

Mr. Deputy-Speaker: The question is:

"That the respective sums not exceeding the amounts shown in the fourth column of the order paper, be granted to the President, to complete the sums necessary to defray the charges that will come in course of payment during the year ending the 31st day of March, 1966, in respect of the heads of demands entered in the second column thereof against Demands Nos. 48 to 50 and 131 relating to the Ministry of Health."

The motion was adopted.

{The motions of Demands for Grants which were adopted by the Lok Sabha, are reproduced below —Ed..}

DEMAND NO. 48—MINISTRY OF HEALTH

"That a sum not exceeding Rs. 20,97,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1966, in respect of 'Ministry of Health'."

DEMAND NO. 49—MEDICAL AND PUBLIC HEALTH

"That a sum not exceeding Rs. 13,45,10,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1966, in respect of 'Medical and Public Health'."

DEMAND NO. 50—OTHER REVENUE EXPENDITURE OF THE MINISTRY OF HEALTH

"That a sum not exceeding Rs. 83,93,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1966, in

respect of 'Other Revenue Expenditure of the Ministry of Health'."

DEMAND NO. 131—CAPITAL OUTLAY OF THE MINISTRY OF HEALTH

"That a sum not exceeding Rs. 8,21,33,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1966, in respect of 'Capital Outlay of the Ministry of Health'."

MINISTRY OF INDUSTRY AND SUPPLY

Mr. Deputy-Speaker: The House will now take up discussion and voting on Demand Nos. 64 to 68 and 133 relating to the Ministry of Industry and Supply for which 5 hours have been allotted.

Hon. Members desirous of moving their cut motions may send slips to the Table within 15 minutes indicating which of the cut motions they would like to move.

DEMAND NO. 64—MINISTRY OF INDUSTRY AND SUPPLY

Mr. Deputy-Speaker: Motion moved:

"That a sum not exceeding Rs. 87,14,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1966, in respect of 'Ministry of Industry and Supply'."

DEMAND NO. 65—INDUSTRIES

Mr. Deputy-Speaker: Motion moved:

"That a sum not exceeding Rs. 4,06,44,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of

[Mr. Deputy-Speaker]
payment during the year ending
the 31st day of March, 1966, in
respect of 'Industries'."

DEMAND No. 66—SALT

Mr. Deputy-Speaker: Motion mov-
ed:

"That a sum not exceeding
Rs. 50,77,000 be granted to the
President to complete the sum
necessary to defray the charges
which will come in course of
payment during the year ending
the 31st day of March, 1966, in
respect of 'Salt'."

Mr. Deputy-Speaker: Motion moved:
DEMAND No. 67—SUPPLIES AND
DISPOSAL

"That a sum not exceeding
Rs. 3,13,45,000 be granted to the
President to complete the sum
necessary to defray the charges
which will come in course of pay-
ment during the year ending the
31st day of March, 1966, in res-
pect of 'Supplies and Disposals'."

DEMAND No. 68.—OTHER REVENUE
EXPENDITURE OF THE MINISTRY OF
INDUSTRY AND SUPPLY

"That a sum not exceeding
Rs. 37,48,000 be granted to the
President to complete the sum
necessary to defray the charges
which will come in course of pay-
ment during the year ending the
31st day of March, 1966, in res-
pect of 'Other Revenue Expendi-
ture of the Ministry of Industry
and Supply'."

DEMAND No. 133—CAPITAL OUTLAY
OF THE MINISTRY OF INDUSTRY AND
SUPPLY

Mr. Deputy-Speaker: Motion moved:

"That a sum not exceeding
Rs. 54,00,61,000/- be granted to
the President to complete the
sum necessary to defray the
charges which will come in
course of payment during the year
ending the 31st day of March,
1966, in respect of 'Capital Outlay
of the Ministry of Industry and
Supply'."

The above Demands are now
before the House.

Shri Daji: Mr. Deputy-Speaker,
Sir, while discussing the Ministry of
Industry and Supply, the first thing
that strikes us is, pity for this
Minister presiding over an absolutely
impotent and powerless Ministry....

Shri Ranga: Poor fellow!

Shri Daji:...the Minister whose
policies are decided by someone else,
the Minister whose actions and
departments are supervised by others
and the policy pronouncements in
respect of which are made by Minis-
ters who have nothing to do with
Industry. That is the fate of this
Ministry.

Sir, while speaking on this Minis-
try, one is rather inclined to speak
on the Government's policy as a
whole rather than on this almost
powerless Ministry. This is almost
now a truncated Ministry. Chips and
chunks have been taken away. One
does not actually know what is vest-
ed in this Ministry.

Shri Ranga: What is it?

Shri Daji: But the basic point that
strikes one is this that though this
Ministry and the Government and
the Finance Minister seek to get
some satisfaction at the rate of
growth of industrial development in
our country, two things are very
clear. Firstly, the rate of growth is
slower than what was targeted in
the Plan. If the explanation is given
that this was because of shortfall of
foreign exchange or raw materials,
I would say, no such explanation lies
in the mouth of a Government which
says, "We are planning". If you plan
for 11 per cent industrial growth,
when you plan that, you are sup-
posed to preplan what the con-
comitant requirements would be for
11 per cent industrial growth. If you
say, "We did not plan for raw
materials, we did not plan for imports,

we did not plan for this or that", that means you are not planning at all. That means that you are having only some fancy figures. That is the first point that I would like to take.

The second point is that a quick glance at the returns of the last six months shows that the rate of industrial growth is again slightly slowing down. We would like to know the reasons therefor, because even the targeted rate of industrial growth of 11 per cent is not very high, and if we have to meet the challenge of destiny as was said by the Deputy Chairman of the Planning Commission, then even this rate of growth of 11 per cent is ridiculously low, and even at the end of 1975 or at the end of the Fifth Five Year Plan we shall be nowhere nearer the task that the nation should face itself with.

15.31 hrs.

[DR. SAROJINI MAHISHI in the Chair]

Shri Hari Vishnu Kamath: That will be our destiny.

Shri Daji: That will be our destiny under the Congress dispensation.

The third thing is that one is amazed to find that despite all the hullabaloo of the industrialists going round the country that there is no climate for investment, actually the investments have increased, the industries have increased, and what is most significant is that the profitability rate has increased beyond all measure. Very recently, the Reserve Bank Bulletin has published a study of the profitability of 251 branches of foreign companies, and the study shows that the profits after tax come to about Rs. 15 crores which mean a rise of 31 per cent over last year's. Similarly a study of 169 foreign-controlled rupee companies shows that the profits after tax amount to about Rs. 34 crores. And the conclusion of the Reserve Bank is that the foreign-controlled companies showed better profitability ratio as compared with Indian companies. We would like to know, 'why',

as it is a very surprising thing. And after all this we are told that more and more concessions are to be given to the foreign private capital to come for investment in our country. A US study has shown that the profitability of investment in India is higher than in Pakistan or Western Europe or South America. Despite this climate which is favourable, Government policy itself is playing into the hands of foreign investors and Indian big business, because they are repeatedly saying that we should give more and more concessions and we should show a more and more favourable attitude to the growth of industrial development. This is really surprising.

Let us study what *The Economic Times* says. It is not a socialist or a communist paper. This paper has recently brought out a study of 51 giant industrial undertakings; this term 'giant industrial undertakings' is used by the study itself. What does it show? It shows that the gross profits as percentage of total capital employed has increased from 10.8 per cent in 1962-63 to 11.4 per cent in 1963-64, and the net profits, that is, profits after tax, as percentage of net worth has increased from 9.9 per cent in 1962-63 to 10.7 per cent in 1963-64, and dividends on equity shares distributed have risen from Rs. 31.66 crores in 1962-63 to about Rs. 34.84 crores in 1963-64. So, industry seems to be prospering very well. I shall have a quick glance at some of the figures in regard to the profits after tax as percentage of net worth, in respect of some of these big companies, or rather, some of these biggest companies or giant companies. The figures are as follows:

Burn & Co.	24.6 per cent
New Central Jutes	21.5 per cent
Texmaco	19.9 per cent
Indian Aluminium	16.1 per cent
Union Carbide	15.6 per cent
Dunlop	14.8 per cent
Indian Cable	14.4 per cent

[Shri Daji]

Gwalior Rayon	14.3 per cent
Tata Hydros	13.5 per cent
Tata Power Co.	13.4 per cent
Tata Steels	13.4 per cent

This shows that these giant companies earn profits after tax which would entitle them even within six years to recover the entire investment and still have the investment capital intact. After this, if there is a neurosis among the industrialists, as the Deputy Chairman of the Planning Commission was pleased to remark, and there is a feeling among them that the climate and the situation in India for industrial development are not good, one can certainly take exception to it. But what is surprising is this that the Government spokesmen themselves play into their hands, and every time the budget is presented here and the financial discussion takes place here, we are told that some more concessions are necessary for industrial development. Do the Government want them to get rich within four years instead of within six years, because that is all that is left now as things stand?

I might also say in this connection that there is an organised blackmail going on on the part of men of big business; they are blackmailing Government to resile from the accepted policy. Instead of Government standing up to their blackmail, one is chagrined to note that Government are slowly but yet certainly resiling from and rescinding the accepted national policies. One must recall with what boldness Mr. Birla said at Calcutta that if Government went on prodding about black money, many political heads or the heads of many politicians would roll. This is the threat that has been given by Mr. Birla who is a responsible industrialist. We have also heard the pathetic statement of Shri S. K. Patil that during our freedom fight, crores of rupees were given to the Congress

by this industrialist. I am sorry he forgot the tears, the toil and the blood of the common men who had sacrificed their all in the fight for freedom, and he only remembered the crores of rupees given by Mr. Birla. Then, in post-haste, what is done? In post-haste, Shri Nanda and Shri Lal Bahadur Shastri are sent to Calcutta to placate them. Who cares for the Minister in charge of Industry? He is just a dummy to sign the papers; the policy pronouncements are made by some other persons. And what is the picture given of this by the authentic voice of Mr. Birla, namely the *Eastern Economist*? Here is the cartoon on the front cover page of the *Eastern Economist*. It is entitled 'My Fair Lady'. The famous picture is depicted of a beautiful woman with industry as her hand-bag, and Shri Nanda is kneeling and going before her with a bonquet in his hand, and Shri Lal Bahadur Shastri is shooting Cupid's arrow. This is the representation given in that cartoon of the crawling and abject surrender that this Government and the Ministers are doing. This is the cartoon in the *Eastern Economist*. And what has this journal got to say? This is the comment. I would like to read it out. It runs thus:

".....it was undoubtedly a national misfortune that there had been a certain degree of emotional alienation between Jawaharlal Nehru and the business community throughout the period of his Prime Ministership.

"Against this background, it is indeed a heartening sign that leading Congressmen in Government have now begun to show a healthy interest in ending this emotional alienation . . .".

This is the authentic voice of big business, speaking about these meetings and the pronouncements of Government's policy. Then, what does it remark? Then, Mr. Birla said— I am quoting from his own paper—

"I can tell you from my political experience that there is no chance of the Swatantra Party, the Jan Sangh or any other party replacing the Congress. You may be replacing this Government by a Government of the Communists, but they will be the first to cut your throat. Do not make this mistake."

So, we find that he was appealing to his fellow-businessmen to continue to give donations to the Congress.

Shri Hari Vishnu Kamath: Otherwise, heads will roll.

Shri Daji: Otherwise, heads will roll.

Then let us see what, of all persons, **Shri Satya Narayan Sinha**, Minister of Communications said there. We are told that he is rather on the good side of Mr. Birla. We find that this is what he has stated:

"Mr. Sinha did not like the talk of socialism being carried too far."

He was speaking, with *Sadachar Nanda* sitting by his side, with *Nandaji* of the socialist forum sitting by his side, and this is what he said:

"Mr. Sinha did not like the talk of socialism being carried too far."

And how did he end his speech? He ended it thus:

"Speaking of the Congress Party, Mr. Sinha said that if any party had taken the responsibility of guiding the nation, it has not to be just tolerated because nothing better is available but because it is the best possible party."

And how as it the best possible party? He went a step further and said:

"If we (the Congress) go, you go, perhaps before us."

And so he said "Therefore, support us".

Shri Hari Vishnu Kamath: Good alliance.

Shri Daji: This is the state to which our industrial policy has been reduced. And the Birlas are patting Government on the back and saying that should give up the Nehru path and all that. And what is the result? I say that the Industrial Policy Resolution is being sabotaged and subverted slowly but surely. It is being sabotaged and subverted even according to the businessmen themselves. And this time who is speaking? It is Mr. Goenka's journal which says this. Mr. Goenka is a friend of our Finance Minister, which is a well known thing. And what is heading for this news item? It is:

"Big business to get key role in economy."

And what is the reading of this reporter? It is as follows:

"Another important sign of a thaw in the Government's attitude to private business is that the hide-bound approach of the Industrial Policy Resolution which unrealistically partitioned industry between the public and private sectors is to be given up" . . .

The new departure shows a shift from the irrationality and rigid thinking of some of the Government's industrial policies before Mr. Shastri became Prime Minister.

By a more liberal interpretation of Schedule A of the Industrial Policy Resolution the Government may allow the private sector to play a larger part in defence production.

And we know about it very well, because about 2000 defence employees are being retrenched, since the orders to the ordnance factories are being switched over to the private sector, and there is going to be a movement

[Shri Daji]

led by the workers to protest against this. So, we find that the Industrial Policy Resolution is slowly being subverted by assigning more role to the private sector from what has been assigned to the public sector, by assigning more role to the foreign investor. The latest innovation is to give the letter of intent to the foreign investor, which has been resented by no less a person than Mr. Vaidya who is the President of the All India Manufacturers' Association this was what he said when he was presiding over a meeting of that association. What does this new innovation mean? Previously the Indian partner got the letter of intent, and he could select the foreign collaborator but now the foreign collaborator will get the letter of intent and he can select the Indian party. That means the selection will be in the hands of the foreigners. What will be the result? The Mahalanobis Committee has already pointed out that one result of this will be concentration of foreign collaboration in big industry, because the foreign collaborators take to big business only. They do not care for small and medium industries. Now with the letter of intent itself in the hands of the foreign collaborators, there is no hope for medium and small industries. They will be starved out and our own indigenous industry will suffer.

The wire drawing industry is already facing a crisis. Their products are not being sold; whereas the same products are being imported. Shri Birla has been given a licence for Rs. 1 lakh for the import for the GRASIM—Nagda factory. There are complaints from small industries. They ask: what is the point in encouraging us to make these industrial products when these are allowed to be imported; our own market is shrinking. This is the industrial policy, if it can be called a policy worth the name.

What about the licensing policy? What is happening under that policy? In that policy, there is no reflection of the announced policy of Government to avoid economic concentration. On the contrary, facts of life show that even small and medium businessmen can hardly compete with persons of the big business in getting licences because the latter employ PROs—Public Relations Officers. Most of the retired Secretaries are employed by the big business houses. They go round in New Delhi and secure all possible licences from your offices. Thus there is no competition between big business and the small and medium business; only a few blessed houses can worm their way into the favour of the officials and also the Ministers, as has been clearly shown now, like Shri Patel, Shri Sinha and some other persons. Excepting that, businessmen cannot get licences on a competitive basis.

Now a very dangerous principle is being sought to be introduced. It is to be found in the papers prepared for the Fourth Plan. The argument given is that as we want quick industrialisation and quick production, in future while giving licences, consideration should be given only to established producers. That means further concentration should be allowed. This wrong policy of licensing is being sought to be given a principal basis in the Fourth Plan.

The total upshot is that this Industry Ministry is not a Ministry for industrial development but it is a Ministry of industrialists to get their own development. It is coming to that. The failure of the small car project is a standing indictment of Government. Even in the small car project, Government has shifted the ground. Shri Subramaniam had made a clear declaration that when we have a small car project, it would be in the public sector. But the new Minister has already started wobbling—it may be in the public sector, it may be in the private sector. There are a number of applications for

tractor production lying undisposed of for more than one year. They have not been scrutinised or examined. They are being held up. Then what about the patents law? The patents law revision is being sabotaged. Despite the demand of the Health Ministry, the Ministry of Industry and Government are sabotaging the enactment of a patents amendment law which should scrap the entire imperialist, foreign-dominated concept of patents which holds our industrial development to the ransom of the foreign monopolists and also holds the entire pharmaceutical industry, an industry of life and death for the nation, to the ransom of the foreign monopolists. This amendment of the law is being sabotaged.

Shri Hari Vishnu Kamath: It may come next session.

Shri Daji: This is not all. Government is trying to hide the sins of the industrialists. What about a number of reports the Ministry has got? The report on the Bhopal Textiles—not published. The Report on the Thackersey group—not published. There was a reply given in this House and in the other House that the complaints about the Thackersey Group were inquired into by Government. We would like to know how long are they taking to complete it. So not only the Government will not scrounge them, but if someone lashes out at these big business houses.....

Shri Sham Lal Saraf (Jammu and Kashmir): There is the High Court's pronouncement.

Shri Daji: I am coming to that precisely.

Mr. Chairman: I would request the hon. Member to conclude.

Shri Daji: I am not going into the judgement at all—I know that. When somebody exposes the doings of a big business house, what do Government do? The Government claim a technical privilege about the reports and records in their possession, a principle of privilege evolved juristically as akin to the Police powers of the State strictly restricted for State purposes, not to hide the doings or acts of commission and omission of big business houses. But protection is sought by Government, by Sada-charji Nandaji and other Ministers under this to refuse to give reports and documents in the custody of Government, so that the charges against the house of Thackerseys could not be proved and instead a penal sentence has been imposed on the person who had the courage to fight it. The whole procedure in that particular case—I am not concerned with the judgment, I am not concerned with the aspect of defamation, the whole procedure in that case I am concerned with the stand Government took in withholding report and records of investigations carried on against the Thackerseys and not producing them before the court—the whole procedure was defective in that sense. Perhaps if these records had been produced, the judgment would have been different.

So not only do Government not expose the big business loot, but if someone tries to expose it, Government use the state machinery, the exceptional powers of privilege, concerning documents to see that justice is denied to the man who dares to take cudgels against big business.

Then, what about the Ranchi fire? I make bold to say that it is an act of sabotage. Justice Mukerjee has referred to a lamentable criminal lack of control and supervision. After he has said that, there is another fire. I am told that one employee was arrested and he made a clean breast of the thing. When he did so, he involved so many big officials so much

[Shri Daji]

so that the entire thing is being hushed up. I demand that another judicial probe be immediately ordered. We would like to know what was the confession of the employee who was arrested. Why is the whole matter being hushed up? Who was responsible for this criminal lack of supervision and control? What action has been taken against the gentleman concerned?

Then take the HEL, Bhopal. I know that the British consultants have now said that the panacea for the ills of HEL is to have more English technicians in employment there. Already there is half an army of technicians there. What do they do? They take the jeeps of HEL and go to Sanchi and hunt in the forest! When production goes down and we ask questions about it, their solution is: employ more of them. What about the trade union workers? Even now, after two years, they are still under drastic detention.

The whole HEL project was mis-conceived, the agreement is rotten, against national interest. It is not going to give you profit. It is not giving profit. If something drastic is not done, it may not be expected to give profit.

It is in this background that we examine the working of the Ministry of Industry. We are constrained to say that a Ministry which should rather be the fulcrum of the hope of a new India is absolutely stagnated and mortgaged to big business houses.

I would like to ask what has become of the policy declaration of the Government of Shri Shastri, which I welcomed, that not only should there be more and more public sector enterprises, but the public sector should be expanded to cover important consumer goods industries like textiles, sugar, cement etc. to break this stranglehold in production and distribution of these big business houses. Not only should new units

be set up in the public sector for consumer industries, but the existing ones which have earned more than four times their invested capital can be taken over in the national interest so that people are not denied the essentials of life. Unless we adopt such a bold policy and carry it forward, we will not be in a position to arm ourselves with the wherewithals to meet the challenge of destiny which we have to meet within a short period of ten years. Either we meet this challenge within ten years or enemies overtakes us. This is the warning of the times.

Shri Sham Lal Saraf: I rise to support the Demands for Grants of this Ministry. I have always taken interest in the subject under discussion. But there is one little misfortune under which I have to proceed, in the sense that the hon. member who preceded me has shown me only verdure all round but no wood. I wish he had shown some wood so that I could make a plank on which to go ahead.

It is not easy to talk about a subject like industry. We should not talk about it simply with emotion, simply with some pre-conceived ideas or pre-conceived notions. After all, we must remember that ours is big country with such a big population, where till 18 years ago the reins of government were in the hands of a power which was never interested in or in favour of industrial growth or development of this country. Rather the problem of industrial growth was managed in such a manner that it actually retarded our growth in a number of ways. What has been our experience right from the day our experience right from the day we got independence? I have had some experience as a Minister in my own State. I have gone round all the States, and I wish to tell my hon. friend Shri Daji that the position is most promising. I congratulate the

Government on the number of surveys that they have conducted, right from the day they took over the reins of office, in the large-scale, medium-scale, small-scale and cottage industries and handicrafts, with the result that today there is a mine of information with this Ministry of which we should be proud. I shall state later where we may have erred.

You will find in the States all over the country how gradually there has been progress, how gradually people have begun to understand what industry means. I have not much time at my disposal, but still I would like to throw some light on what I have been able to understand over the years.

From 1952, the tempo of the small-scale industry rose all over the country, and with the guidance of the Central Ministry, all over the country hundreds and thousands of units came up. The tempo has been so great that I have a feeling that the Ministry should rest on its oars for some time, consolidate the units that have already been established all over the country, and not allow any more growth for some time.

I wish Shri Daji only pays a visit to Punjab. In 1947, West Punjab, which was highly developed both agriculturally and industrially, went to Pakistan. It was called the granary of Northern India. East Punjab was not only highly deficit in food, but very backward industrially. But now, what is the position? Let Shri Daji go and see the small-scale industry complexes in Ludhiana, Ambala, Amritsar and other places. I have been visiting Punjab every year, and I am myself surprised to find the progress that they have achieved. If they lack in anything, it is funds and raw materials, indigenous or imported. I would have very much appreciated if there had been constructive criticism, asking, now that these industrial complexes have come up, how we are going to assist them, help them, guide them, and give them all sorts of assistance.

I have several times raised the question of the issue of licences. Licences were certainly issued indiscriminately, and we see what has happened in the country. The States wanted licences, industrialists wanted licences, everybody wanted licences, and they were issued, and today what has happened is—our hon. Minister will kindly note this—that we have a lot of idle capacity in the country, and therefore, the first task of the Government will be to see that this idle capacity is utilised to the full.

At the time of issuing the licences, a number of promises were made to the industrialists. In the public sector also, when the management of private sector industries were taken over, high hopes were raised given, but, unfortunately, for many reasons, which may or may not be explainable, they did not get all those facilities later.

Firstly, technicians of the proper type were not available for a number of years. Secondly, there was scarcity of raw materials. Thirdly, there was difficulty in importing components and spare parts from other countries. Fourthly, there was shortage of capital and no collaborators.

While issuing licences, they did not keep before them the idea of dispersal of industries, which is a very important factor in the industrialisation of the country in making people feel all over the country that they derive benefit out of the industrial growth of the country. My hon. friend Shri Sreekantan Nair is here. It was in 1962 that I visited Trivandrum last, and I found it was industrially very much backward. From the dispersal point of view it should have been considered, and we should have made industries grow in places where a number of amenities are available.

The hon. Finance Minister has given certain incentives to industries that want to move out of congested areas to other areas. I must frankly admit that there may be only very few cases where people would be prepared to

[Shri Sham Lal Saraf]

move out of the place where they are established, and that would be for altogether different reasons.

I personally feel that there is no deviation, and I say it with a full sense of responsibility, from the Industrial Policy Resolution that we have adopted, though Shri Dandekar and Shri Ranga would tell you that the boot is on the other leg. They would tell you that Government is thrusting itself on the consumer industry also, which, according to the Industrial Policy Resolution, has to be left to the private sector. Therefore, saying all these things, without knowing the details I must respectfully submit to my hon. friends is only to mislead ourselves and others. If the criticism is positive, I welcome it.

Mr. Chairman: The hon. Member should try to conclude within two minutes.

Shri Sham Lal Saraf: I am initiating the debate on behalf of my party. You may give me two or three minutes more.

For the last so many years Government have given a step-motherly treatment to the Ministry of Commerce and Industry—I must say it very frankly—by truncating it, by transferring parts of it, by adding and subtracting and what not. This Ministry which should occupy the foremost place, has been given a backbencher's place. I wish Government gives its attention to it and gives it again the proper place it had during even the time of the Britishers.

Secondly, where it is necessary to import raw materials in order to strengthen our industrial base for future industrialisation of the country,

I submit Government should not feel-cringy about granting foreign exchange. I do not have the time, otherwise I would relate how a number of industries are actually suffering for want of small foreign exchange.

There was a rise in the tempo of small-scale industries, and a number of industrial estates were set up, but it seems, there was over-enthusiasm, and that is now retarding the growth of these industries. I would request the hon. Minister to look into it. There seems to be some bungling somewhere and I have no time to explain it now. Even in the home town of the late Prime Minister, and our Prime Minister at present, Allahabad, two or three years back I was there and I saw an industrial estate there at Naini. But hardly 4 or 5 units had come up; today it may be 6 or 7. Therefore, it is time that attention was paid to this.

16 hrs.

Mr. Chairman: The hon. Member's time is up.

Shri Sham Lal Saraf: The rate of our industrial growth is not enough. It is not more than 7 per cent, as I find from the statistics for 1964. It is ridiculously low compared even to some of the most backward countries in the world. This rate should be accelerated, from the point of view of pace, from the point of view of quality also. My hon. friend has spoken about certain general matters. As far as the policy matter is concerned, I will not say much about it. Unless we have an industrial complex in the country, how can we go ahead? On the one hand we must welcome collaborators, foreigners, to come and invest here and set up these industries. If on the contrary we have our own nationals here, we can always watch them; the company law and every-

thing else is there. If they are in a position to accelerate rate of growth why should we not welcome them? I am no less a socialist than anybody else. These industrialists have to function at our terms and work within the conditions that the Government gives them. Therefore, why should we not welcome Birla or anybody else to set up industries when they have to function on these terms?

Let us not feel shy in asking the industrialising this country. We must take full benefit of their knowledge, experience, knowhow and certainly capital. It is time that they are asked to help rather than welcoming people from foreign countries.

Mr. Chairman: The hon. Member has already taken more than five minutes.

Shri Sham Lal Saraf: There is one thing. At the present stage of our growth we need collaborators who know the technical know how and technical know-why. In that case, we should be selective. Secondly, I certainly agree that the collaborator that you select should have the right to choose his partner here. I quite agree with that policy of the Government. This is a subject which is very near and dear to our hearts. Unfortunately our Government, for certain reasons known best to them, have not paid full attention to this important portfolio. They should pay full attention to this matter and see that it is a full-fledged industry Ministry for industries in the country as both the commerce and the industry has to develop. With these words, I fully support the demands of this Ministry.

Shri M. P. Swamy (Tenkasi): Madam Chairman, this Ministry has the special responsibility for active promotion of industrialisation in the country by encouraging the setting up of public and public sector enterprises. It has also the responsibility for implementing the industrial policy of the country which is essential for the

growth of industries in this country. The industrial policy of our country finds expression in the industrial policy resolution of 30th April, 1956. According to this policy, industries are divided into three categories; firstly, industries which are exclusively owned and run by Government, secondly, industries which are progressively owned by Government in which the private sector also could contribute its share towards progress and the third category is of all the remaining industries which remain entirely in the hands of the private sector. According to the Industrial Policy Resolution of the Government of India our industries are growing very well and we are glad to see that refer the advent of independence we are able to produce within our country from pin to plane which we were importing before the Independence. The growth of industrial production had been doubled and had gone even to fourfold in some commodities because of the active productivity drives launched by the productivity councils, which are agencies set up by the Government. Productivity has gained tremendous momentum in the country and there are so many industries which have taken advantage of this productivity drive and because of this drive we see that production in steel has increased fourfold and electrical machinery, six fold. We are able to export sewing machines and electrical equipment to foreign countries. These new engineering industries are manufacturing goods whose durability can be comparable to those made in western countries and our industries have stabilised to such an extent after Independence.

With this background, I wish to take cement industry and offer some comments. Cement is a major industry and it supplies the most vital product required for the construction of national projects and buildings. Unfortunately we find that there is a serious shortage of cement. To fight out this shortage, I think the Ministry

[Shri M. P. Swamy]

has increased the existing capacity and they have issued licences for setting up new factories but with all these there will be a shortage of 2-3 million tons per annum. To avoid this shortage the industries department has set up the Cement Corporation of India with an able chairman to make available to the country cement in large quantities and to minimise to to some extent the shortage. Unfortunately, cement is available only in towns and cities. If you go to the rural areas, the villagers do not get even one or two bags of cement because it is not available there. Quotas are allotted through the State Governments which draw supply from the STC of India. The allotments to the State Governments must be increased so that the villagers may get some more bags of cement useful for building their houses, since especially agriculturists find it very difficult. They go to the tahsildar and collector to get a permit and after two or three months they are able to get only one bag or half a bag. I request Government to see that more cement is allotted for public consumption, especially in the rural areas.

Next I come to the match industry which is more or less a cottage industry and which provides employment for lakhs of men and women. I come from an area which is nearer to a centre of match industry and it is growing in large numbers. There is competition between mechanised and cottage sectors and there is one single mechanised unit called the WIMCO which in a mechanical way produces matches and they have a monopoly in this country. My information is that they have exceeded their target about half the total production in the country fixed by an agreement entered into with the Tariff Commission thereby affecting the production of the cottage match industry sector. I request the Minister to see that this company does not exceed the production beyond the agreed limit and

thereby affect the limited production of the cottage match industries. I find from the report that the match industry is facing a shortage in the matter of production. I feel that the reason may be due to the shortage of the raw materials. For remedying the situation, the forest departments must be asked to grow softwood trees in a larger extent of acreage of forests, so that enough softwood trees are made available to this industry on easy terms. We must provide some opportunity for the forest department to cultivate some more softwood trees. The forests offer more opportunity for starting industries based on the forest products.

I have seen some pamphlets issued by the Uttar Pradesh and Himachal Pradesh Governments where in they have said that industries based on the forest produce can be set up to the advantage of all concerned. I think in all the States of our country where there are abundant forests, such as in Herola, Madras, Andhra and Mysore, the authorities concerned can be asked to prepare a full survey and find out the industries based on forest produce so that those industries can be set up in the country, and thereby the rural industrialisation may be developed.

Coming to the location of industries, we are surprised to find that all the major industries are located in the same place and in the same States. This is not good, because, rural industrialisation must be our aim; and rural industrialisation has two aims: firstly, it reduces the pressure of population and congestion in the towns, and secondly, it provides employment in the rural area itself. In the budget speech of the Finance Minister, we find there are some incentives offered for the entrepreneurs to shift the industries to the rural areas. I do not know how they will serve the rural areas. The Minister of Heavy Engineering and Industry, we hope, will give us a statement,

whenever it is possible, saying how many industries are shifted from the towns and cities to the rural areas, taking advantage of the announcement made by the Finance Minister.

Next, I wish to draw the attention of the Minister to the production of agricultural tractors in the country. To a question put in Parliament, the Minister of Food and Agriculture was pleased to say that nearly 20,000 tractors are remaining idle due to the non-availability of spare-parts. This is an appalling condition. When we talk of more production in the agricultural sector, and when there is scarcity of food, this idle capacity of tractors must be set right and the tractors must be put to use. We should not import the tractors themselves. We can manufacture, with the collaboration of foreign countries, if need be, the spare parts for these agricultural tractors and these tractors must be made to plough the lands so that more land could be cultivated and more food could be produced. We find in the report that we are able to produce nearly 2,000 tractors. But this is a low figure. We want more tractors and cheap ones at the same time. The hand-tiller which is otherwise called baby tractor can be produced in large numbers. It may be sold at a low price and be competitive so that the agriculturists can purchase them and use them for ploughing the land instead of making the bullocks plough the land, especially when the bullocks are too weak because they have no strength as they are poorly fed. So, these factors must also be taken into account.

I should like to make one more point regarding the Inventions Promotion Board. We find in the report that an Inventions Promotion Board has been set up to encourage artisans and workers and some eminent men who are in the field of technical know-how. If they invent anything new, they will be awarded cash prizes and merit certificates. In this year's report, mention has been made of 15 persons who have been awarded a sum of

Rs. 8,400, but we do not know what are the items of invention that these artisan and technicians made. If the items are given, we may be able to see whether they are new ones, or are copies or only adaptations or models based on the manufacture or inventions of other countries. I am not doubting the capacity of our nationals, but we must be given the opportunity to see whether the invention is a new one and whether any improvement can be thought of in respect of that invention. I request the Minister to tell the House how many items of inventions were given by the applicants.

I now come to my last point, since the time is short. The Committee headed by an eminent Member of the Rajya Sabha, Shri Santhanam, made recommendations to the effect that representatives of the trade should not be allowed to see the purchase officers. Some of the recommendations of the Committee have been adopted. The contact men, who are otherwise called liaison officers flock to the Ministry and other officials; they are supposed to be doing some service to the industrialists. But I doubt whether they are doing any service, because they are the cause for delaying the issue of licences. These contact men should not be allowed to visit the offices, and if need be, only the industrialist can be allowed to see the concerned officers and with his prior approval so that direct contact will be good and make for easy disposal of the applications.

The dispersal of industries in this country must be on need-based. As I said earlier, for instance, in Madras or some other industrial States, all the industries are there. In a well-developed State, where electricity is available in plenty, an industry can be started at any place, but unfortunately the industries are concentrated in the cities alone.

Mr. Chairman: The hon. Member should conclude now.

Shri M. P. Swamy: There are many backward areas in the States where some industries could be set up. The Planning Commission has made a list of the backward areas; particularly in the Madras State, for instance, in my constituency, Sankaranainarkoil taluk in the most backward area; moreover, east Ramnad district is again the most backward area in Madras State. But there are large deposits of minerals, especially lime, which is suitable for starting the cement industry. There are also large deposits of chemicals. If these are exploited and if the Government is good enough to start their own industries in these areas, I think these backward areas can be developed into flourishing industrial areas.

श्री क० न० त्रिवरी (बगहा) : सभापति महोदया, मैं इस मिनिस्ट्री की डिमांड्स को सपोर्ट करता हूँ। श्री टी० एन० सिंह को प्लानिंग कमिशन का एक्सपेरियंस है और श्री रघुरामैया को डिफेंस का एक्सपेरियंस है। तीनों मिनिस्टर साहबान को काफ़ी एक्सपेरियंस है और ये लोग जिस तरह काम को खूबी के साथ देख रहे हैं और जिस तरह देश का डेवलपमेंट हो रहा है, उस से हमें संतोष है।

मैं इस मंत्रालय का ध्यान एग्रो-इंडस्ट्रीज की तरफ़ ले जाना चाहता हूँ। यह बात सही है कि बड़े बड़े शहरों का डेवलपमेंट हुआ है। लेकिन देहात में हमारे देश के अस्सी परसेंट लोग रहते हैं और ज्यादातर उन की जिन्दगी खेती पर निर्भर करती है। वे लोग कम से कम छः महीने बेरोजगार बठे रहते हैं। अगर देहात में स्माल-स्केल इंडस्ट्रीज, मीडियम स्केल इंडस्ट्रीज और काटेज इंडस्ट्रीज का डेवलपमेंट किया जाये और वहाँ पर इस सम्बन्ध में जो मैटीरियल्स की कमी होती है, अगर उस की पूर्ति की जाये, तो देहात के लोगों के लिए रोजगार की बहुत कुछ व्यवस्था हो सकती है। अगर देहात में फ़ूट कैनिंग, एग पाउडर,

दियासलाई आदि के छोटे-मोटे कारखाने लगाए जायें, तो इस से कट्टी का ईक्वल डेवलपमेंट होगा।

इस का एक लाभ यह होगा कि आज जो देहात के लोग बाहर शहरों की तरफ़ दौड़ रहे हैं, वे उधर नहीं दौड़ेंगे और जो उन के एम्प्लायमेंट का सवाल है—क्योंकि वे छः महीने बेकार बैठे रहते हैं—, वह भी बहुत कुछ हद तक हल हो जायेगा। हमारे जो पूर्वज थे, वे कोई बेवकूफ़ नहीं थे। हर गांव में एक लोहार, एक सुनार, एक धंबी, एक हजाम आदि हुआ करता था और इस प्रकार गांव में सब तरह का प्रबन्ध रहता था। बहुत से गांवों में अब भी वह सिस्टम चला आता है।

हमारे लोहार इतने काबिल हैं कि अगर उन को ट्रेनिंग दी जाये, सुविधायें दी जायें, लोहा और दूसरा रा मैटिरियल दिया जाये, तो आज बम्बई कलकत्ता और दूसरे शहरों में किसानों के काम के लिए जो आजार बनाए जाते हैं, अगर उन का सैम्पल उन लोहारों को दिया जाये, तो वे किसानों के लिए वह सब सामान बना सकते हैं। बम्बई में, कलकत्ता में, मद्रास में, तथा दूसरे जो बड़े बड़े शहर हैं वहाँ लोहा जाता है और जाकर कारखानों में उससे चीजें बनती हैं। यह जो आने जाने का ट्रांसपोर्ट का खर्चा है यह भी उस पर पड़ता है और तब जा कर फिनिशड गुड्स देहातों में भेजी जाती हैं। इस तरह से जो एग्रिकल्चरल एम्प्लेमेंट्स हैं उनके दाम बहुत बढ़ जाते हैं। ये दाम बहुत कम हो सकते हैं अगर देहातों में ही बनाने का इंतजाम हो जाए। इससे एक लाभ यह भी हो सकता है कि लोगों को वहाँ रोजगार मिले। वहाँ पर मीडियम और स्माल स्केल इंडस्ट्रीज इसके लिए स्थापित की जा सकती हैं। एग्रिकल्चर के दो काम होते हैं। एक तो लोगों को खाना पहुंचाना और दूसरे उपजा कर इंडस्ट्री के लिए रा मैटि-

रियल तैयार करना। जो रा मँटीरियल हम तैयार करते हैं वह रा मँटीरियल बड़े बड़े शहरों में तथा विदेशों में भेजा जाता है। बड़े बड़े शहरों में जा कर उससे चीजें बनती हैं। बहुत सा रा मँटीरियल ऐसा होता है जो नुबसान हो जाता है और वहाँ तक वह पहुँच नहीं पाता है। जैसे हमारे यहाँ धान का पुवाल होता है, तीसी और जूट के डंठल होते हैं, यह गुबसान हो जाता है। तरह तरह की और चीजें होती हैं जैसे सब्जियाँ। ये सब की सब जो चीजें हैं ये नष्ट हो जाती हैं। इनको नष्ट होने से बचाने के लिए आपको देहातों में ही कोई इंतजाम करना होगा। इससे वहाँ लोगों को रोजगार भी मिलेगा और हमारी जो डिबेलेपिंग कंट्री है उसका डिबेलेपमेंट भी अच्छा हो सकेगा। यह जो तमाम चीजें हैं, जो कि देहातों में बेकार पड़ी रह जाती हैं इनके उपयोग की ओर भी आपको ध्यान देना चाहिये।

यहाँ पर तरह तरह के, भिन्न भिन्न विचार रखने वाले लोग हैं। कम्युनिस्ट हैं, सोशलिस्ट हैं, पी०एस०पी० वाले हैं, सर्वोदयी भी हैं, कांग्रेसी भी हैं, स्वतंत्र पार्टी वाले भी हैं। सभी के भिन्न भिन्न दृष्टिकोण हैं, इंडस्ट्रीज का डिबेलेपमेंट किस तरह हो इस बारे में सभी के भिन्न भिन्न दृष्टिकोण हैं। लेकिन सरकार ने प्राइवेट सैक्टर और पब्लिक सैक्टर दोनों को साथ ले कर चलने की जो घोषणा की है, मैं इसका समर्थक हूँ। डिबेलेपिंग कंट्री के लिए सरकार ने जो एक सिद्धान्त रखा है, जो एक सीमा रखी हुई है मैं समझता हूँ वह बहुत अच्छी है, सब से अच्छी है। इसी सिद्धान्त पर हमें चलते रहना चाहिये। मैं उन आदमियों में से नहीं हूँ जो यह कहते हो कि सब पब्लिक सैक्टर अच्छा है और नहीं मैं उनमें से हूँ जो यह कहते हैं कि सारा का सारा प्राइवेट सैक्टर अच्छा है, एक खराब है, या दूसरा सारे का सारा खराब है। हमारे डिबेलेपिंग कंट्री को इन दोनों की आवश्यकता है। एक कहावत है कि आम से खाने मतलब

है, गठली या पेड़ गिनने से नहीं। कंट्री में जिस जिस चीज की जरूरत है, जिस जिस चीज की कमी है, उसको जोभी पूरा कर सके उसका हमें स्वागत करना चाहिये, फिर चाहे वह पब्लिक सैक्टर हो या प्राइवेट सैक्टर हो। कौन उत्पादन बढ़ता है, इससे मतलब मुझे नहीं है, मुझे मतलब इस बात से है कि उत्पादन बढ़े। हमारी जो नीइज हैं वे पूरी होनी चाहियें। मैं चाहता हूँ कि सरकार ने जो सिद्धान्त निर्धारित किया है, उससे वह विचलित न हों।

तरह तरह की बातें कही जाती हैं।

मुंडे मुंडे मतिभिन्ना

पिंडे पिंडे गतिभिन्ना।

हर आदमी अपना अपना सुझाव देगा। इसलिए मेरा खयाल है कि इन बातों से गवर्नमेंट को विचलित नहीं होना चाहिए और जो सिद्धान्त उस ने तय किया है, उस पर इस को चलते रहना चाहिये।

एग्रिकलचरल इम्प्लेमेंट्स के बारे में मैं एक बात और कहना चाहता हूँ। आप जो थोड़ी पावर के और ज्यादा पावर के ट्रैक्टर बनाते हैं, उन को आप देखें। आप तीन हार्स पावर के, चार हार्स पावर के, पांच हार्स पावर के या आठ हार्स पावर के ट्रैक्टर बनाते हैं। लेकिन ये ट्रैक्टर जो मिट्टी कड़ी होती है, उस में काम नहीं कर पाते हैं। उन के लिए बीस और पच्चीस हार्स पावर के ट्रैक्टर की जरूरत है। वे भी बनने चाहिये और काफी तादाद में बनने चाहिये।

आप इस बात की तरफ भी ध्यान दें कि हमारे देश में काफी बड़ी संख्या में ट्रैक्टर आइडल पड़े रहते हैं क्योंकि उनके पार्ट्स नहीं मिलते हैं। सौभाग्य से फाइनेंस मिनिस्टर साहब आ गए हैं और मैं चाहता हूँ कि वह भी इस ओर ध्यान दें। विदेशी मुद्रा की इन पार्ट्स को मंगाने की जरूरत है तो वह फाइनेंस मिनिस्टर साहब ही देंगे। हमारे

[श्री क० ना० तिवारी]

यहां कहावत है “भूखे भजन न होई गोपाला” । जब पेट भूखा होता है तो भगवान भी नहीं मूझता है । सब से पहले अन्न के उत्पादन के रास्ते में जो कठिनाइयां हैं उन को दूर किया जाना चाहिये । ट्रैक्टर के लिए जिन जिन पार्ट्स की जरूरत हो उन को उपलब्ध किया जाना चाहिये फिर चाहे उन पार्ट्स को बाहर से मंगाना पड़े या देश में ही बनाना हो । फारेन ट्रैक्टर जो हैं उन के पार्ट्स भी बाहर से अगर मंगाने की जरूरत है तो वे भी फारेन एक्सचेंज उपलब्ध कर के मंगाने का प्रबन्ध होना चाहिये । आजकल तो छोटे छोटे जो इन्ट्रामेंट्स हैं, एग्रिकल्चरल इम्प्लेमेंट्स हैं उन के पार्ट्स मिलना भी मुश्किल हो गया है । इस वास्तु में उन का भी प्रबन्ध होना चाहिये । एक तो आप यह देखें कि गांवों में लोगों को ट्रेनिंग दें ताकि इनकी रिपेयर वहां ही सके और दूसरे पार्ट्स की किसी भी प्रकार से कमी अनुभव न हो ।

वे स्माल स्केल और मीडियम इंडस्ट्रीज जो हम गांवों में स्थापित कर सकते हैं उनके लिए रा मीटीरियल्स की जो कमी है उस कमी को भी दूर किया जाना चाहिये । उनके लिए फाइनेंसिस की जो कमी है वह भी दूर की जानी चाहिये । इस मामले में कोई कोताही नहीं होनी चाहिये । बैंक्स अगर फाइनेंसिस दे सकें तो वहां से दिलाने का प्रबन्ध किया जाना चाहिये । फारेन एक्सचेंज की जरूरत हो तो उसका भी प्रबन्ध किया जाना चाहिये । इस काम में आप हम लोगों की मदद करें और देखें कि देहात में रहने वाले जो लोग हैं वे किसी तरह से सफर न करें ।

एक दिक्कत जिस की वजह से गांवों में इंडस्ट्रीज नहीं लग सकती हैं, उसकी तरफ मैं आप का ध्यान दिलाना चाहता हूं । इलेक्ट्रिसिटी अभी तक बहुत ज्यादा गांवों में नहीं गई है । जिस प्रदेश से मैं आता हूं उसकी आबत मैं कहना चाहता हूं । नार्थ बिहार में

पावर अभी बहुत कम गई है और जो पावर गई भी है वह दूसरे प्रान्तों के कम्पेरिजन में बहुत कम गई है । साथ ही साथ नार्थ बिहार में दूसरों के मुकाबले में पावर बहुत महंगी है । इसका परिणाम यह है कि कोई इंडस्ट्रियलिस्ट वहां इंडस्ट्री लगाना चाहता है तो घबराता है, वहां जाना नहीं पसन्द करता है । इसलिए हमारी रिक्वेस्ट है कि आप वहां पावर का प्रबन्ध करें और सस्ती पावर दें । मुझे मालूम हुआ है कि मद्रास में 60 परसेंट देहातों में पावर चली गई है . .

एक माननीय सदस्य : अस्सी परसेंट ।

श्री क० ना० तिवारी : यह बताती है कि अस्सी परसेंट में चली गई है । मैं समझता हूं कि हमारे यहां पंद्रह बीस परसेंट देहातों में ही अभी तक पावर गई है । इस मामले में भी हम कितने बैकवर्ड हैं, इस को आप देखें । एक प्राविस दूसरे प्राविस के मुकाबले में इतना बैकवर्ड तो नहीं रहना चाहिये । यह चाहे आप का काम हो या आप के किसी दूसरे साथी का काम हो या स्टेट गवर्नमेंट का काम हो इस की तरफ आप को देखना चाहिए । आप देखें कि देहातों में इंडस्ट्रीज तभी लग सकती हैं जबकि वहां इलेक्ट्रिसिटी जाय और इनेक्ट्रिसिटी ही नहीं बल्कि चीप इलेक्ट्रिसिटी जण । इस का इंतजाम होना चाहिए ।

हमारे यहां जो इंडस्ट्री है जैसे शूगर इंडस्ट्री है या दूसरी इंडस्ट्रीज हैं ये पुरानी इंडस्ट्रीज हैं । एक सवाल वहां पैदा हो गया है, एक समस्या पैदा हो गई है नार्थ बिहार में और खास कर के हमारी कंस्टिट्यूएन्सी और चम्पारन में कि सरपलस केन करीब करीब अठारह लाख मन हो गया है । हमारे यहां एक हजार टन क्रश करने की कैपिसिटी है । वे वहां पर एक्सपैशन चाहते हैं । खूशी की बात है कि आपके डिपार्टमेंट ने तथा और

जितने डिपार्टमेंट हैं उन्होंने इस चीज को मान लिया है, वे एग्री कर गए हैं। एग्रिकल्चर डिपार्टमेंट से उस में सहायता मिल रही है। एक्सपैशन की सुविधायें भी प्रदान की जा रही हैं। लेकिन फाइनेंसिस की कहीं कहीं दिक्कत हो गई है। ईस्टर्न उत्तर प्रदेश और बिहार में जहाँ बहुत पुरानी मशीनरी है अगर उसका एक्सपैशन नहीं हुआ तो अगले साल ओवर प्रोडक्शन जो शूगर केन का होगा उस समय बहुत भारी दिक्कत सामने आ कर खड़ी हो जायगी। किसान के खेत में गन्ना पड़ा रह जायगा और लाखों करोड़ों मन गन्ना बरबाद हो जायगा, उसका नुकसान हो जायगा। नई इंडस्ट्री लगाने में जितना आप का खर्च है उससे बहुत कम खर्च में पुरानी इंडस्ट्री का एक्सपैशन हो जाता है। एक्सपैशन के लिए जो भी सुविधा उन को दी जानी है, उन में देरी नहीं होनी चाहिये। उन को वे सुविधायें जल्दी से जल्दी प्रदान की जानी चाहियें। उन को ऐसा करने के लिए प्रोत्साहित किया जाना चाहिए।

अन्तिम बात कह कर मैं समाप्त करता हूँ। प्राइवेट सैक्टर का भी कोई आदमी है, और उस ने गलती की है तो उस को सजा मिलनी चाहिये। गवर्नमेंट की पालिसी किसी हालत में भी ऐसी नहीं होनी चाहिये कि नेशन का प्रोडक्शन जहाँ है वह बन्द हो। अगर आप की गलती की वजह से पेपर का, सिमेंट का या किसी दूसरी चीज का प्रोडक्शन बन्द होता है तो नुकसान देश को ही होगा। अगर कोई कसूर करता है तो उस की सजा उस को मिलनी चाहिये, इस में कोई दो रायें नहीं हो सकती हैं। मैं एक उदाहरण देता हूँ। मान लीजिए, मैं काश्तकार हूँ और मैं ने चोरी की है। चोरी के लिए मुझे सजा होगी लेकिन आप मुझे यह तो नहीं कह सकते हैं कि खेत मत जोतो और खेत में उत्पादन मत करो। कड़ी से कड़ी सजा आप मुझे दे सकते हैं, आप मुझे प्रासीक्यूट कर सकते

हैं, आप मुझे कोर्ट को फंस करने के लिये मजबूर कर सकते हैं और कोर्ट जो सजा मुझे देगी उसको मैं भुगतूंगा भी लेकिन इस वजह से प्रोडक्शन तो बन्द नहीं होना चाहिये। विडिक्टिवेस जो गवर्नमेंट का है वह नहीं होना चाहिये, चाहे वह प्राइवेट सैक्टर हो या पब्लिक सैक्टर हो। सभी को सुविधा मिलनी चाहिये और किसी तरह से भी प्रोडक्शन हेम्पर नहीं होना चाहिये।

Shri N. Dandekar (Gonda): Madam Chairman, the cut motion against my name is about the failure of Government to evolve proper principles of pricing in respect of price controlled commodities. It is not a subject about which one can get emotional or excited. It is indeed a somewhat boring subject. At the same time, I submit it is also an exceedingly important subject and one which concerns not merely the Ministry of Industries and Supplies; it also concerns the Ministry of Steel and Mining, Petroleum and Chemicals, Finance and so on. Nevertheless, I thought this might be the proper opportunity to talk on the subject here.

The two outstanding facts of the current economic situation are, firstly, that the economy is over-beated by inflation and, secondly, that the rate of growth of industrial production, especially since 1963 has been lagging seriously behind the requirements. These are admitted facts. In the First Plan the rate of industrial growth achieved was 6.6 per cent per annum. In the Second Plan, it was 8.1 per cent per annum. But in the Third Plan, so far as one can see, up to date in four years it is doubtful whether we have achieved even a rate of 8 per cent growth per annum while the targeted rate is I think well over 10 per cent.

Apart from other remedies that there may be for the inflationary aspect of the situation, it is perfectly obvious, and it is again an admitted fact, that the essential element in

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the rectification of the situation would be a rapid increase in industrial production. Now, as against that, the actual position is to the contrary. There is a high level of idle capacity in certain industries, which is increasing rather alarmingly and there is also a fall in the rate of growth of installed capacity in other industries.

The problem of idle capacity is serious and difficult, but that is not the aspect with which I am presently concerned. That problem is mainly geared to the shortage of foreign exchange which makes it impossible for the industries at the moment to get adequate supplies of foreign raw materials, imported components and spare parts where indigenous materials are not available. It is also geared, at any rate since last year, to the problem of acute shortage of working capital, and the high cost of obtaining working capital, as a result of the banking situation and the rise in the bank rate and consequently of commercial banks' lending rates. That matter is another problem with which I am not presently concerned. I am going to talk mainly about the fall in the rate of growth of installed capacity, because I regard it as having far more serious repercussions from the standpoint of the long-term growth.

I do not think I need give a large number of figures. But I would like to make mention of some of the price controlled industries which are well behind in their rate of growth in installed capacity, which is why I have chosen this particular subject, namely, the price control policy of the Government. *Ex hypothesi*, one controls the prices of only those commodities which are regarded as important and necessary to the economy, whether at the producer level or at the consumer level. One does not bother, for instance, to control the price of cinema tickets or anything of that sort. But one is concerned to control the prices

of cement, steel and things of that kind which are essential to the economy. And it is precisely in those industries that the rate of growth of installed capacity has been exceedingly low. The outstanding examples in the group of producer industries are cement, steel (in particular, certain types and varieties of steel), aluminium and other metal industries, engineering machinery and machine tools, chemicals (especially heavy chemicals) and fertilizers. In the field of consumer goods industries the installed capacity is well behind what is required in cotton textiles, woollen textiles, jute goods, sugar, paper and so on.

Now, Madam, my submission is this. I am not claiming that erroneous price fixation policy is the only cause of this particular phenomenon. There are, I know, several other causes. But I do submit that, in the long run it is the price mechanism, working through defective price control which is at fault. It is basic to the whole situation of the slow rate of growth of installed capacity. My submission will be that among the many causes, the basic factor has been the failure of Government to evolve and firmly to apply a pricing policy of the controlled commodities which would be economically sound in the context of economic growth.

I would like here to make a little diversion to explain what I conceived to be the function of the price in the economic structure. Even in a mixed economic, such as ours, which is still largely a free market price economy from the point of view of price, the function of price and of price movements, not price in any absolute or philosophical terms, but price movements—is in the short run to bring about an equilibrium between demand and supply. But in the long run the function of price and of price movements is to restrain demand and stimulate supply wherever there are shortages; or stimulate demand and

restrain supply wherever there are surpluses. More specifically, in a growing economy, such as ours, where shortages have become almost the normal necessary concomitants of economic growth and specially in an inflationary state where rapidly expanding production capacity is the most urgent need, the price factor becomes the most vital and dynamic mechanism for achieving two things, for restraining the growth of demand and at the same time attracting the deployment of necessary resources, that is to say, resources of enterprise, of investment and capital formation, and of technical and managerial skill and know-how towards the establishment of additional plant capacity in the industries concerned. As I said, price was not the only factor but I submit price is the main factor in the long run in the matter of establishing capacities for production in essential industries where there is price control. It is in this context that the effectiveness or hindrance of price control has to be judged even when, in the short run, it may be justifiable on social or on economic grounds.

First of all, to put it briefly, price control necessitates distribution control and rationing, if it is to be effective as an alternative method of restraining demand which otherwise would have been performed by rise in prices. Price control inevitably leads to corruption and black-marketing thus defeating price control itself, by diverting profits to non-productive channels. Price control inhabits expansion unless price fixation is based upon sound economic principles related to the requirements of growth. Failure to fix prices for price controlled commodities perpetuates price control, distribution control, black-marketing and the whole round of vicious circle. But one of the most important and astonishing consequences of price control is this: that even when the continuance of price control sometimes becomes quite unnecessary,

price control breeds strong vested interest which make it difficult, if not impossible, to get rid of price control. Today, one such industry is the coal industry for whatever reasons,—mostly those of miscalculations by the Planning Commission,—the installed capacity, so to speak, of the coal industry has so expanded that since the last year, the coal industry has been faced with an enormous surplus production, surplus production capacity, not sufficient demand, and so on. Now, that is precisely the situation in which the price control ought to go right off so that the industry can adjust itself to the situation as it may prevail, so that uneconomic units would shut down, if necessary, and the coal industry and other industries might then get on to the right footing. But I know for a fact that in the coal industry, today there are very strong vested interests against lifting price control despite the fact that price control in the coal industry has lost all meaning; and perhaps one of the most important vested interests in price control of the coal industry is the National Coal Development Corporation.

That being the situation, if price control is not to be a self-perpetuating exercise, or if it is not to come an end in itself, what is needed is a pricing policy which is economically sound, that is, which would perform the expansion function which uncontrolled price movements would otherwise perform.

I shall not go into technical details, but I shall take the liberty of taking a certain amount of the time of the House to indicate what I conceive to be the main factors which require careful consideration; indeed consideration there has been but not right decisions. I know in fact that the factors that I am going to refer to as relevant in the determination of a rational pricing policy have been under consideration of Government for years; they have been under the

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consideration of the Tariff Commission for years. But no answers of a kind that are economically sound have ever emerged, or if sometimes the Tariff Commission has buttoned up courage to evolve rational and sound answers, the Industry Ministry have come in the way and for various reasons of a political and semi-political character they have not accepted in totality the otherwise sound recommendations of the Tariff Commission.

The first element in price-fixing is the choice of representative units in the industry for ascertaining costs. I submit straightway that one ought to distinguish between established units and new units. I shall go so far as to say that in respect of new units, that is to say, units established not more than two or three years prior to the determination of price, there ought to be no price control at all. I think the whole system of economic growth operates at the marginal units; I do not mean marginal in the sense that they are marginally profitable; I mean marginal units in the sense that they were the last to come into the field; that is the meaning in economic language of the words 'at the margin'. All new units, in my submission, that is to say, units which are comparatively young and which have not been in operation for more than a year or two or three ought to be entirely free of price control. If the situation warrants it, let them take the rap, if they are overstripping the market as a result of no control on new units, or the benefit on the other hand if the supply situation warrants it. That is precisely the point at which there is the stimulating exercise of establishing a new enterprise, of overcoming hundreds of hurdles that today anyone establishing a new enterprise has to overcome, such as industrial licence, capital issue control, foreign exchange, getting land, getting water getting power and all kinds of things that one

has to surmount, which only those who have been through that experience know for they know what an extraordinary obstacle-race it is. For those who undertake that risk I suggest that there is a very strong case why the production of these new units should be entirely free of price control.

That leaves us with what I might call established units. Here, there are some very difficult questions to be answered. For example, should you take the most efficient units for deciding what the price should be? The difficulty about taking the most efficient units as the basis of measurement of cost is that you immediately kill outright the units that are a little less efficient, and you would also penalise efficiency because if efficiency is only going to mean a continually tighter and tighter rope round your neck for purposes of price control, it would not seem worth-while for anybody to be efficient. I submit that to take the most efficient units as the basis for determining price would be totally wrong. Equally so, of course, would be the least efficient unit as the basis for determining price. I think on the one hand there has got to be only one controlled price for any given industry; and on the other hand it has got to be geared to the average costs for the industry as a whole. It is here that one comes across a nigger in the wood-pile. I have read one or two Tariff Commission's reports on the subject, and while accepting the proposition that the average costs for the industry as a whole should be taken as the basis, they have carefully eliminated certain units by saying 'Oh, this unit is losing, so let us cut it out; this unit is not too efficient, so, let us omit this one 'too' and so on. In other words you get what I might call a "wishful, thought-out average unit" and average costs rather than average

cost for the industry in the proper sense of the term.

actual costs without trimming them down to suit wishful thinking.

I shall now go on to the second important consideration, namely what scale of production one should take as the basis on which to work out the costs. Everybody knows and it is elementary that if a unit works to its hundred per cent installed capacity its costs are lower because the overheads are distributed; on the other hand, if it is working to something like 75 to 80 per cent of its installed capacity, it is going to be utterly uneconomic and very probably it will be losing. But when it comes to the determination of costs and some kind of price control, what should be the basis of relationship of assumed production to installed capacity? I submit on this too that there has been a good deal of completely going wrong, if not wishful thinking by the Ministry, the tendency being to assume that because I have an installed capacity of X tonnes of cement, therefore, I must somehow be producing X tonnes of cement, and if I do not actually produce X tonnes of cement, that is just too bad. Madam, things do not work out that way. It is an incredibly efficient unit that could get a hundred per cent production out of its plant. The normal would be somewhere between 88 and 92 per cent. I think some hard thinking has got to be done on this so that the man who after a good deal of time, effort and labour, secures better than this normal rate of production may get a proper reward in terms of better profitability on that particular plant.

Now I would like to come to a very much more difficult point in relation to the determination of prices, that is to say, depreciation and the problem of rehabilitation and replacement of plant. Theoretically, the justification for this concept of depreciation is that before any profit emerges, the integrity of the plant must remain intact. That is to say, you cannot be said to have really earned profit unless the wear and tear of the plant by sheer usage is first recouped, and then what is left is a profit. In modern times, when in fact prices are steadily rising, one of the most difficult situations that every industry is faced with is that the historic cost at which the plant was originally purchased is very much different from the price at which it would have to be replaced. Therefore, there arises the need to charge against profit an appropriate amount to cover not merely depreciation of the plant but also the differential between the original cost and the cost replacing it now. If you did not do that, you would be taking profit out of a plant that is running down; you would think you were making a profit which, in fact, you were not. This, again is a subject that has been debated over and over again. Government does not make up its mind. The rationale of the thing is perfectly clear. However difficult the problem is of assessment, and of computation, the rationale of it is clear. I suggest Government ought to take decisions on matters of this kind.

The third is the ascertainment of costs, the assessment of costs. The great temptation—unless Government make up their mind as to what they have in view—the great temptation to rely upon some kind of theoretical normal costs as the basis for costing is, in my judgment, all wrong. What is really required is an assessment of

I come now to perhaps the most contentious side of all in price fixation, namely, what about the return on capital employed? The first concept that we have got to be clear about is that return on capital employed is not something abstract; it is something very concrete. It must be returned after tax. That is really the

[Shri N. Dandekar]

only return that any sensible company or any sensible plant or proprietor would call return. If the rate of tax is 60 per cent, 70 per cent or 10 per cent, whatever it is, the return that is of relevance is the return after tax. Secondly, the return after tax must bear a certain relationship to the normal capital and money market rates, in the current money market. The present market rates structure, resulting out of the present bank rate of 6 per cent is one which renders what the Tariff Commission and Government have been regarding as adequate return on capital employed utterly unrealistic. Today the bank rate is 6 per cent. Banks are offering for fixed deposits with no risks upto 7½ per cent. Debentures cannot be floated below 8 per cent; preference capital rate is 10 per cent. I do not think anything less than 12 per cent or thereabouts after tax could be regarded as adequate return, because it has got to be a competitive return. It is not enough to say, 'You can get only so much there; why do you want more here'? Why I want more is that I want to stimulate a situation where expansion could be the normal feature and not contraction or stagnation.

Finally—and this is in the present structure of the main production industries is most important—the price structure should be such that it facilitates expansion. Take the cement industry, to which someone referred saying that its production is so many million tonnes short. In the sugar industry, it is so many lakh tons short. The capital market is what it is, the whole lot of circumstances are what they are. It is an impossible situation where Ministers go round and say that if industry will not play ball, they will start something in the public sector. On the one hand, the Minister says that industry is not playing ball; on the other hand, everybody is saying that industrialists are profiteering. Is it suggested that

people are refusing to make profits? Is it suggested that people can see a good thing ahead of them, there is money to be made, there are resources available, but somehow somebody sits back and says that he does not want to expand? Or, is it the truth—I submit the hon. Minister knows that it is the truth—that there are involved considerations of the kind I have mentioned, and in particular, considerations about the expansion element in price. It is necessary if these particular industries, which are price controlled precisely because they are vital and most essential to growth, are to grow, that our ideas concerning price control should also grow. If these are accepted propositions then this last point that I have just made about the need for an expansion allowance in price is really very important.

I would like to end by saying that unless, pretty soon, for all the industries that I have mentioned, Government follow a rational price-control policy that will stimulate expansion, there will be no end to our wallowing in this muck of price control which only perpetuates itself.

16.52 hrs.

[MR. DEPUTY-SPEAKER *in the Chair*]

Mr. Deputy-Speaker: Hon. Members may now move the cut motions to Demands for Grants relating to the Ministry of Industry and Supply, subject to their being otherwise admissible.

Shri Narendrasingh Mahida: I beg to move:

(i) "That the demand under the head 'Industries' be reduced by Rs. 100."

[*Need to simplify the procedure regarding giving of licences and allocation of Foreign Exchange (9)*]

(ii) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Shortfalls in the production of steel, special steels and pig iron. (10)]

(iii) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Need to remove price control in the industrial sector. (11)]

(iv) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Need to leave the foreign collaboration agreements to the initiative of the individual businessmen. (12)]

(v) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Failure to supply spare parts for Tractors. (13)]

(vi) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Need to simplify the Industrial Licensing Procedures by adopting completely new work rules restricted only to the overall Plan requirements. (14)]

Shri N. Dandekar: I beg to move:

"That the demand under the head 'Ministry of Industry and Supply' be reduced to Re. 1."

[Failure to evolve proper principles of pricing in respect of price-controlled commodities. (20)]

Shri Warrior: I beg to move:

"That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Wholesale and arbitrary scrapping of the waiting list for allotment of

scooters to Government employees from the Government quota by laying down unsocialistic conditions for allotment. (21)]

Shri Koya (Kozhikode): I beg to move:

(i) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need for improving quality of Nepa newsprint. (34)]

(ii) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need for allotting Rs. 2 crores more for importing newsprint. (35)]

(iii) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need for adopting a more liberal policy of importing newsprint. (36)]

(iv) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need for starting more public industries in Kerala State. (37)]

(v) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need for starting a public industry in the Malabar area of Kerala. (38)]

Shri N. Sreekantan Nair (Quilon): I beg to move:

(i) "That the demand under the head 'Ministry of Industry and Supply' be reduced to Re. 1."

[Failure to produce small car. (41)]

(ii) "That the demand under the head 'Ministry of Industry and Supply' be reduced to Re. 1."

[Shri N. Sreekantan Nair]

[Failure to give equitable representation to various States in setting up Heavy Industries under Public Sector. (42)]

(iii) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Failure to provide raw material to small scale industries. (43)]

Dr. M. S. Aney (Nagpur): I beg to move:

(i) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Need for proper development of small scale industries. (44)]

(ii) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Need for proper grants for Industrial Cooperatives. (45)]

(iii) "That the demand under the head 'Other Revenue Expenditure of the Ministry of Industry and Supply' be reduced by Rs. 100."

[Working of the office of Controller of Patents and Designs. (46)]

(iv) "That the demand under the head 'Capital Outlay of the Ministry of Industry and Supply' be reduced by Rs. 100."

[Setting up of the Cement Corporation of India Limited. (47)]

(v) "That the demand under the head 'Capital Outlay of the Ministry of Industry and Supply' be reduced by Rs. 100."

[Working of the Institute of Small Scale Industries. (48)]

(vi) "That the demand under the head 'Capital Outlay of the Ministry of Industry and Supply' be reduced by Rs. 100."

[Working of the schemes for educated unemployed. (49)]

Shri Warrior: I beg to move:

(i) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need to establish in Public Sector a tractor fabricating plant in Kerala State. (55)]

(ii) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need to import more iron and steel for small scale industrial units in Kerala State. (56)]

(iii) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need to permit Copper Rolling Mills to make semi-finished material. (57)]

(iv) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need to formulate detailed specifications for import and supply of raw material for small scale industries at present entrusted with Minerals and Metals Trading Corporation. (58)]

(v) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need to find ways and means to get investments in Industrial estates run by co-operatives from L.I.C. and other financial credit institutions of the Government at lower rates of interest. (59).]

(vi) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need to evolve a scheme of instalment payment to acquire the ownership of factory buildings by lease-holders in Industrial Estates. (60).]

(vii) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need to set up a well equipped Testing Laboratory for rendering technical help to establish a functional Industrial Estate based on natural rubber near any of the rubber growing areas. (61).]

(viii) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need to take steps to establish functional Industrial Estates based on food processing, ceramic, wood and coconut. (62).]

(ix) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need to implement the schemes of small scale industries prepared by the Small Industries Service Institute, Trichur. (63).]

(x) "That the demand under the head 'Ministry of Industry and Supply' be reduced by Rs. 100."

[Need to set up a Prototype Production and Training Centre in

Kerala State preferably with foreign collaboration. (64).]

Shri Daji: I beg to move:

(i) "That the demand under the head 'Industries' be reduced Rs. 100."

[Shift from Industrial Policy Resolution. (66).]

(ii) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Failure to produce Peoples car. (67).]

(iii) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Working of Heavy Electricals (India) Limited. (68).]

(iv) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Failure to formulate a bold Industrial Policy. (69).]

(v) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Need to check the evils of Managing Agency System. (70).]

(vi) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Faulty licensing system. (71).]

(vii) "That the demand under the head 'Industries' be reduced by Rs. 100."

[Concessions to foreign capital. (72).]

Mr. Deputy-Speaker: These cut motions are now before the House.

Shri Heda (Nizamabad): First of all, I will refer to the problem of collaboration. It is a good thing that we are getting more and more collaboration, which is helping the indus-

[Shri Heda]

trial growth of our country. The climate is good, and therefore more offers are coming. In this regard, the efforts made by the Minister of Industry and the Minister of Commerce are very creditworthy. They have created the proper climate. But till a few years ago, the Development Wing was doing yeoman service to the industry and the nation. It was scrutinising—it still continues to do so—all the licences and the terms of collaboration; they were coming to the help of Indian parties in getting good terms of collaboration. Now the situation has changed. Now, as Shri Daji has stated—I had also raised the point in my earlier speech—we are giving a sort of blank cheque to the foreign collaborator, who is allowed to find his own Indian partner. The good work that was being done by the Development Wing has been stopped.

Secondly, we should not jump for collaboration in every type of industry. We must distinguish between one type of industry and another. In an industry where foreign collaboration is not necessary, where our own technical know-how and our own resources are adequate, we should not invite, rather discourage, foreign collaboration. The sweet way in which we are welcoming foreign collaboration now has gone to this extent that even for ordinary types of consumer industries we are allowing collaboration. Even in service industries, which have got no relevance to any special technical know-how, we are accepting foreign collaboration. Thus, a good chunk of money in the shape of royalty, patents, dividends, partnership profits etc., go away.

The third thing is the terms of the collaboration. Between the two, that is, equity participation by foreign partners and loan by foreign partners, we should prefer loan and not equity participation because equity partnership takes away a bigger chunk of

money in the shape of dividends while loan does not take so much. No doubt in the equity participation there is a risk; in loan there is no risk. In the economy that has developed and that will persist for a decade or two to come, namely, an economy of scarcity for every commodity, every industry is going to make good profits and there is no element of risk. So, I would urge upon the Government that they should prefer equity participation to loans.

A time has come when we should make a confidential or open survey or study of different results that are coming out of the different collaborators from a number of countries. Every nation has got a character and we get a number of collaboration from different countries, United States, United Kingdom, Japan, France and so many others. Let us study what are the results that have accrued by the number of industries in which collaboration is from a particular country and then we can come to the conclusion that collaboration from such and such country is more beneficial to us and from others, less beneficial and that might guide our future policy. Having said about this collaboration, I will come to a point that was raked up by Mr. Daji and which was taken up also by Mr. Saraf: what should be the relationship between industry and Government? Whatever the nature of the Government, be it a communist Government or a democratic Government, the relationship between industry and Government should be that of cordiality. That is the first essential thing. In a democracy we have an open forum where we can discuss things. Even in communist countries, it is a fact that the political power controls the whole thing and there the discussions go on in disguise or in private or in closed rooms. The discussion does take place. National interest is there. The job of the Government is to keep the labour happy on the one hand while

on the other hand they should keep the industry also happy. Somehow or the other, in the last few years the relationship between industry and Government was not good; it had deteriorated to a great extent. I am glad that a turning point had been made. I would refer to the same meeting which he referred to, the meeting in Calcutta where our Home Minister and Parliamentary Affairs Minister were present and that meeting had created the proper climate. The industry will have a better appreciation of the Government's stand and Government also will have a better appreciation of the industry's difficulties. Without this we will not be able to develop or grow further. I come to the production aspect of the industry. Socialism has got two main aspects. One is equitable distribution of wealth among the total population. The second is production. We are a poor and developing country and so production should have top priority. We must produce first. Unless we produce, what can we distribute as our late leader, Jawaharlal Nehru, was saying? We cannot distribute poverty; we can distribute only plenty. Therefore, industry must be production-oriented and it is only from this angle that questions from licensing to the issue of foreign exchange for the import of raw materials should be considered.

17 hrs.

Take the case of licensing. What are they doing? We are restricting the giving of licences, and we are restricting it in such a way that there was a time when, if we needed 'X' capacity we were giving licences only up to 'X'. Then we started giving 10 per cent more. I ask, why are we thinking of the private sector so much; it is wide enough, and they are wide awake, and they will take care of themselves. Let us give as many licences as are possible, unless foreign exchange is involved. But today, we are restricting the licences and thereby creating a very vicious climate; we have created a climate where licences can be sold in a mar-

ket. This is a very bad thing, and this brings in the political or the other type of pulls and pressures and thereby a very wrong psychology has been created. Therefore, it is high time that we reconsidered our policy about issuing the quantum of the capacity when we think of licensing.

Another important point on the production side is the idle capacity to which my hon. friend Shri Sham Lal Saraf has referred. We should not allow idle capacity to remain. Shri Dandeker referred to the fact that idle capacity does not mean 100 per cent; it may not mean 100 per cent; in certain cases it does mean even 105 per cent. There are certain industries like paper where there are certain plants which are producing 105 per cent of the capacity. Whatever it may be, if in America a particular industry or a particular type of machinery is able to manufacture 95 per cent, we should be happy with 90 per cent, but that does not mean that they are manufacturing 95 per cent and we are only using our capacity to the extent of 40 per cent or 45 per cent. Therefore, we should first see that the idle capacity does not remain. And many times—it is not in one or two cases but it is hundreds and thousands of cases—for a small exchange value, we do not allow the import of a certain very important raw material, and thereby the industry has to suffer. Therefore, we should not allow this idle capacity to remain. This idle capacity has created another factor to which Shri Sham Lal Saraf has also referred, namely, that we have created a number of industrial estates everywhere. They are in very good development, but what do we see? Except a few industrial estates, in most of the industrial estates, the scene is that most of the factories are closed, and some remain open only for a few days. Why? The raw material is not available. Therefore, when we give a licence for a similar industry, we should first see that the existing persons take enough raw material to feed their capacity

[Shri Heda]

and come up to the production stage.

Then, I would like to refer to a new subject, and that is, business management. Business management has not developed in India as it should have. When I think of business management, I am not motivated by any thirst for statistics. Statistics do play a very vital role in business management, but in my opinion, a secondary role. My desire is to obtain a dynamic picture since we cannot see the future and thereby construct a picture that would be a measure of the morrow to come. From this angle, the business management aspect becomes very necessary. Again, in the present context of our country, business management becomes still more necessary. What is the present context? We have got the public sector and the private sector. The entire economic growth is concentrated in the hands of the Government. "The Government of India exerts its influence on the industry, and thus, the nature of industrial management indirectly; through the central Planning Commission which since 1950 has been issuing 'Five Year Plans' every five years establishing the guide lines for industrial development and allocating the limited foreign exchange reserves to various industries, both in the public sectors and the private sector. Inasmuch as a license-to-manufacture is needed, the management's financial freedom is limited, though in general they are not refused if they do not demand foreign exchange."

So, in this context, the business management becomes still more necessary. The last point about business management is to improve the calibre of the present persons who are in business management. Who are in the business management today? In the private sector, it is the financier; it is not the industrialist in the real sense, and in the public sector it is the ICS men. The concept of "he who can invest can also manage" also had its

counterpart in the public sector. On achieving independence, the Government of India found a powerful body in its civil service who were able administrators and thus arose the axiom "he who can administer can also manage", but much to their discomfort, the government found that to collect taxes from public and getting work from labour are two different things. It was this fundamental error of outlook that caused the debacle of the earlier ventures in the public sector, as we are noticing time after time.

So, it is time that we develop the business management aspect. From that angle, as we have taken a decision earlier, but not acted upon it, we should start this Economic Service, a new class to look after the public sector projects. Similarly in the private sector also, we should give them training in business management, so that they can have better understanding of labour, better personal relationship with the labour, trying to get more productivity from labour and thereby create a base for increased production. I do hope government will consider this aspect.

Lastly, I join hands with Mr. Saraf in supporting the demand that the portfolio of industry should be elevated to a full-fledged portfolio. The present minister is very intelligent; he is doing well and fully imbued with the ideology of socialism. So, it is time he is elevated to Cabinet rank. I made a similar demand about the commerce ministry. I submit that the industry portfolio should be given the status that it deserves and it should be help by a Cabinet minister.

With these words I support the demands?

Mr. Deputy-Speaker: Any member wanting to speak? Shri Subbaraman.

Shri N. Sreekantan Nair: On a point of order, Sir. Generally the convention is that the time allotted to

a particular subject would be divided equally between the opposition and the ruling party.

Mr. Deputy-Speaker: Not equally but 60 per cent and 40 per cent. The time for every party has been allotted and that time will be given.

Shri N. Sreekantan Nair: 5 speakers have spoken from the Congress.

Mr. Deputy-Speaker: 2 opposition members have also spoken. Shri Subbaraman.

Shrimati Lakshmikanthamma (Khammam): Sometime back it was decided that catching the eye of the Chair would be the criterion for calling a person to speak.

Mr. Deputy-Speaker: Those who are anxious to speak must stand up.

Shri Subbaraman (Madurai) Sir, I thank you for the opportunity you have given me to speak on the demands of the Ministry of Industry and Supply. I congratulate the minister and the deputy minister on the work they have done. An exhaustive report, rather complete reports, have been placed before the House, which give full details of the development of our industries in the country. Government has been following the industries policy resolution which was passed some years back. They have accepted the policy of mixed economy and government is following it. They have not banned private enterprise and so sufficient encouragement and reservation have been given and made to private enterprise. We need basic industries, heavy industries, small scale industries and cottage industries. Each of these has been set apart certain field and items, according to which they are being developed.

One main feature which stands in the way of our development is want of foreign exchange. That could be tackled if we increase our export and also we find substitutes for the raw mate-

rials in the country itself for which we have to depend on foreign countries. Foreign participation in the development of our industries is quite good, but that should be limited. Of course, it has helped to mitigate the foreign exchange trouble and also assisted in the flow of technical knowledge, but we should be vigilant in having foreign participation so that it does not affect our freedom or aims and objects and policies of our Government.

From the reports we see that many industries are hampered in their development because of certain materials not coming in the required quantities. Out of them we see pig iron, special steel and steel sheets are important. Care and attention should be given to see that we manufacture the special kind of steel in our steel factories. I am glad to know that some special step has been taken to produce such steel in Durgapur and Bhadravati. We import now hundreds of crores of rupees worth of these raw materials for our industries. So it is quite necessary that we should produce these special steel sheets at the earliest possible.

Industry develops only if we produce quality goods. It is necessary for our internal markets as well as for foreign markets. The Government has taken some steps to create standard consciousness in the country. It is quite welcome. Some articles alone have been brought under this. More and more articles should be brought under this standard control, especially textile articles and domestic use articles.

Production is the main need of the country. Unless we produce more there is no future for us. The cost goes down only if we produce more. Therefore, more and more attention should be paid to produce more with the existing machines that we have.

The Government is trying to make the country independent and self-sufficient in all the industries possible. I

[Shri Subbaraman]

am glad that the film manufacturing industry is receiving the attention of the Government. One Hindustan Photo Film Manufacturing Company was started early in 1960. Though it is now nearly five years, it has not begun to function. We need a good lot of films. Everywhere we see theatres coming up. There is no village perhaps, in the country which has not got a theatre. So we need a lot of films. Therefore, film manufacture should be commenced as early as possible.

Government have certain schemes for the development of cottage industries and for encouraging people to start them. They are mainly financial support and help in hire purchase. As a result of these schemes, small-scale industries are coming up very well.

My hon. friend, Shri Swamy, referred to the importance of match industry. It is a big cottage industry which gives employment to lakhs of people. I find from the Report that because we are not producing sufficient quantity of matches, six mechanised units are going to be set up for the manufacture of 28.33 gross boxes of matches. When we develop that industry, we have to see that a larger number of people get employment. Employment should be the main criterion for developing or mechanising an industry of this nature. I am of the opinion that this industry can usefully be set apart or reserved for cottage industries, because we can produce any quantity that we require in the cottage industry itself.

I find from the report that paints and surface coating materials are not produced in sufficient quantities because there is no demand for them or their demand is not adequate. When we see houses coming up everywhere, whether in cities, towns or villages, I could not understand how there could be deficiency in demand. In fact, the demand for them should increase. So, I would request the Ministry to pay attention to see that paints and surface coating

materials are produced in large quantities.

Sugar industry is a big industry in our country and every State has got a few sugar mills. Now the bagasse which is coming out of such factories is used only as fuel. Since pulp can usefully be made out of bagasse, I would suggest that in every State a factory should be opened at central place for the manufacture of pulp and paper out of bagasse.

Then, in those industries where we do not require foreign exchange the controls may be removed so that our industrialists can come forward to start and develop industries. Also, if no foreign exchange is allowed, they will be induced to find out raw materials for their requirements indigenously. They will also try to get substitutes.

I am glad to find from the report of the Ministry of Supplies that the Directorate-General of Technical Development is doing very good service. It has also shown ways to find out substitutes.

As regards the disposal of surplus stores, they are periodically auctioned and sold. But I find that in one case materials of the book value of Rs. 10.15 crores were auctioned for only Rs. 2.89 crores. I feel that auctions should be given wider publicity and held more frequently, say, within six months so that we can get better prices. Then, priority indentors have given for them 50 per cent of the book value. So, more of such indentors may be given the facility to take advantage of this.

With these words, I support these demands.

श्री बड़े (खारगोन) उपाध्यक्ष
महोदय, उद्योग तथा संभरण मंत्रालय की
मांगो पर इस हाउस में जो विचार हो रहा
है उसमें यदि उद्योगों की वास्तविक प्रगति
देखी जाय तो 11 परसेंट का टारगेट था वह
7 परसेंट ही हुआ है। यानी अभी तक की

जो प्रगति है वह बहुत ज्यादा नहीं हुई है । बुनियादी वस्तुयें तैयार करने में जो प्रगति हुई है वह बहुत धीमी हुई है । लेकिन जो इंडस्ट्रियल पालिसी रेजोल्यूशन था उसमें यह था कि सरकार को अपना पैसा जो उपभोक्ता वस्तु-यें हैं उन के निर्माण में नहीं लगाना चाहिये । लेकिन हम देखते हैं कि सरकार की नीति उप-भोक्ता वस्तुओं के उत्पादन की प्रारंभिक शुरुआत हो रही है ।

मैं कहता हूँ कि आज कल इंडस्ट्रीज कम बर्‍यां हैं ? इसका कारण यह है कि आज इनवेस्टमेंट के लिये अन्कूल वायुमंडल नहीं है । ऐसा वायुमंडल होना चाहिये कि उद्योग-पति पैसा लगाने के लिए तैयार हो । अगर ऐसा वायुमंडल नहीं होता तो उद्योग-पति पैसा लगाने के लिए तैयार नहीं होगा । अभी श्री दाजी का भाषण मैं ने सुना । उन के भाषण से मिनिस्टर साहब प्रायः प्रभावित हो जाते हैं । अगर ऐसा हो गया तो उद्योग को बड़ी हानि पहुँच सकती है । दाजी साहब ने बताया कि अमुक उद्योगपति ने पचास करोड़ कमाया, या दस करोड़ कमाया या 15 करोड़ कमाया लेकिन उन्होंने ने यह नहीं बताया कि उसका इनवेस्टमेंट क्या था । उन्होंने यह नहीं बताया कि उसको किस परसेंट में मुनाफा हुआ । अगर आप उद्योगपतियों को हरिजन जैसा समझोगे और यह समझोगे कि यह रूढ़ी आदमी है और इनको मुनाफा नहीं होना चाहिये तो वह पैसा लगाने के लिये तैयार नहीं होंगे । अगर आप ऐसा वायुमंडल तैयार करेंगे तो उद्योग में कोई पैसा नहीं लगायेगा । मैं चाहता हूँ कि ऐसा वायुमंडल तैयार हो । आप नियंत्रण रखें और इस बात का प्रयत्न करें कि उद्योगपति एक्सप्लायटेशन न करने पावें, लेकिन ऐसा वातावरण तैयार नहीं करना चाहिए कि जिस के पास पैसा है वह उसको न लगावे । श्री दाजी के भाषण से तो ऐसा लगता है कि यह उद्योगपति नहीं है । बल्कि भिंड के डाकु उतर आये हैं और हिन्दुस्तान को खत्म कर रहे हैं । अगर आप ऐसा वायुमंडल निर्माण

करोगे तो कारखानेदार पैसा नहीं लगावेगा । तो एक तो इस प्रकार के वायुमंडल को बदलने की ओर सरकार को ध्यान देना चाहिए ।

दूसरा वायुमंडल रेडटेपिज्म का है । यह एक बहुत बड़ा राक्षस है । आप कहते हो कि हम इंडस्ट्रियल एस्टेट्स का निर्माण कर रहे हैं, मैं कहता हूँ कि आप इंडस्ट्रियलिस्ट किलिंग एस्टेट्स का निर्माण कर रहे हैं । आज अवस्था यह है कि इंदौर से एक उद्योगपति दिल्ली आता है उद्योग के सम्बन्ध में । यहां आकर उसको पता लगाना होता है कि किस दफ्तर में काम होगा । फिर उसको वहां के इन्क्वायरी आफिस में घंटों बैठना होता है तब दफ्तर में जाने पाता है । दफ्तर में एक टेबिल वाला कहता है कि इस टेबिल पर नहीं दूसरे टेबल पर काम होगा । इसमें उसका घंटों समय चला जाता है उसको फारिन एक्सचेंज की आवश्यकता है, उसके लिए उसको जगह जगह जाना पड़ता है । और फिर उसको जवाब दिया जाता है कि कुछ समय बाद जलाब दिया जायेगा । इस प्रकार एक एक उद्योगपति को चार चार और छः छः महीने चक्कर काटने पड़ते हैं, फिर भी उनका काम नहीं होता इस रेडटेपिज्म के कारण । हमारा मिनिस्टर साहब का अनुभव बहुत अच्छा है । उनके यहां सब काम जल्द हो जाता है, लेकिन नीचे ऐसा नहीं है । संस्कृत में एक कहावत है

मधु तिष्ठति जिह्वाग्ने,
हृदये तु हलाहलम् ।

मंत्री जी और उनके कर्मचारियों के बारे में भी यही कहावत चरितार्थ होती है, थोड़ा अन्तर इस प्रकार करना होगा :

मधु तिष्ठति मिनिस्टरम्,
आफिसरे तु हलाहलम् ।

जब हम नीचे जाते हैं तो आफिसर लोग कह देते हैं कि मिनिस्टर साहब तो अच्छा ही कहेंगे लेकिन हमारे पास फारिन एक्सचेंज इस समय नहीं है । इस प्रकार उद्योगपति को फारिन एक्सचेंज नहीं मिल पाता और वह

[श्री बडे]

उद्योग नहीं बना पाया। अगर आपको उद्योग बनाना है और उद्योग को बढ़ाना है तो आप को एक ऐसा अफसर जो कि वारखानेदारों की जरूरत को मालूम करे और उनको सुविधा पहुंचावे। उस अफसर को मिनिस्टर के पास उद्योगपतियों की बात पहुंचाना चाहिए और उद्योगपतियों को उत्तर देना चाहिए। आज अवस्था यह है कि जो उद्योग पति एक मिनिस्टर को गार दे सकते हैं वे दिल्ली के चक्कर काटते फिरते हैं और परेशान हो जाते हैं। और फिर वह राजाजी कि तरह कहते हैं कि यह कंट्रोल, लाईसेंस और परमिट का राज है, जो कि आप को बुरा लगता है। तो मेरा सुझाव है कि आप उद्योगपतियों को सुविधाएं दें ताकि वे इन-वेस्टमेंट करके उद्योगों को बढ़ा सकें।

हमारे देश में एग्रीकल्चर एक बड़ी इंडस्ट्री है, लेकिन इस के विकास के लिये जितना ध्यान देना चाहिये नहीं दिया जाता। आज एग्रीकल्चर और इंडस्ट्री के बीच में बड़ा इम्बैलेस है। इसके बारे में मैं आपको 'योजना' से एक उद्धरण देना चाहता हूँ। वह इस प्रकार है :

"Of the stresses in this system the best known is imbalance between agricultural growth and industrial growth. Agriculture in our country has failed to produce a marketable surplus on which the industrial workers can depend for their sustenances. We can neither postpone industrialisation until agricultural output registers an appreciable increase, nor continue industrialisation with a chronic food deficit for long."

आपको एग्रीकल्चर की ओर भी पूरा ध्यान देना चाहिए और एग्रीकल्चर और इंडस्ट्री में पूरा संतुलन कायम रखना चाहिये। अगर ऐसा नहीं होगा तो एग्रीकल्चर का उत्पादन कम होगा और उसका प्रभाव इंडस्ट्री के

विकास पर भी पड़ेगा। आपको दोनों में संतुलन रखने का पूरा प्रयत्न करना चाहिए। एग्रीकल्चर को जिन चीजों की जरूरत है, जैसे ट्रैक्टर आदि और दूसरे औजार उनको बनाने पर ध्यान देना चाहिए। अगर आप दोनों पर समान रूप से ध्यान देंगे तो एग्रीकल्चर और उद्योग दोनों का विकास होगा।

हैवी इंडस्ट्रीज के बारे में भी मैं आपको "योजना" से एक उद्धरण देना चाहता हूँ। उसके बारे में इसमें कहा गया है :

"The second imbalance stems from any possible wrong emphasis being put on either heavy industries or light industries."

मैं ने देख है कि आज आपका विशेष ध्यान हैवी इंडस्ट्री पर है। यह उद्योग रांची और भोपाल में चल रहे हैं। लेकिन यह मिनिस्टर साहब के लिए सिरदर्द हो रहे हैं, और इसका कारण कम्युनिस्ट लोगों की नीति है। उन्होंने भोपाल की इंडस्ट्री का सत्यानाश कर दिया है। आप कहते हैं कि वहां लेबर शान्त नहीं रहता। लेकिन उसका कारण यह है कि इंटक में मेम्बरशिप काफी न होते हुए भी उसको वहां मान्यता दी गयी है क्योंकि उसका सम्बन्ध कांग्रेस से है। जो एक्स मिनिस्टर साहब लेबर के कर्ताघर्ता थे उन्होंने मिनिस्टर साहब के कान में कह दिया और उन्होंने इंटक को मान्यता दे दी। वहां के मजदूर कम्युनिस्टों की तर्फ ज्यादा हैं। वहां हमारा भारतीय मजदूर संघ भी है। भोपाल में हड़तालें हो रहीं हैं। उनका कहना है कि हमको पगार ज्यादा मिले। आपने कहा है कि हम तूम को डेली एलाउंस देंगे। लेकिन उनको जो पगार स्टेट की मिलती थी उसके बजाय उनको पगार सेंटर की दी। इस तरह से आपने जो एक हाथ से दिया दूसरे हाथ से वापस ले लिया। इस पर मजदूरों में फिर

असंतोष हो गया और कम्युनिस्ट उनकी मांग को सामने रखने लगे और हमको भी उस समय कम्युनिस्टों का साथ देना पड़ा और कहना पड़ा कि मजदूरों की मांग उचित है। मेरा सुझाव है कि मिनिस्टर साहब को खुद जाकर वहां देखना चाहिए कि क्या अवस्था है। मैं जानता हूँ कि मिनिस्टर साहब को हम बातकी बड़ी चिन्ता है और उनका प्रयत्न है कि रांची और भोपाल के उद्योग सफल हों। मेरा भी विश्वास है कि अगर उनको इसमें सफलता नहीं मिलती तो और किसी को भी नहीं मिल सकेगा। इसलिए मेरा उनसे अनुरोध है कि वह स्वयं जाकर वहां की अवस्था को देखें। मजदूरों को किसी राजनीतिक पार्टी से सम्बन्ध नहीं है। उन का तो रोजी रोटी का सवाल है। अगर उनको अच्छी मजदूरी मिलेगी तो वे अच्छा काम करेंगे।

एक माननीय सदस्य : और काम कम होना चाहिए।

श्री बडे: मैं तो यह नहीं कहता कि काम कम होना चाहिए, लेकिन यह अर्थशास्त्र का नियम है कि मजदूर अधिक वेतन चाहता है और काम कम चाहता है।

आप इंडस्ट्रियल एस्टेट्स का निर्माण करना चाहते हैं आपने इन एस्टेट्स का निर्माण मध्य-प्रदेश ऐसे स्थान में किया जहां कि रेलवे का पता नहीं, जहां दिजली अभी आयी है, जहां सड़कों का पता नहीं है। ऐसे प्रदेश में आपने रूरल एस्टेट्स कायम की हैं और उन पर बीस करोड़ रुपये इन्वेस्ट करना चाहते हैं। आपने कहा कि टोटल 4320 शेड बनाए हैं और इन में से 3554 शेड लेट आउट किये हैं, 766 शेड खाली पड़े हैं। उसका कारण यह है कि उद्योगपति वहां उद्योग स्थापित करना नहीं चाहते क्योंकि वहां उनको आवश्यक सुविधाएं नहीं हैं। इसलिए मैं कहता हूँ कि आपकी इन एस्टेट्स बनाने की नीति गलत है और आपका पैसा गलत जगह जा रहा है।

उद्योगपति पहले आपको विश्वास दिलाते हैं पर बाद में सुविधाएं न होने से ब सामने नहीं आते। आपने अपनी रिपोर्ट में भी इस बात को माना है। उनको फारिन एक्सचेंज नहीं मिलता।

हमारे मध्य प्रदेश में कोरवा और वस्तर के इलाकों में ऐसा लगता है कि जैसे नेचर ने मिन्स्टर्स को ऊपर लाकर रख दिया है। चाहे जितना लाइम स्टोन वहां मिल सकता है। लेकिन उसकी तालफ नहीं देखते। वहां पर एक फरटीलाइजर फैक्टरी खोलने का प्रोजेक्ट था। लेकिन डेढ़ करोड़ रुपये खर्च करने के बाद उसको दूसरे स्थान पर लेजाया जा रहा है क्योंकि यह कहा जाता है कि जो पाइप लाइन उस स्थान से जाती है उससे नैप्या निकलेगा और उससे फरटीलाइजर तैयार होगा। कोरवा में इतना रुपया खर्च करने के बाद भी वह कारखाना नहीं खोला गया। वहां पर कोयला भी काफी होता है, वहां कारखाना खोला जाता तो सफल हो सकता था।

दूसरा एक कारखाना मैं आपको बतलाना चाहता हूँ कि वहां हैवी वाटर का कारखाना खुल सकता है लेकिन उस की तरफ भी आपका ध्यान नहीं है। इस बारे में मध्य प्रदेश की काफी उपेक्षा की गई है।

मुझे एक बात और कहनी है और वह आपके सप्लाई सेक्शन के बारे में है और केवल दो मिनट में मैं मंत्रालय का ध्यान ऊपर आकृष्ट करना चाहता हूँ। आपके डाइरेक्टर जनरल आफ सप्लाई एंड डिस्ट्रीब्यूशन, सी० जी० एस० एंड डी० के बारे में मैं आपको कहना चाहता हूँ कि यह जो रिपोर्ट है यह बिल्कुल बोगस है। उस का इतना खराब काम चल रहा है कि पब्लिक एकाउंट्स कमेटी ने उसके बारे में स्ट्रिकचर्स पास किये। मुझे पब्लिक एकाउंट्स कमेटी का मेम्बर होने के नाते अच्छी तरह से मालूम है कि वहां इस के बारे में क्या व्यू था? उसमें 66906 रुपये का नुकसान हुआ है। यहां पर

[श्री बड़े]

समयाभाव के कारण मैं केवल एक ही इस्टांस बतलाता हूँ वरना बहुत से गड़बड़ के केसेज मेरे इल्म में है। पब्लिक एकाउंट्स कमेटी ने अपनी रिपोर्ट में इस बारे में यह लिखा है :-

"In three cases, an extra expenditure of Rs. 83,493 was incurred as indicated below on purchases of aircraft stores in England owing to delay in the placing of orders by the Director General, India Stores Department, London.

"53 pieces 'Fuel pump with inverted light valve'. The lowest quotation was received on 3 February 1960 valid upto 4 April 1960. The validity was subsequently extended by one month.

"No order was placed within this period but a request for a bulk discount was made to the firm on the 4th April, 1960, taking into account another indent for the same item, received in March 1960.

"The firm, however, quoted a higher rate valid upto 24 June, 1960, stating that the manufacturers' prices had gone up. Again, no order was placed and in March, 1961, the firm was approached to keep the offer open.

"The firm refused and requoted still higher prices on 4 April, 1961.

"The purchase was eventually made in June 1962 from other sources at £150 each as against £98-5-5 quoted in February, 1960, resulting in an extra expenditure of Rs. 66,906".

मेरे पास अनेकों इस तरह के इस्टोसैंज हैं जिनमें कि आपके सप्लाय डिपार्टमेंट ने गड़बड़ की है। आप इस से भली भांति यह नतीजा निकाल सकते हैं कि इस डिपार्टमेंट में कितना भ्रष्टाचार है या फिर वह बुद्धू है और कुछ

समझता नहीं है वरना इस तरह की गलतियां वह नहीं कर सकता है। मुझे वर्तमान मंत्री महोदय से बड़ी आशाएं हैं और मैं प्रार्थना करूंगा कि वे इन खराबियों और गड़बड़ियों की ओर अपना विशेष रूप से ध्यान दें और उन्हें ठीक करें। उन्हीं के समय में यह खराबियां दूर हो सकती हैं।

डा० राम मनोहर लोहिया (फरूखाबाद) :
उपाध्यक्ष महोदय, उद्योग मंत्रालय की एक पहचान यह है कि अफगानिस्तान में चीन का खाने खोल रहा है और हिन्दुस्तान हलवाई की दुकानें। इस मंत्रालय की दूसरी पहचान है और जो इस के 17 वर्ष के कामों का नतीजा भी है कि जहां हिन्दुस्तान विदेशी शासन काल में मुख्य उद्योगों के हिसाब से 8वां नम्बर था आज वह 12वें और 13वें नम्बर पर पहुंच गया है। दूसरे देशों की तुलना में हिन्दुस्तान पीछे हटा है। इसकी तीसरी पहचान जो कि सब कुकर्मों का शायद कारण है कि वित्त मंत्री साहब ने फरवरी के आखिर में कर घटाये खास तौर से मोटे कपड़े पर और नतीजा उस का यह हुआ कि जहां फरवरी के महीने में कर था 14 पैसे एक गज पर वहां फुटकर दाम था 1 रुपये 17 पैसे और मार्च महीने में कर घटने के बाद जहां कर होगया 12 पैसे यानी 2 पैसे कम वहां फुटकर दाम बढ़ कर 1 रुपये 20 पैसे हो गये यानी 3 पैसे बढ़ गये। अगर उपाध्यक्ष महोदय आप चाहते तो मैं इसे सदन की मेज पर रख दूँ।

Mr. Deputy-Speaker: He can keep them himself. He has mentioned the price. That is enough.

डा० राम मनोहर लोहिया : पिछली दफे मैं ने साड़ी दिखाई थी लेकिन न आप को दिलचस्पी हुई न मंत्री को दिलचस्पी हुई और न अखबार वालों को दिलचस्पी हुई

कि वह कहां से आई। मालूम होता है कि हिन्दुस्तान के लोग अब अभ्यस्त हो गये हैं। कि इस देश का हाल तो ऐसे ही रहेगा। कर घटाओ, दाम बढ़ाओ। हो सकता है कि इससे एक मौका मिल जायेगा कुछ लोगों को कहने का आखिर यह तो प्रमाण मिला है कि मिल के मालिकों की करतूतों का तो मैं यहां साफ़ कह देना चाहता हूं कि मिल के मालिक जितने भागीदार और साझीदार हैं आज उद्योगों की दुर्दशा के उतने ही सरकार के मालिक भी हैं और उम का मैं प्रमाण दिये देना हूं।

इस बजट के लिए जो जिम्मेदार हैं वित्त मंत्री साहब उन्होंने अपने साधारण भाषण में कहा एक तरफ़ तो यह कि मैं ने ऐसी बातें कही है जो कि उन के हिसाब से बड़ी प्रशंसा और प्रार्थना की लगी। यह इस संदर्भ में है चूंकि मैं ने कहा कि पिछले 17 वर्ष में उन के कुटुम्ब की स्थिति 20—30 लाख की हैसियत से बढ़कर 3—4 करोड़ की हो गई थी। उस सम्बन्ध में जो कुछ श्री रामसेवक यादव को गलती अपनी ठीक करवानी है वह तो आप में करा लेंगे लेकिन मुझे तो यहां सिर्फ़ उन के तक से मतलब है। उन्होंने एक तरफ़ कहा कि मैं ने उन की बात के हिसाब से स्तुति की और ठीक दो मिनट के अन्दर उन्होंने यह भी कह दिया कि मैं ने ऐसे लोगों का चरित्र हनन किया कि जो इस सदन में मौजूद नहीं हैं और जो न तो दल के और न सरकार के कामों के लिये जिम्मेदार हैं। अब यह दो परस्पर विरोधी बातें हैं। या तो मैं ने उन की स्तुति की थी या उन के पुत्रों या सम्बन्धियों का चरित्र हनन किया था। दोनों बातें तो साथ नहीं चल सकती। लेकिन आज हिन्दुस्तान के दिमाग का यह नमूना है कि दो परस्पर विरोधी हिस्सों को लेकर आज यहां के शासन, कार्यकर्ताओं और बड़े लोगों का दिमाग बना हुआ है। यह सिर्फ़ श्री कृष्णमाचारी की ही बात नहीं है, यह हर एक काबीना के मंत्री की बात है। हर एक बड़े आदमी की बात है कि एक तरफ़ तो इच्छा होती है कि अपना निर्माण

करों और दूसरी तरफ़ इच्छा होती है कि देश का निर्माण करो। एक तरफ़ इच्छा होती है कि अपना घर बनाओ, दीवार इकट्ठा करो, बड़े बनो, जीवन स्तर ऊंचा करें क्योंकि आज जो यूरोप और अमरीका में जीवन स्तर के ऊंचा करने की अभिलाषा और लिप्सा हो गई है वही पिछले 17 और 18 वर्ष में हिन्दुस्तान के लोगों की भी हो गयी है और खास तौर से बड़े लोगों की। एक तरफ़ तो यह इच्छा है और दूसरी तरफ़ देश को बनाओ। मैं बहुत जोर से कहना चाहता हूं कि यह दोनों इच्छाएं साथ साथ नहीं चल सकती। कम से कम अगले 20—30 वर्ष के लिए संकल्प करना चाहिए कि जब तक हमारे देश का निर्माण पूरा हो नहीं जाता तब तक अपना निर्माण बंद कर देना चाहिए। लोगों को शर्म आनी चाहिए जब वह अपना निर्माण करने में जुट जाया करते हैं। आज वह शर्म नहीं है इस लिए अपनी सम्पति वगैरह के जुटाने में लगे रहते हैं। इसीलिए मैं ने यह कहा कि आज जो 15 आदमी इस देश के ऊपर शासन चला रहे हैं जो 15 आदमी काबीना के हैं, सब से आगे जिन के कि हाथ में बागडोर है, उन में से एक भी यह नहीं कह सकता कि पिछले 17 वर्ष में उस ने अपनी हैसियत नहीं बढ़ाई या अपना जीवन स्तर ऊंचा नहीं किया। जहां ऐसी स्थिति हो वहां उद्योग पनप नहीं सकते क्योंकि आज . . .

उपाध्यक्ष महोदय : माननीय सदस्य का समय समाप्त हो रहा है।

डा० राम मनोहर लोहिया : अब मैं यही कह सकता हूं कि हिन्दुस्तान का नीजवान उपदेशों से अपने इरादे नहीं बदलेगा, अगर उस को यह कहें कि तुम सादे बने रहो तो वह फ़िज़ूल है। उस को तो अब एक ही बात कहनी है कि तुम इतनी शक्ति लाओ कि जो लोग सत्रह दरस से हिन्दुस्तान को आदर्शहीन करते रहे हैं, उन को किसी तरह से हटाओ, जैसे भी हो, हटाओ।

[डा० राम मनोहर लोहिया]

इस के अलावा मैं यह भी कह देना चाहता हूँ कि एक तरफ तो मैं बड़े लोगों के खर्च पर रोक लगा कर रुपया बचाना चाहता हूँ और दूसरी तरफ मैं यह चाहता हूँ कि सरकार के एक करोड़ नौकरों में से जो पचास लाख फ्रिजूलखर्ची में लगे हुए हैं—किसी में हिम्मत नहीं है कि उन को बरखास्त करे, मैं भी उन को बरखास्त नहीं कर सकता हूँ—, उन को कलमघिसू काम से हटा कर पैदावार के कामों में लगाया जाये।

इस तरह से जो 1500 करोड़ रुपये बचेंगे, उन के बारे में मैं यह नहीं कहता हूँ कि उनको गरीबों में बांट दो, क्योंकि अक्सर यह जबाब दिया जाता है कि तुम्हारा जो सिद्धान्त है, वह तो गरीबी का बंटवारा है। तो मैं यह साफ़ कह देना चाहता हूँ कि इस बचत को गरीबों में बांटने का मेरा इरादा नहीं है, बल्कि मेरा इरादा इस बचत से पूंजी का जुगाड़ कर के, खेती कारखानों में रुपया लगा कर के उद्योगों को बढ़ाना है।

आज हिन्दुस्तान में उद्योगों में फ्री आदमी पीछे कुल 400, 500 रुपया लगा हुआ है। यह है पूंजी—500 रुपया—मशीन अथवा नहर अथवा और कोई कामों के लिए। इस के मुकाबले में अमरीका में यह रकम है 20,000 रुपये और रूस में 10,000, 12,000 या 15,000 रुपये। तो कहाँ है, 500 रुपये और कहाँ है 20,000 रुपये! और यह हरगिज़ मिलने वाला नहीं है, जब तक कि साज-सज्जा के आदर्श को और उस आदर्श को खत्म न कर दिया जाये, जिस के सहारे कृष्णमाचारी साहब के दिमाग में दो खाने बने हुए हैं—एक तरफ तो वह कहते हैं कि अगर उन के बेटे चार करोड़ की हैसियत के हो जाते हैं, तो बाप की हैसियत से उन्हें उन्होंने बहुत बढ़िया काम किया है और दूसरी तरफ उसी बात को कहने पर वह कहते हैं कि तुमने मेरा या मेरे बेटों का चरित्र हनन किया है। जब तक ये दो खाने अपने

दिमाग से नहीं हटा दिये जाते हैं, तब तक कोई सुधार नहीं होने वाला है।

अन्त में मैं यही कहना चाहता हूँ कि मैं गरीबी का बंटवारा नहीं चाहता हूँ। मैं चाहता हूँ कि बड़े लोगों के खर्च को कम करके और सरकारी नौकरों की शक्ति को कलम-घिसू कामों से हटा कर पैदावार के कामों में लगा कर, उद्योगों को बढ़ाने के लिए पूंजी का जुगाड़ किया जाये, पूंजी को बढ़ाया जाये।

The Deputy Minister in the Ministry of Industry and Supply (Shri Bibudhendra Misra): Mr. Deputy-Speaker, Sir, a charge has been levelled that the small-scale industries are languishing for want of proper raw material. There is some substance in the charge but I would not say that this is the whole truth. The historical background of the development of the small-scale industries must be understood in its proper perspective in order to understand the problem of raw material. It was decided that there should not only be development of industries but it should also be in such a manner that there was equitable distribution of wealth, besides adding to the national wealth and providing employment opportunities. All these were correlated. The principle of decentralisation of industry and diffusion of industries to the largest possible extent was accepted and in that context, the small scale industrial sector grew almost as a free sector, free in the sense that it is not to go through the rigours of licensing and controls, in the sense that any one in any part of the country could have a small-scale industry at any place without any licence. That way tremendous potentialities were already there and a galaxy of middle-class entrepreneurs came up throughout the country.

Shri Sham Lal Saraf: Does the hon. Minister know that even at that time raw materials were allocated to the

States by the Centre? It was not kept like that later on...

Shri Bibudhendra Misra: I am coming to the allocation of raw materials. I have got the figures of allocation with me. Within a few years, a large number of industries grew up in different parts of the country by leaps and bounds and so there was the problem of allotment of scarce raw materials which are mainly imported ones; particularly with the shortage of foreign exchange, it become very difficult. It is all right if it is said that ten years back the raw material that was allotted to a State was enough; it might have been all right then, or might have been sufficient for the existing industries then. But with the growth of industries by leaps and bounds, with the foreign exchange deteriorating, it becomes impossible to feed all the units. When I am talking of the raw material, I mean mainly the non-ferrous metals. It is not that all the small-scale industries in the country are based on non-ferrous metals. 50 per cent probably would be based on steel, and there would be other industries also. It has not been estimated so far, because the total picture is not known, but the average estimate that has been made by the Directorates of the State Governments in consultation with the SSI organisation shows that probably the industries in the small-scale sector based on non-ferrous metals alone would be up to the tune of 14 to 15 per cent.

Shri Sham Lal Saraf: What about all sort of steel-pig iron, etc.?

Shri Bibudhendra Misra: So far as the non-ferrous metals are concerned, it is a difficult position, and though we have been, within the limited resources of foreign exchange that is available to the Government, continuing the process of distribution both in the large-scale and the small-scale sectors, a warning was given at the last meeting of the Small Scale Industries Board that so far as new units based on non-ferrous metals are concerned, their coming up should be discouraged, in view of the fact that it has already become difficult to feed

the existing units. Therefore, any new units based on non-ferrous metals, should be discouraged from coming up in the State in future.

As I have said, the steel position is not as happy as we expected it to be, but with all the steel plants coming into operation, and 50 per cent of the industries, in the small-scale sector being steel-based industries, I hope the position will not be so bad, say, after three or four or five years; so far as the small-scale industry is concerned, steel-based industries will have a greater scope.

Another important point about the small-scale industrial sector during the last three or four years is that it has made a substantial progress during that period, so far as the chemical industries are concerned. They will have absolutely no difficulty because the Government has adopted a phased manufacturing programme in which almost all the raw materials needed are assured.

Regarding the chemical industries, Shri Sham Lal Saraf wanted to know the allocation. I would only point out to him that in 1964, whereas the allocation was Rs. 125.17 lakhs, in 1965 it was Rs. 172.3 lakhs. So far as pig iron in the small-scale industrial sector is concerned, in 1963-64, whereas it was 2,18,000 tons, in 1964-65 it was raised to 3,85,000 tons; that means this year, an additional 1,67,000 tons have been given. Therefore, as I have said, thanks to the indigenous manufacturers who are engaged in the producing of the raw material, most of the chemical industries have very little to depend on imports now. Rubber goods manufacturing industry, plywood industry, rayon industry, organic chemicals industry and so on are less dependent on imports now, because the indigenous material has come to be produced. So, the import of carbon black and rubber goods and chemicals is progressively being curtailed. The dyestuff industry is coming up very well. This was a field which the small-scale sector entered only three or four

[Shri Bibudhendra Misra]

years back, but so far as the standards, materials and the technology are concerned, they have all proved very well.

I would like to give some examples to the House. In regard to laundry soap production in the small-scale sector, it is 4 lakh tons as against 1,50,000 tons in the organised sector. As for the plastic processing industry, the production in the small-scale sector is almost the same as that in the large-scale sector. The production of dye-stuffs in the dye-stuff industry in the small-scale sector is 35 per cent of the organised sector. Therefore, as I have said, it is not only in the field of steel-based industries but also in the field of chemical industries, in the agro-industries, wood-cutting industry, and in the industries based on forest produce, there is a great role in the future for the small-scale industries to play. The position of non-ferrous metals is bad and is not likely to improve for some time. So, new units based on non-ferrous metals should be discouraged.

The question of allotment of scarce raw materials between the large-scale sector and small-scale sector has been discussed for sometime past. There is a feeling that there is inequitable distribution between the two sectors. For that purpose, in the last Small-scale Industries Board meeting, a committee headed by the eminent economist, Dr. P. S. Lokanathan, has been set up to see if there is equitable distribution or not and whether there is proper utilisation of the raw materials so allotted to the two sectors. We are awaiting the recommendations of this committee to throw some light on the matter and government will certainly consider them.

Mr. Swamy raised the question of shortage of cement. It is widely known that we are short of cement by 2 or 3 million tonnes. There is no dispute about that. But it is not that the industry has not made any

progress. Before 10 years, production was 5.9 million tonnes. In 1966-67 it is expected to be 14.01 million tonnes, i.e. nearly double production in 10 years. To some it may appear to be a record increase, to some it may not. There is no quarrel anywhere that with the rapid industrialisation of the country and growing demands, there is all-round shortage.

Cement is allocated quarterly. So far as distribution is concerned, it is half and half between the centrally sponsored authorities—Central Government departments like Irrigation and Power, Railways, Defence, etc.—and the States. The basis of allocation to the States has been agreed upon between the representatives of the Central and State Governments. For this, not only the population but the plan outlay of a State is taken into consideration. Distribution to the districts and consumers in a particular State is a matter under the jurisdiction of the State Governments. We have nothing to do with it.

But the fact remains that the consumers are suffering and it is obvious there is lack of cement. On behalf of the private entrepreneurs, Shri Dandekar agreed and complained that the reason for shortages "the tariff commission has fixed the price, but we do not get proper incentives". I will come to the reasons later on. After making many experiments, granting many licences and cancelling a number of them, Government decided on the setting up of the Cement Corporation of India, which has come to stay. I am not an economist like Shri Dandekar. He tried to enunciate a theory that price control is responsible for this shortage. I do not share his view. I put it the reverse way: if there is no price control, then also a material which is produced in sufficient quantity may become scarce for the consumers; the producer or distributors may hold it back to have their own prices in the market.

Dr. M. S. Aney: Shri Dandeker said that price control is partly responsible for the shortage, not entirely.

Shri Bibudhendra Misra: That is not correct. First of all, whenever any commodity is in short-supply, from the consumers' point of view, it is essential that a reasonable price is fixed, because the consumer may be left at the mercy of the producer. In 1963, when it was found by the tariff commission that some industries had made substantial progress and the shortage was less, the price control was removed. I do not exactly remember the number—it was 14 to 15—but price control was removed in 1963. I remember a case. After the price control on cycle tyres and tubes was removed, the prices went up. I remember there was a question in the other House and some hon. Members demanded that again the prices should be controlled. So, there is no easy and ready-made solution to it. It cannot be just dismissed off in a sentence, that price control is responsible for this or that price control is not responsible for this.

So far as the contention of the cement manufacturers is concerned, that the capital investment in cement industry is much more and due to fixation of prices their profit is not as much as they would get in other concerns, I would only say that there may be some truth in it but it will be wrong to say that cement industry does not give any profit. The ACC Group, if I remember aright—I am speaking subject to correction because I am speaking from memory—declares a dividend of 12 per cent. The other group, the Dalmia Bharat which has a 25 per cent interest in the industry, declares a dividend of 10 per cent and the others have declared a dividend of 8 per cent to 9 per cent. Therefore, it is wrong to say that the profit that they would normally get they are not getting and hence private entrepreneurs are not coming into the field.

Whatever may be the reason, as I said the Cement Corporation of India has come to stay. It will be our hope to produce at least 25 million tons to 30 million tons. I do not know how far we will succeed. The work has already started to produce about 25 million to 30 million tons of cement by the end of 1970-1971. If in another one or two years we are able to create a capacity for 15 million tons a year or another 15 million tons as we envisage now with many of the State Governments' applications pending and many new licences also coming up, we think that the distribution between the private sector, the State Governments and the Cement Corporation of India, on a tentative calculation—it is not final because one does not know—will be 5 million tons each, so that with the combined effort we will create capacity of another 15 million tons additional capacity by 1970-71.

These are the two points that were raised in the debate. Shri Daji raised certain questions saying that the Government is on the side of capitalists and all that. I leave it to the Minister to answer that. But his charge that the Patent Law is being sabotaged to serve some vested interest, I repudiate. The Patent Law will be introduced in the House very shortly and Shri Daji will have an opportunity to see whether his contention is right or wrong.

Shri S. M. Banerjee: Sir, the hon. Deputy Minister said something about heavy and small scale industries. What about the medium industries? He did not say anything about them.

Mr. Deputy-Speaker: The Minister will reply.

श्री अचल सिंह (आगरा) : उपाध्यक्ष महोदय, उद्योग किमी भी देश के वास्ते बहुत आवश्यक होते हैं। इस में कोई शक नहीं है कि हमारे देश ने औद्योगीकरण के सम्बन्ध में काफी उन्नति की है। एक समय

[श्री अचल सिंह]

था जब कि हमारे देश में सुई तक नहीं बनती थी। आजाद होने तक हमारे देश में बहुत ही कम इस दिशा में तरक्की हुई थी। आज हम ने देखा कि काफी उद्योगीकरण देश का हो चुका है। अब यहां साइकलें, सीने की मशीनें बिजली के पंखे व नाना प्रकार की मशीनरी बनना शुरू हो गई है। तरह तरह का सामान यहां बनने लग गया है। देश का अबों रुपया जो विदेशों को जाता था वह बच गया।

उपाध्यक्ष महोदय : आप आगे आ जायें।

श्री अचल सिंह : मैं कह रहा था कि हमारे देश में उद्योगों की बहुत कमी थी। हमारे स्वर्गीय पंडित जवाहरलाल नेहरू ने इस बात पर जोर दिया कि औद्योगीकरण हो। यह खुशी की बात है कि काफी औद्योगीकरण हो गया है और अब सैकड़ों चीजें हमारे देश में बनती हैं जो पले विदेशों से आया करती थी।

18 hrs.

हमारा देश कृषि प्रधान है। इस में औद्योगीकरण होना बहुत आवश्यक है। जो देश औद्योगिक होता है वहां के आदमी बड़े खुशहाल होते हैं। लेकिन हमारे देश में

80 फी सदी आदमी काश्त पर निर्भर करते हैं। चूंकि वे कृषि ही करते हैं इस लिये उन की हालत बहुत भ्रबतर है। इस लिये हमारे यहां उद्योगों का बढ़ना बहुत आवश्यक है। हम देखते हैं कि अमरीका में 8 या 9 परसेन्ट आदमी कृषि करते हैं। बाकी करीब 90 परसेन्ट आदमी उद्योगों में व अन्य काम करते हैं। इसी प्रकार से यू० के० या जर्मनी में कृषि करने वालों की संख्या बहुत कम है और उद्योगों में लगे आदमियों की संख्या बहुत ज्यादा है।

इस बात की बड़ी आवश्यकता है कि हम अपने उद्योगों को गावों में फैलायें जिस तरह से जापान ने अपनी इंडस्ट्रीज को, अपने उद्योगों को घर घर में फैला दिया है। इस से वहां के लोग बड़े खुशहाल हो गये हैं। उद्योगों की वजह से वहां के लोग बहुत कम काश्त करते हैं, ज्यादातर लोग उद्योगों में काम करते हैं।

Mr. Deputy-Speaker: The hon. Member may continue tomorrow.

18.02 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, April 21, 1965/Vaisakha 1, 1887 (Saka).