. 5 crores were provided for a newsprint factory in Andhra Pradesh but it was not taken up because licence was not given?

**Shri Manubhai Shah:** That was quite a different thing. That was to be produced from sugarcane bagasse while this is to be produced from coniferous woods. Research work made in respect of bagasse is so incomplete that the Government of India did not think it practicable or economical to set up such a newsprint factory.

**Shri T. B. Vittal Rao:** Is bagasse not going to be used in Moradabad?

**Shri Manubhai Shah:** Things are getting too much mixed up. The Moradabad factory is being put up by a private industrialist based on certain latest researches carried out. Still experiments are going on. The House would recall that the Second Plan provided for a public sector undertaking at Sakarnagar. We went on sending out samples to Germany and other countries and unless we were convinced from the technical reports of the foreign as well as the Indian experts that it would be fruitful, we did not want to repeat the mistake of NEPA.

**Shri Heda:** May I know whether it is not a fact that the hon. Minister himself has said several times on the floor of this House that newsprint can successfully be manufactured out of bagasse and that the only hitch was that the collaborators should guarantee and that that guarantee was not forthcoming? In that case, did they

try any private individual to come forward?

**Shri Manubhai Shah:** I have explained this several times before this House—the circumstances in which the Sakarnagar project had to be given up and the background reasons. Those causes still continue. In the Third Plan we have made no provision for a newsprint factory in the public sector. Only the expansion of the NEPA factory is being undertaken in the public sector.

**श्री भक्त दर्शन :** श्रीमन्, हमारे देश में अखबारी कागज की जो कमी है उसको देखते हुए यह कारखाने का काम जल्दी से जल्दी शुरू हो, इसके लिए केन्द्रीय सरकार और राज्य सरकार क्या सहायता दे रही है ?

**श्री मनुभाई शाह :** हमारा भी इरादा यही है। और सब मेहनत इसी लिए की जा रही है कि ये चारों कारखाने जल्दी बँठ जाएं।

**श्री विभूति मिश्र :** अभी मंत्री जी ने बतलाया कि यह काम प्राइवेट सेक्टर में रहेगा। मैं बताता हूँ कि कुछ ऐसी जगहें हैं जहाँ ज्यादा शुगर फैक्टरीज हैं, जैसे पूर्वी उत्तर प्रदेश और नार्थ बिहार, जहाँ इस प्रकार के ज्यादा कारखाने लग सकते हैं क्योंकि वहाँ बगस ज्यादा होता है। मैं जानना चाहता हूँ कि वहाँ ये कारखाने लगाने में क्या दिक्कत है, खास कर जब कि वहाँ की इकानमी भी अच्छी नहीं है ?

**श्री मनुभाई शाह :** जिस इलाके की बात मेम्बर साहब कर रहे हैं वहाँ कई कारखाने लग रहे हैं।

**Mr. Speaker:** Evidently, the hon. Members want to know this. If ultimately bagasse is found a suitable commodity from which paper could be manufactured, why was this given up?

**Shri Manubhai Shah:** As I explained earlier, the Sakarnagar factory was meant for newsprint. There is no difficulty for making paper out of

bagasse. Already in India seven factories are making paper out of bagasse. The Second Plan provided for the establishment of a newsprint factory in Andhra Pradesh based on bagasse. The experiment which we carried out with foreign technical collaborators in different countries of the world proved completely unsuccessful. Therefore, in the second Plan, it was given up. Subsequently, in Mexico and in Cuba some sugar factories of the American industrialists have to some extent succeeded in using bagasse and that is the process which the two private industrialists are going to take up. Till we are sure that the thing can succeed, having had a failure in NEPA, we do not want to go on with an uncertain process yet.

#### Pattern of Assistance to State Governments

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\*211. { **Shri Harish Chandra Mathur:**  
**Shri Ram Krishan Gupta:**

Will the Minister of Planning be pleased to state:

(a) what conclusions Planning Commission has arrived at regarding the pattern of assistance to be given to the State Governments;

(b) how it differs from the pattern adopted during the Second Five Year Plan; and

(c) what would be the effects of this change?

**The Deputy Minister of Planning (Shri S. N. Mishra):** (a) to (c). Patterns of Central assistance for State Plan schemes and Centrally sponsored schemes were recently reviewed in the context of the Third Plan. The conclusions reached have been intimated to the States and will operate in relation to the Annual Plans of States for 1962-63 which are at present under discussion. The main object of indicating patterns of assistance for specific schemes is to stress the major priorities and objectives of the National Plan in the plans of States