

have promised today, 24 hours ago they said they could not give, so that the whole question must be cleared.

**Shri Jaganatha Rao:** I will convey it to the Food Minister, and I think he will make a statement as early as possible.

**श्री बागड़ी (हिमार) :** अध्यक्ष महोदय, मैं बड़े अदब के साथ आप को और इस सदन को इत्तिला देने के लिए खड़ा हुआ हूँ कि इस सदन के माननीय सदस्य, श्री बुद्ध प्रिय मोर्य, लोक सभा में संयुक्त ममाजवादी दल में शामिल हो गए हैं।

**श्री के० बे० मालवीय :** अध्यक्ष महोदय, मैं सरकार से यह जानना चाहता हूँ कि . . . .

**अध्यक्ष महोदय :** इस वक्त कोई जैनेरल सवाल नहीं हो सकते हैं।

**श्री के० बे० मालवीय :** मैं मानोपलीज कमिशन के बारे में जानना चाहता हूँ, जिस का जिक्र अभी किया गया है।

**अध्यक्ष महोदय :** उस के बारे में जवाब आ गया है।

**श्री के० बे० मालवीय :** जवाब से यह साफ़ नहीं हुआ है कि क्या सरकार मानोपलीज कमिशन की रिपोर्ट पर बहम के लिए तयार है।

**अध्यक्ष महोदय :** जब मैं एक और स्राइटम को भी ले चुका हूँ, तब माननीय सदस्य पूछ रहे हैं।

**श्री के० बे० मालवीय :** मैं पहल ही खड़ा हुआ था।

**अध्यक्ष महोदय :** मेरी गलती हो गई।

**श्री के० बे० मालवीय :** गालिबन आप की ही गलती हो गई है।

**अध्यक्ष महोदय :** बहुत दफा हो जाती है। उसे सहार लेना चाहिए।

**श्री के० बे० मालवीय :** जब हमारी गलती होती है, तो आप पकड़ लेते हैं।

12.37 hrs.

DEMANDS\* FOR GRANTS—contd.

MINISTRY OF COMMERCE—contd.

**Mr. Speaker:** How long would the Minister take for his reply?

**The Minister of Commerce (Shri Manubhai Shah):** About 40 minutes.

**Mr. Speaker:** One hour and 35 minutes are there. That means that by 2 O'Clock we must finish. At 1-15 I shall call him.

Shri Sheo Narain.

**श्री शिव नारायण (बांसी) :** अध्यक्ष महोदय, मैं कल सरकार से यह निवेदन कर रहा था कि देश की खेती की डेवेलपमेंट के लिए छोटे-छोटे इम्प्लीमेंट्स और प्रोज़ार, जैसे ट्रैक्टर वगैरह, मंगाए जाने चाहिए। सिचाई के साधन उपलब्ध करने के लिए हमें छोटी-छोटी मशीनें मंगानी चाहिए, ताकि हम तालाबों से पानी निकाल कर सिचाई का काम कर सकें। अगर देश इंडस्ट्री का डेवेलपमेंट कर सकता है, तो वह खेती को विकसित और उन्नत करके ही कर सकता है। यदि सिचाई के लिए छोटी छोटी पम्पिंग मशीनें हम को दे दी जायें, तो हम अपने गांवों में फूड प्राबलम को हल कर सकते हैं।

आज बंगाल के लोगों की तरफ से फूड के बारे में आवाज उठाई जानी है। हर छठ सातवें दिन यह सवाल यहां पर आता है। सिचाई की व्यवस्था करने पर यह बड़ी प्राबलम हल हो सकती है। आज शिकायत यह है कि पानी तो है, लेकिन किसान उस पानी को उठा कर अपने खेतों में नहीं पहुंचा सकते। हमारे काममें मिनिस्टर जापान और दूसरे कंट्रीज में जाते हैं, जहां छोटे छोटे इम्प्लीमेंट्स देखने को मिलते हैं। मैं

\*Moved with the recommendation of the President.

3007 (ai) LS—6.

[ श्री शिव नारायण ]

उनसे रक्वेस्ट करूंगा कि वह उनको चीपेस्ट वे में मंगा कर देश को दें। अगर हम अन्न के संकट को हल कर लें, तो हमारे देश की एक बहुत बड़ी प्राबलम हल हो जायेगी।

इस देश में मछली की बहुत डिमांड है। बंगाल मछली के भरोसे ज़िन्दा रहना चाहता है। हमारे गांवों में बड़-बड़े तालाब हैं। उनकी ठीक तरह से खुदाई करके उनमें मछली की इंडस्ट्री का विकास किया जा सकता है। उससे काफ़ी इनकम हो सकती है और देश का अन्न संकट हल हो सकता है।

इसके बाद मैं मंत्री जी का ध्यान अपनी कांस्टीट्यूएन्सी की ओर दिलाना चाहता हूँ। खलीलाबाद हैडलूम का सेंटर है। मैं उसको एक छोटा मैनचेस्टर बनाना चाहता हूँ, अगर मंत्री महोदय हमारी मदद करें। श्रीमन्, मुझे इतिहास का विद्यार्थी होने का गुमान है और आज मैं इस गवर्नमेंट को बताना चाहता हूँ कि इंडस्ट्री में हम इतने डेवेलप्ड थे कि हमारे देश की बनी हुई साड़ियाँ अफ्रीकों की बड़ी-बड़ी मेमें मंगवाती थीं। हिन्दुस्तान से ढाका की मलमल विदेशों में जाया करती थी। मैं कामर्स मिनिस्टर से निवेदन करूंगा कि मलमल की बढ़िया साड़ियाँ इंग्लैंड, अमरीका, रशा और अन्य देशों में भेजने की व्यवस्था की जाये, जिस से हमारे देश की आमदनी बढ़े। आज हमारे देश के सामने फ़ारेन एक्सचेंज का बड़ा प्रश्न है। मैं बताना चाहता हूँ कि फ़ारेन एक्सचेंज प्राप्त करने का मसाला हमारे देश में मौजूद है। सरकार टी, प्रायल और रूई की इंडस्ट्रीज को डेवेलप करे और किसानों को काफ़ी पैसा दे, ताकि वे उत्पादन में वृद्धि कर सकें।

इस समय जो प्रतिबन्ध और कंट्रोल हैं, उनको हटा दिया जाये। ये कंट्रोल हमारे रास्ते में हिमालय पहाड़ बने हुए हैं—वे

हमारे रास्ते में रोड़े बने हुए हैं। फूडप्राबलम को हल करने में ये कंट्रोल एक हिंडरेंस हैं। सरकार ने फ्री मूवमेंट रोक रखी है, जोकि सबसे बड़ी हिंडरेंस है। मैं इस गवर्नमेंट से पुरजोर शब्दों में कहना चाहता हूँ कि गवर्नमेंट इस को हटाये, अपोजीशन वाले नहीं कह सकते, लेकिन मैं कांग्रेस का एक मेम्बर होने के नाते फ़र्ज समझता हूँ कि गवर्नमेंट से कहूँ कि वह इसको हटाये।

श्री सरजू पाण्डेय (रसड़ा) : माननीय सदस्य क्या खाद्य समस्या पर बोल रहे हैं ?

श्री शिव नारायण : आप जरा तमीज़ से बोलिये।

मैं अपील करूंगा कि आप रूई पर से कंट्रोल हटा दें ताकि किसान को बेनिफिट हो सके। मैं अपने किसान भाइयों से कहता हूँ कि यह समय अन्न पड़ा है, जब सेर भर का गेहूँ बिक रहा है, सेर भर की दाल बिक रही है, अगर ऐसे समय में किसानों के खपड़े नहीं बन सकते, तो फिर नहीं बन सकते। आज सारे देश के लोग लगे हुए हैं कि उन से माल छीना जाय लेकिन यह गवर्नमेंट उन को मदद दे रही है और इसके लिये किसान सरकार का अनुगृहीत है।

शुगर का प्रश्न बड़ा भारी है। चीनी की मांग मुल्क में भी है और विदेशों में भी है। चीनी विदेशों में भेजने को मैं वेलकम करता हूँ। मैं गांव में रहता हूँ, एक किसान हूँ और गन्ने की खेती करता हूँ। मैं फौरन कन्ट्रीज में भी रहा हूँ, आज क्यूबा में गन्ना मिलवाले किसान के खेत पर से ले जाते हैं, लेकिन हम को गन्ना मिल में ले जाना पड़ता है, वहां जा कर कहना पड़ता है कि परमिट दीजिये, तब गन्ने को मिल में ले जाते हैं और फिर भी उन बेचारों को पैसा नहीं मिल पाता है।

मुझे इसी सिलसिले में एक बात याद आई है, आज कानपुर में नंगा नाच हो रहा है, मैं मनुभाई शाह से कहूंगा कि वह वहां जा कर स्थिति को देखें—11,000 आदमी वहां भूख से परेशान हैं, उनको पैसा नहीं मिल रहा है, आपको उन गरीबों की मदद करनी चाहिये। अगर यह सरकार गरीबों की मदद नहीं करेगी, तो इस सरकार की मदद के लिये गरीब लोग नहीं आयेंगे। आज गरीबों की बदौलत ही गवर्नमेंट बनी हुई है, आज कोई भी कैपिटलिस्ट इस गवर्नमेंट का मददगार नहीं है, किसान और गरीब ही मदद करते हैं। इस लिये मैं उन तीन मिलों के नाम बताता हूँ—

1. म्योर मिल ।
2. न्यू विक्टोरिया मिल
3. महेश्वरी जूट मिल ।

इस देवीजी की मिल में ऐसा गड़बड़ घुटाला है कि मैं कह नहीं सकता। गरीबों का पैसा ये लोग नहीं देना चाहते हैं। मैं आपसे यह भी कहूंगा कि आप अपने कमिश्नर से भी कहें कि वह भी ठीक रहें। मैं उन से भी अपील करता हूँ कि मुल्क के नाम पर, देश के नाम पर, जब कि हमारे चारों तरफ लड़ाई के बादल मंडरा रहे हैं, बंगाल में षड्यन्त्र हो रहा है, देश के कोने-कोने में षड्यन्त्र हो रहा है, भाग गई रेणु चक्रवर्ती, मैं अपने अपसरों से अपील करता हूँ कि आप गवर्नमेंट से सहयोग करें और वहां की हालत को देखिये, हर जगह कलकत्ता न बना दीजिये। यह बहुत इम्पोर्टेंट चीज है, इस पर आप को ध्यान देना चाहिये।

मुझे खुशी है कि गवर्नमेंट ने कई चीजों में काफ़ी मदद की है, कई चीजों जैसे आयलसीड आदि, में 80 परसेंट की बढ़ोत्तरी हुई है, लेकिन मैं अपील करता हूँ कि 100 परसेंट हो, तब गवर्नमेंट का नाम बढ़ेगा और आप और हम आगे जा सकते हैं, ज्यादा काम कर सकते हैं। आप

नीजवान आदमी हैं, आप 18 घंटे काम कर सकते हैं। मैं अपने क्षेत्र के नीजवान विद्यार्थियों से कहा करता हूँ कि जो लड़का 18 घंटे नहीं जागेगा, वह जवाहर लाल नेहरू नहीं बन सकता, इसी तरह से मैं समझता हूँ कि मनुभाई शाह भी 18 घंटे जागेंगे, तभी वह आगे जा सकेंगे।

मैंने अपील की है कि हमारे यहां जो छोटी छोटी इण्डस्ट्रीज हैं उन को प्रोत्साहन दें। मगहर में खाद आश्रम है, उस की मदद करें तो हम आपको बढ़िया कपड़ा, खादी, और चावल दे सकते हैं। मैं बखिरा के बर्तुनों के लिये कह रहा हूँ, पुरानी इंडस्ट्री है, उस को प्रोत्साहन दें तो हम आपके बड़े अनुगृहीत रहेंगे और मेरी कांस्टीचूएन्सी वाले आप का प्रहसान मानेंगे।

इन शब्दों के साथ मैं इनका समर्थन करता हूँ।

Shri Sham Lal Saraf (Jammu and Kashmir): Sir, I rise to lend my support to the demands of the Ministry of Commerce.

In the developing economy of a country, the economy is to be export oriented. Naturally therefore the question often arises: what to export, why to export, when to export and how to export. These are naturally the questions before the ministry that is presided over by Mr. Manubhai Shah. Even today from the list of export items, I find that eighty per cent are traditional items. May be the impact may be changed as far as export in these items to different countries is concerned, but the fact remains that 80 per cent are traditional items. From the figures I find that out of Rs. 807.5 crores, Rs. 641 crores are for traditional items. A lot more will have to be done to step up the export of non-traditional items. I must congratulate the minister and the ministry on what they have done. Attention is being paid to the processing industries as well as the manufacturing industries, and goods that we manufacture are also exported. With regard to that certain things have to be done, for instance, reorganising the

[Shri Sham Lal Saraf]

whole structure of administration, from secretariat downwards. They have now divided the work between the different divisions and each division is responsible for a separate region in the world. They have set up a board of trade, export-import advisory council, commodity boards, etc. Over and above that, institutions like the state trading corporation, the Indian standards institution which is doing wonderful work, are there. I have had some experience of this institution and it is co-ordinating the work in a commendable way. I congratulate the government and the ministry on the character of its work. To this day there is not a single recommendation of this institution which had been rejected here or outside the country. Institutional finance had been made available to exporters and manufacturers. A corporation has also been set up to look after handloom and handicrafts and so forth. Risk insurance also is covered. Necessary facilities that could be envisaged have been made available for the exporters. Naturally our countrymen today should have been sufficiently educated by now as to what facilities are available and why we should export and what we should export. With all the development that has taken place in the country I am one with the minister of commerce when he expressed the desire the other day that we should lay full emphasis on agricultural products. Our trade and our exports also depend very much on that. About that I will say a little later. Mechanisation of metallic ores should be done to reduce costs. So much has been said about the cotton industry. It is difficult for us to stay in competition. The quality control has been introduced. Preshipment inspection is there. Incentives and entitlements are also there. I am not speaking in detail now. These are really correctives that will take us to the desired goal. Then there is the training and research service within the country. We find that in foreign markets technological device

and mechanical device are all being introduced. Several committees have been set up and I have had the honour of working in a couple of them. They have been doing very well. I do not mean to suggest that we have reached the final goal. In order to reach that objective, the steps taken are very much appreciated. Government should see that no hesitation is shown in achieving that.

Trade delegations, both Government-sponsored and privately sponsored, have gone to certain places, and not only have they surveyed markets but also found out markets for our exports and tried to see how we can introduce our industries there and how we can have some sort of export orientation in those countries. I wish that more and more of our items of machinery are exported to other countries.

I am told that by the end of the third Plan period, our achievement would be Rs. 3,811 as against Rs. 3,700 crores. The target has been exceeded. This is an achievement which has been obtained in spite of great difficulties. We have had three aggressions during the period from 1962 to 1965. In 1962-63, there was the Chinese aggression; in January-February, 1965, there was the Pakistani aggression in Kutch and again in September-October of last year, there was the Pakistani aggression. The entire machinery had gone out of gear. Secondly, there was continuous drought for two years and production of foodgrains and plantation crops suffered. Food imports,—a big item—had to be made, and raw materials like jute also had to be imported. Keeping in view all these aspects, I must heartily congratulate the Minister and the Ministry on their achieving the objective in spite of the fact that so many difficulties have had to be encountered, and some were foreseen and some were unforeseen.

I come to the fourth Plan period for which the target is Rs. 5,100 crores. I personally feel it is not a small but it

is a very big target to achieve, and to achieve it, it will mean a Herculean effort on the part of the Ministry and all others who may be directly or indirectly helpful in that regard. Therefore, the Government as a whole has to be very cautious about these things. They have to see that no bottlenecks in any form or any shape appear anywhere in the entire working of this Ministry.

**Mr. Speaker:** The hon. Member's time is up.

**Shri Sham Lal Saraf:** I will take a few minutes more, Sir, because I have seen that from yesterday very little has been covered, and I will now hurriedly go through my points.

**Shri P. C. Borooah (Sibsagar):** The time should be extended.

**Shri Sham Lal Saraf:** Therefore, to achieve the target, some corrective measures are to be introduced both in the matter of agriculture and industrial output. One thing I wish to remind the Minister about; I made the point last time also but he did not agree. I shall repeat it today. Now, a lot of industrial fervour has been created in the country and a number of things have come up, and that is drying up today for want of two or three things. I am glad that the Finance Minister assured me on that subject the other day, on my repeatedly asking him about the components and spareparts and also the necessary raw materials. We have to import these now in a appreciable measure. You have to earmark something for that.

Then there should be co-ordination between the policy making body and the executing body, in the matter of implementation of the policies of the different sectors of the Ministry. There must be full co-ordination in this matter. Then, in order to achieve our industrial objective in the coming fourth Plan, we also want foreign exchange. The main source of foreign exchange, apart from aids and loans, is our export and export drive. We must be absolutely clear that we achieve this as best and as quickly as

we can. Our success will depend on the emphasis that we ought to give both on reasonable prices and on quality. The prices have to be competitive, and the quality must be high.

A month or two back, I happened to be in Southeast Asia. Two things I found there. The people were complaining, the importers there were complaining that they are not getting our goods in time and that they are not getting the goods of right quality. I know the Ministry is taking steps to rectify this. About import substitution, a lot can be said. I need not go into the details of it owing to lack of time. I only mention it. Then, the labour costs should be reasonable. Unless we see to it, simply asking the labour to go on working will not do. Immediate attention should be paid to this aspect.

Then there is the question of power shortage. It has also proved a deterrent today in relation to our agriculture, industry and other things. Then there is low productivity. Then there is sales organisation. From my experience of what I have seen elsewhere in the world, I have to suggest that our All India Radio must take up commercial broadcast and that will immensely help our export drive. I hope the Government will kindly take note of it.

One thing more: I know there must be a lot of publicity given. The Film Institute at Poona is doing a number of things. I had an occasion of visiting it in connection with the hon. Minister's committee. I feel that foreign publicity, particularly through the films and other media, would be a very important thing. The Director of the Institute at Poona agreed with my suggestion that commercial films with an export bias should be introduced as a subject of study. I hope the Government will take note of this also.

With these few suggestions, I lend my full support to the Demands for Grants under this Ministry.

**Dr. L. M. Singhvi (Jodhpur):** Mr. Speaker, Sir, I am grateful to you for

[Dr. L. M. Singhvi]

giving me this brief opportunity of participating in this discussion. I would first like to welcome the hon. Minister and to welcome particularly and most heartily the conferment of Cabinet rank on him. It was I think overdue and long delayed. I would like to preface my submissions in this discussion by saying that licensing procedure and licensing machinery seem to be afflicted with various deficiencies and are the subject-matter of a number of very serious complaints into which the hon. Minister must look in a satisfactory way.

I would like to say that there is a widespread feeling—and on a perusal of some of these matters, I have been fortified in my saying that the feeling is legitimate—that discretion is being exercised in an arbitrary way; that there is no check on the arbitrary exercise of discretion, and that the committee system lies completely prostrate and has proved itself an utter failure. The hon. Minister is well known for his dynamism. I share the enthusiasm for his abilities and the admiration which this whole House has on different occasions shown to him, but I am sure the hon. Minister would realise that it is in this very vital field of licensing particularly because of the scarce foreign exchange resources in our country that a number of allegations arise. Of course, sometime the people, when they are completely in despair and despondency, go to the length of alleging corruption which may or may not exist, but the point is that these allegations arise out of despair and frustration and out of a sense of injustice having been perpetrated on certain people.

12.58 hrs

[MR. DEPUTY-SPEAKER in the Chair.]

I do not want to expatiate on this somewhat unpleasant aspect of the working of the Ministry at any length, but I do want that the Minister should himself look at this matter both from

the point of view of the machinery and the procedures, from the point of view of procedures in terms of original consideration, in terms of consideration by the committees and in terms of appeal procedures. These should be looked into by the Minister and he should find out as to why it is that these procedures have failed to give the kind of satisfaction that ought to be available to those who deal with this Ministry.

I would like in this connection to point out that it was brought to my notice, and I had occasion to write to the Government in this connection sometime ago, that when it came to importing of stallions from abroad, a committee, on which by and large certain military officers and persons interested in military affairs were serving, secured these licences for certain people because they were interested people, because they were people who are well-known. (*Interruption*). I had written to several Ministries in this connection. I shall bring these facts to the attention of the hon. Minister also on another occasion, because I do not want to name this. But it came to my notice that this was done largely because certain military officers were interested in securing the licences so much so that people who had been established importers for years before that, were not given these licences. What is more, we are trying to build up.....

**Shri Manubhai Shah:** I would like to inform the hon. Member that military imports are not made by us.

**Dr. L. M. Singhvi:** These are imports of stallions for horse-breeding, coming under his Ministry, by the Controller of Imports and Exports.

**Shri Manubhai Shah:** We are concerned with the servicing agency for imports. The actual imports of horses are controlled by the Ministry of Food and Agriculture. The difficulty arises only because many times, the Chief Controller of Imports, who is only a

postmaster for various Ministries, is blamed for reasons which are not within his competence.

**Dr. L. M. Singhvi:** It was for this reason that I had written to the Food and Agriculture Minister who deals with animal husbandry and horse-breeding. It was for this reason that I had written to different Ministries. I am sure something can be done. I am not saying that this is the only case. It seems that some people, because of their established position in society were able to exercise their influence in securing the scarce resources of the country without regard being had to develop a particular part of the country, without regard being had to considerations of fairness and justice. I have full faith in the minister's willingness to look into it and his readiness to rectify the wrongs. So, I would not make any further issue out of it. He should either appoint a committee or go into this matter himself. I am not a great believer in committees.

13 hrs.

**Shri Manubhai Shah:** The Mathur Committee was meant for this purpose and they went into all the procedures. We have accepted all their recommendations.

**Dr. L. M. Singhvi:** In spite of that, unfortunately, these complaints subsist and the procedures are found unsatisfactory. That is why I am making this plea that the minister might himself look into it.

The existence of idle capacity is becoming larger and larger every day because of lack of maintenance imports and because licensing at one time was proceeded with on an unco-ordinated and unplanned basis. These lotus-eaters have now to be made to work for the national economy. I would like to know what appreciation government have to the incidence of the extent of lotus-eating in our industries, the idleness in our industries and what they propose to

do about this. I welcome, particularly, the emphasis being placed by the government on a massive programme of import substitution. I would like the minister to tell us briefly in his reply as to what this programme is. He has spelt it out on many important occasions outside this House and in the House also. I would like to know what he hopes to achieve by this programme of import substitution.

As I said this morning, I would like that something should be done to release the latent energies of the people to give a fillip to indigenous innovation, whether it is in terms of holding exhibitions throughout the country, which the minister said are being held, but which are not being held sufficiently purposefully in order to release the indigenous innovation in this country to bring it to fruition and to bring it to bear upon our national economy.

It seems the restrictions that it is necessary to impose on the re-export of certain commodities that we export are not imposed and it seems the minister is not aware of the fact that these facilities which are provided by us are being abused in certain quarters. This should be looked into.

Lastly, I am myself a believer in Khadi and I do wish that Khadi should be encouraged, helped and assisted in every possible way. It seems the economic factors which can contribute to making khadi a self-sustaining and self-helping movement, standing on its own legs, are not being sufficiently made to operate. I would like the minister to tell us what he proposes to do about making khadi a far bigger and more important movement for the common man in this country and to make it a self-sustaining and self-helping movement.

**Shri P. C. Borooah:** Sir, I have no time to congratulate at length the hon. minister, Mr. Manubhai Shah, on his appointment as Cabinet Minister. I whole-heartedly support Dr. Singhvi in his remark that energetic and dy-

[Shri P. C. Borooah]

namic as Mr. Shah is, this was long over-due.

The report of the Ministry of Commerce for 1965-66 is a well brought out document. It is a record of good performance of the ministry, for which the hon. minister and his ministry deserve unreserved congratulations.

It is heartening to note that although there is fall in export in the latter part of the third plan period, exports during the entire period of the Plan have exceeded the target. It is in the level of Rs. 3811 crores while the plan target was between Rs. 3700 to Rs. 3800 crores. It is all the more commendable that in spite of dislocation caused to the country's economy by the two foreign aggressions, once in 1962 and another in 1965 followed by a bad monsoon failure last year, this result has been achieved.

Although our overall export position is satisfactory, the same for imports is not so. The imports of Rs. 1383 crores in 1965 were higher by Rs. 50 crores than that in 1964, which accounts mainly for failure in the agricultural sector. There was more of food imports and also of agricultural raw materials like raw jute, etc

It would, therefore, appear that agriculture is playing a vital role in our foreign trade. It is a matter of regret that in spite of our having spent more than Rs. 4000 crores in the development of agriculture during three plans, we are yet far from self-sufficiency. In the third plan alone, our adverse trade balance will exceed Rs. 2000 crores. In the fourth plan, the export target has been fixed at Rs. 5,100 crores. It is with considerable difficulty that we have been able to reach a figure of about Rs. 3800 crores during the third plan. To reach the figure of Rs. 5100 crores during the fourth plan, the export figures have to be exceeded by about Rs. 260 crores annually.

It may be difficult to reach the target fixed, unless some corrective mea-

asures are immediately taken. Agricultural production should be undertaken on a commercial scale and agriculture should be treated as an industry.

In industry proper incentives are to be given and the necessary climate conducive to an expanding base is to be created. The crux of the problem is the urgent and imperative need to step up production all round.

About 80 per cent of our exports belong to traditional items which are exported without any major compensatory export assistance. Only 17 per cent of the total exports require to be given special assistance in the form of import entitlements. About 3 per cent of our total exports are allowed allied import allowance. In such circumstances, our exports can be increased to an appreciable extent, if we can have greater production.

But the more important factor is our capacity to produce goods at competitive prices with comparable qualities. Our products suffer from high costs due to the higher costs of labour, industrial raw materials, power and lower productivity, etc. Unless these handicaps are removed, our exportable products will continue to be handicapped in the export markets.

Our Embassies abroad have not been able to show a good account of themselves in promotion of our export for they are inadequately staffed; persons appointed lack the requisite qualifications and the statistics which are available regarding foreign trade are not up-to-date.

Coming to individual items, I would like to confine myself to tea, because I have no time to deal with other items. It is found that the export duty from tea exports in 1965 declined by as much as Rs. 9 crores compared to the previous year. The industry on an average earns about Rs. 130 crores worth of foreign exchange a year and



contributes more than Rs. 35 crores to the national exchequer and makes no demand on foreign exchange. These facts by themselves ought to rouse the government's attention to the vital importance of the industry. True, it has been favoured with some relief in the union budgets for the last two years. But the quantum proposed is inadequate, considering the needs of the industry at the present moment. The benefit of Development Allowances for planting was likely to be more than offset by increase in the corporate taxation proposed in the same budget.

The major trouble faced by the industry is the declining profit, arising from a continuously rising cost. While industries in general earned in 1963-64 a profit of 9.3 per cent on capital after payment of taxes, that for tea companies dropped to an all-time low of 4.9 per cent. The average sale proceeds rose by less than 50 per cent between 1950 and 1963 but the cost of tea per lb. rose by over 80 per cent. Evidently this has resulted in reducing the competitive power of tea in the international market. It is natural, therefore, that India's share of world tea export has been gradually going down. Not only in the interest of the industry but also in that of the economy as a whole, vigorous steps are necessary to put it on a sound footing.

The industry's plea for increase in the quantum of tax credit concessions for exports from 2 per cent to 5 per cent and the inclusion of tea industry in the scheme for a draw-back of excise duty deserves the Government's sympathetic consideration.

Adequate funds have also to be provided for the replanting of the old tea areas and extension of planting to fertile areas. There is a scheme for giving loans for this purpose operated through the Tea Board. A sum of Rs. 5 crores was sanctioned for this purpose as early as in 1962, but up till now, out of these Rs. 5 crores, not

even one-fifth has been disbursed with the result that against a target of planting 24000 acres of new area per annum only 6000 acres have been brought under new plantation during these four years. Unless we carry out our extension work properly, it will not be possible for us to achieve the target of 1000 million pounds by the end of the Fourth Plan and 1200 million pounds fixed for the Fifth Plan. So it is very important that these extensions must be carried out and for this all help should be given by the Government. When the Government has sanctioned Rs. 5 crores, it has not been taken advantage of and only one-fifth of it has been disbursed during these four years, it demands inquiry. It is said that the stringent terms of the scheme are responsible for this slow progress. The *pari passu* arrangement with the commercial banks for security against such advances has been a complete failure. It has not been effective. I would request the hon. Minister to see whether the terms of the scheme are stringent, and if they are stringent he should see that the terms are made liberal without any further loss of time. At least the terms should be liberalised to this extent that loans are given on the personal guarantee of the directors or partners as has been done in the case of some other industries.

Sir, as you have rung the Bell. I do not want to take any more time of the House. I have nothing more to say except to repeat my request that the hon. Minister should look into the condition of the tea industry and see that all help is given to it so that it is able to keep up its high position in the world market.

श्री मधु लिमये (मुंजर) : उपाध्यक्ष महोदय, व्यापार मंत्री ने अपनी रपट में निर्यात के बारे में झांकड़े दिए हैं। तीन चीजों के निर्यात की तरफ मैं ध्यान दिलाना चाहता हूँ। दो चीजें ऐसी हैं जिन की निर्यात करीब करीब दोगुनी बढ़ गयी है। जैसे काजू है। जहाँ दस साल पहले 14 सठा 14

[श्री मधु लिमये]

करोड़ का काजू निर्यात होता था इस साल 29 करोड़ का हुआ है। इसी तरह हीरे। ये करीब तीन करोड़ 80 लाख के निर्यात होते थे दस साल पहले, लेकिन पिछले साल 14 करोड़ 80 लाख के निर्यात हो गए। तो उन के बारे में और ज्यादा बढ़ाने के लिए मैं मंत्री महोदय से निवेदन करना चाहता हूँ कि क्या यह बात सही है कि इन दिनों में इटली वालों ने कोई एक मशीन तैयार की है जिस से काजू साफ करने का काम हो सकता है और क्या पूर्वी अफ्रीका के लोग इस मशीन का अब इस्तेमाल करने वाले हैं? यदि यह बात सही है तब तो इस का नतीजा होगा कि दो, चार, पांच साल के अन्दर इन देशों से जो हम कच्चा माल लाते हैं और यहां से पक्का कर के अमरीका, रूस और दूसरे देशों में भेजते हैं, तो फिर कच्चा माल आयन्दा में आएगा नहीं। इसलिए मैं यह जानना चाहता हूँ कि अभी से यह कच्चा माल हिन्दुस्तान में जो आता है वह बन्द कर के यहां की पैदावार बढ़ाने का काम तथा अन्तर्गत खपत को रोक कर निर्यात के लिए इस चीज का इस्तेमाल करने का कोई काम सरकार करने वाली है?

जहां तक हीरे वगैरह के निर्यात का सवाल है, मुझे पता चला है कि विलायत के देशों में जैसे नीदरलैंड, बेलजियम आदि में हीरे बनाने का काम बहुत होता है, लेकिन चूंकि थ्रम का मूल्य यूरोप में बहुत ज्यादा हो गया है, इसलिए इस उद्योग में तरक्की करने का मौका हम लोगों को है। तो मैं मंत्री महोदय से पूछना चाहता हूँ कि क्या इसमें मजदूरों को प्रशिक्षण दे कर उन की कार्यकुशलता को बढ़ाने के लिए कोई स्कूल या कोई योजना वह बनाएंगे? क्योंकि दस साल में अगर हीरे का निर्यात करोड़ 80 लाख से 14 करोड़ 80 लाख आप ने बढ़ा दिया है, तो इस तरह का प्रशिक्षण अगर दिया जाएगा तो बेरा खयाल है कि

इस का निर्यात करने में और भी तरक्की बढ़ कर सकते हैं।

और तीसरी जो चीज है उस के बारे में मुझे खेद है कि निर्यात बढ़ा है ऐसा मैं कह नहीं सकता हूँ। मैं मंत्री महोदय का ध्यान दिलाना चाहता हूँ कृत्रिम रेशम की चीजों की ओर। अब मंत्री महोदय जवान, उत्साही, काफी सावधान और चानाक भी हैं। इस बात की ओर उन का

एक माननीय सदस्य : "चानाक" से आप का क्या मतलब है ?

श्री मधु लिमये : "क्लेवर"। अंग्रेजी बोलने से आप को सन्तोष होता है। जब मैं हिन्दुस्तानी में बोलता हूँ तो आप लो म आक्षेप उठाते हैं। क्या आप मोग चाहते हैं कि मैं हिन्दुस्तानी में बोलना छोड़ दूँ लेकिन मैं तो वह करने वाला नहीं हूँ।

श्री सोनावने (पंढरपुर) : "चानाक" के बजाय आप "होशियार" शब्द इस्तेमाल करते तो ज्यादा ठीक होता।

श्री मधु लिमये : यह तो अपनी अपनी रचि है।

तो मेरी समझ में नहीं आया। इस बारे में मैं ने दो सालों की रपट देखी है। यह पिछले साल की रपट है। इस में पृष्ठ 68 पर एक मात्र वाक्य है :

"The exports of rayon/synthetic yarn fabrics during 1964 were 70.2 million metres valued at Rs. 8.26 crores compared to 81.1 million metres valued at Rs. 9.45 crores in 1963."

इस साल भी यही कहानी है। इस में भी केवल एक वाक्य इस के निर्यात के बारे में है :

"The exports of rayon/synthetic fabrics during 1965 are placed at

37.7 million metres valued at Rs. 4.41 crores compared to 70 million metres valued at Rs. 8.21 crores in 1964."

तो दो साल के अन्दर, कृत्रिम रेशम का निर्यात घाघा हो गया है। उस के तो कुछ कारण होंगे। अब कुछ कारण तो इन्होंने बताये हैं। लेकिन मुझे खबर मिली है कि इस के लिए जो कच्चा माल आयात किया जाता है उसके बारे में काफी गड़बड़ी हो गयी है। तो कुछ प्रश्न मैं मन्त्री महोदय से पूछना चाहता हूँ और उन का ध्यान भी दिलाना चाहता हूँ।

मैं यह जानना चाहता हूँ कि क्या यह बात सही है कि काटन टैक्सटाइल एक्सपोर्ट प्रोमोशन स्कीम के अन्दर पालिस्टर यार्न आयात करने की इजाजत टैक्सटाइल कमिश्नर को न पूछते हुए गलती से दी गयी है? यदि दी गयी है तो यह किस की गलती है? क्या यह आयात के लाइसेंस जब दिए जाते हैं तो उस वक्त यह आश्वासन मांगा जाता है, क्या इस की यह शर्त होती है कि जो कच्चा माल वही मंगाए जो खुद उस का पक्का माल करने के लिए इस्तीमाल करे और बाहर के लिए कृत्रिम रेशम का कपड़ा निर्यात किया जाए। अगर यह बात सही है तो मैं निवेदन करना चाहता हूँ कि मधुसूदन गोबर्धन दास एण्ड कम्पनी नाम की एक कम्पनी है, जिस ने कई सूती मिलों के लाइसेंस पचास, पचपन प्रतिशत या उससे ज्यादा मूल्य देकर खरीदे हैं और वह उसका इस्तीमाल कर रही है। अब यह बिल्कुल साफ बात है कि सूती कपड़े की जो मिलें हैं वे इस तरह के कच्चे माल का इस्तीमाल नहीं कर सकतीं। तो कई ती मिलों ने इसके बारे में शिकायतें की कि इस तरह के लाइसेंस क्यों दिए गए। तो मुझे पता चला कि बम्बई के जो कस्टम्स कलेक्टर हैं उन्होंने इस माल को रोका था लेकिन यहां से जो

सेंट्रल बोर्ड ऑफ कस्टम्स और एक्साइज है उस के किसी बड़े अधिकारी ने बम्बई में जा कर या किसी मन्त्री ने बम्बई में जा कर कलेक्टर पर दबाव डाला कि मधुसूदन गोबर्धन दास एण्ड कम्पनी को यह माल दिया जाए। तो मैं जानना चाहता हूँ कि इसके बारे में मन्त्री महोदय जांच करें। और इसके लिए कोई उन को ऐसा रास्ता निकालना चाहिए। यह जो माल मधुसूदन गोबर्धन दास कम्पनी ने आयात किया उसको वह अपने कच्चे में से लें और सचमुच रेशम का कपड़ा बनाने वाली जो मिलें हैं उनको उचित दाम पर दें ताकि निर्यात के काम में उन को सहायता मिले। अब यहां काफी दफे चर्चा हुई है कि दिल्ली में ऐसे मध्यस्थ लोग, बीच बचाव करने वाले लोग हैं जो मन्त्रालय से सम्बन्ध रखते हैं, उद्योगपतियों से भी सम्बन्ध रखते हैं और व्यापारियों से सम्बन्ध रखते हैं और इसलिए काफी धांधलियां पैदा होती हैं। अब एक ऐसे ही मध्यस्थ के जरिये यह सारा काम हुआ है? दूसरी घटना इसी मधुसूदन गोबर्धन दास कम्पनी के बारे में मैंने सुनी कि दो तीन साल पहले या हो सकता है चार साल पहले पांडिचरी के लिए एक लाइसेंस दे दिया गया था 50 लाख का कच्चा माल लाने के लिए। उसके लिए शर्त थी कि इस के ऊपर कोई विदेशी मुद्रा अंच नहीं होगी। तो इस लाइसेंस को इनके जरिये—मैं नाम लेना नहीं चाहता, बाद में मन्त्री जी को बताऊंगा—इन्होंने अपना जो प्रभाव है उस का इस्तीमाल कर के मधुसूदन गोबर्धन दास कम्पनी को यह लाइसेंस दिया और इस कम्पनी ने एक दूसरी कम्पनी के माफत जिनका नाम है वी० पी० पटेल एण्ड कम्पनी, प्रिन्स स्ट्रीट, बाम्बे-3, इनके जरिये विदेशी मुद्रा गैर-कानूनी ढंग से खर्च कर के यह माल मंगाया है और उस के ऊपर इन लोगों ने काफी पैसा कमाया है। तो निर्यात के बारे में मैं उम्मीद करता हूँ कि मन्त्री महोदय अपने जवाब में इन बातों की ओर ध्यान देंगे और जैसे कि हीरे की निर्यात और काजू

[श्री मधु लिमये]

की निर्यात बढ़ा रहे हैं इसी तरह इन बातों की जांच करके और जो मिलें वगैरह हैं उन का आधुनिकीकरण कर के इस निर्यात को भी बढ़ाने की कोशिश करेंगे ।

अन्त में, इनका मंत्रालय जो बहुत व्यापक है इसके ऊपर तो बहुत बोलना पड़ेगा लेकिन इस वक्त सूती कपड़े की मिलों का मामला सामने आया है । उस के बारे में कुछ कहूंगा । कहा जाता है कि काफी कपड़ा पड़ा हुआ है, बेचा नहीं जा रहा है । उस के कई कारण हैं, लड़ाई हुई, इस वक्त अकाल की स्थिति है, लेकिन मैं जानना चाहता हूँ कि यह घनश्यामदास बिरला की एक तकरीर मेरे पास है और यह कहने की जरूरत नहीं है कि इस सरकार के ऊपर बिरला सेठ का कितना प्रभाव है ? तो अपने भाषण में उन्होंने कहा है, यह जो ज्यादा कपड़ा पैदा हुआ है उस के बारे में कुछ कहा है । यह उन का भाषण है इंडियन मर्चेन्ट्स चैम्बर के सामने जो 25 फरवरी को उन्होंने

"If you have got heavy stock, well deal with it. Sell it up. But to think of reducing production is a crime in my opinion. And that was one of the things privately suggested by one of the Ministers at that time. I say it is a crime to cut down production. It does not matter if the mills have to sell at a lower price."

मुझे पता नहीं कि बिरला सेठ स्वयं अगर कपड़े का दाम गिर जायगा तो अपने मिलों का कपड़ा सस्ते में बेचेंगे या नहीं । कहने के लिए तो कह देते हैं । लेकिन मेरा सवाल यह है कि क्या मचमुच किसी मंत्री ने इस तरह का सुझाव मिल मालिकों के सामने दिया था कि अगर वह कपड़ा बेच नहीं पाते हैं तो वह अपने पैदावारे को बटायें या मिलों को बन्द रखें या छटनी करें,

मजदूरों को हटायें । यह हिन्दुस्तान का सब से बड़ा उद्योगपति जाँ है और राजनीतिक दृष्टि से सब से प्रभावशाली है । उसने एक मंत्री के बारे में कहा है । इसलिए मैं जानना चाहता हूँ कि मही स्थिति क्या है ?

अभी कपड़े का जाँ मसला है उस के बारे में बम्बई में एक हड़ताल हुई । इस हड़ताल के बारे में परिस्थिति बहुत विचित्र है क्योंकि हड़ताल वापस ली गई कुछ आशवासनों को लेकर । तो मैं जानना चाहता था कि ये आशवासन क्या हैं ? क्या हड़ताल शुरू होने के पहले यह आशवासन नहीं दिये जा सकते थे ? यदि यह बात नहीं है तो इस हड़ताल के पीछे जरूर कोई रहस्य है । मैं जानना चाहता हूँ कि क्या मिल मालिक चाहते थे कि हड़ताल हो जिस से कि कपड़े की पैदावार घटेगी और उन को अपना माल ज्यादा मुनाफा कमा कर बेचने का मौका मिलेगा ? तो हड़ताल इस के बारे में भी वह सफाई करें ।

नागपुर में केन्द्रीय सरकार का जो औद्योगिक विकास और नियंत्रण का कानून है उस के मातहत एक मिल को चलाने का काम सरकार कर रही है । मेरा खयाल है उस का नाम है माडेल मिल और उस माडेल मिल में और दूसरी टाटा की मिल में हड़ताल चल रही है । जहाँ तक मुझे पता चला है इस सरकार द्वारा नियंत्रित मिल में जो मजदूर हैं उन को जो तनख्वाह दी जाती है उस में सरकार के जो व्यवस्थापक हैं उनके द्वारा कटौती की गई है । तो उस के बारे में भी मंत्री महोदय क्या करना चाहते हैं यह मैं जानना चाहता हूँ और अन्त में यह कहना चाहता हूँ कि बम्बई में महाराष्ट्र के मुख्य मंत्री ने स्टेट बैंक के खिलाफ यह आरोप लगाया है कि राज्य सरकार और केन्द्र की सरकार गारंटी देने के लिए तैयार हैं

लेकिन फिर भी मिलों को चालू करने के लिए और मजदूरों को काम दिलाने के लिए जब कभी सुझाव दिया जाता है स्टेट बैंक कर्जा देने के लिए तैयार नहीं होता। तो अध्यक्ष महोदय, मैं जानना चाहता हूँ जब किसानों का सवाल आता है तो कर्जा नहीं मिलता है, मजदूर बेकार हो जाते हैं हैं तब कर्जा नहीं मिलता है, तो आखिरकार सरकारी क्षेत्र के जो क्रेडिट इंस्टीट्यूशंस हैं उन का क्या कर्तव्य है, क्या फर्ज है, उन का क्या काम है इसके बारे में भी मैं व्यापार मंत्री से सफाई चाहता हूँ। अब आप मौका थोड़ा और देंगे तो मैं और भी कुछ कहूँगा।

**Mr. Deputy-Speaker:** Shri Manubhai Shah.

**Dr. L. M. Singhvi:** The time should have been extended. It is a very important demand.

**Mr. Deputy-Speaker:** If you want to extend for every demand it is not possible.

**Shri Manubhai Shah:** Mr. Deputy-Speaker, Sir, I am grateful to the House for the very comprehensive debate lasting these two days.

**Shri Warior (Trichur):** But only for four hours.

**Shri Manubhai Shah:** I am in the hands of the House. You should have asked for more time. We would have been happy to have more discussion.

**Dr. L. M. Singhvi:** In future this Ministry should be allocated more time.

**Shri Manubhai Shah:** If the hon. Member tells the Business Advisory Committee I would be glad.

**श्री मधु लिमये :** अध्यक्ष महोदय, यह एक मैं निवेदन करूँ कि व्यापार मंत्रालय का कार्य-क्षेत्र इतना बड़ा है, पार्लियामेंट में आने के पहले तो इतना बाहर से पता नहीं चलता है, तो इतना ही समय आप देंगे तो किन किन चीजों पर हम बोल पायेंगे ?

**Shri Manubhai Shah:** We are in your hands. We are entirely in your hands. I would personally prefer, the longer the debate, the better.

**An hon. Member:** At least we can extend it upto 3.30 P.M.

**Shri Manubhai Shah:** Compared to the first two plans since independence, when our average export for five years of the First Plan, for the quinquennium, was Rs. 3,000 crores and it continued to be the same in the second quinquennium, during the Second Five Year Plan period, the Government had decided to put in the greatest emphasis on exports and they decided that in the Third Five Year Plan we must make a real, strong and intensive effort on the export front. Therefore, for the first time, the target for export was raised to Rs. 3,700 crores, and if possible, to Rs. 3,800 crores. This itself in a country with so many problems in the fields of production, distribution, population and a stage of development which makes the economy sheltered, was a really difficult and a very big job. However, I am glad to say that we have reached this target and we may end up the Third Plan with something like Rs. 3,820 or Rs. 3,830 crores. It is gratifying to note that though in our Third Five Year Plan we had to pass through several and numerous difficulties and could not fulfil our targets and where commodities and production which really go to make exports were under various types of man-made distress and nature-made distress, the exporters of this country have been able to fulfil the targets. This is perhaps, the only sector—the export sector—which has fulfilled its targets for the Third Plan.

Having said that, I must say that we are not at all happy that this figure has been reached. Whatever be the intention of raising it by Rs. 700 crores or 800 crores in the Third Plan—at that time it was very difficult to envisage that we can reach it—the needs of the country are so much and

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so many and in so many diverse fields that instead of giving a complacent feeling because we have reached the target, we have to bestir ourselves to see that exports are made more dynamic. Because, when all is said and done, ultimately it is the foreign exchange element in the national economic bill which will finally determine the rate of growth in all sectors of our economy. I have said this on several occasions while dealing with matters of export and import. Therefore, I do not want to labour that point here. But I do wish that the climate has now been created, the consciousness has spread throughout the length and breadth of this great country and the institutionalisation of the various means and procedures and institutions to promote export have now been fully stabilised we are, therefore, poised to take up new challenges, we shall not only fulfil the target of the Fourth Plan of Rs. 5,100 crores at the end of five years but, if possible, we should do much more than this, in order to cover up the wide gaps which continuously arise due to heavy pressure of demand on imports on one side and the desire of the country to develop in all sectors of economy on the other.

I am grateful to the hon. Members for giving the right emphasis on agriculture. As a new country—even though old in years we were young in our freedom—when freedom was achieved by our patriots and this nation in 1947 we started on the new road to economic progress and economic revolution. If one is an objective student of Indian and human history he can say that if any developing country—and now there are nearly 80 nations which have won their freedom after India became free and many of them due to the pioneering work by the Indian people for the political emancipation of the people of the whole of Africa, Latin America and Asia—if any country has got the real revolution of the people, revolution made by the people for the people it is India which can claim that.

While we are passing through difficult times sometimes we under-rate what our past generation has done or our present generation is doing. In our case we have the continuous habit of self-analysis, which is good. But if it is overdone, it is not good. Self-introspection, as long as it is identification of weaknesses and of pointing out of new paths for future, is welcome. But if self-introspection becomes a matter of grouse and self-denigration, I think it is more a vice than a good quality. It should be avoided. In our country there are some people like that. I would urge upon those doubting Thomases, those who always try to denigrate their own country, to look to the past. Therefore, this time in my speech before the Import-Export Advisory Council I was very particular in giving broad highlights of the growth of economy in different sectors between 1956 and 1965.

**Shri Sham Lal Saraf:** We did not get time to highlight that, unfortunately.

**Shri Manubhai Shah:** If you look at the position between 1956 and 1965 you will see the tremendous progress that the nation has made, thanks to both the private sector and the public sector of this country, which is there for every one to see, both in terms of absolute statistics and in terms of the qualitative growth of human personality and human development that has taken place in every walk of life in this country. As I had occasion to say the other day, we are a country which has been only 18 or 19 years young where where every year 25,000 to 30,000 young people come out of the portals of the engineering and technological institutions and colleges besides 20,000 overseers, sub-overseers and technical diploma-holders. These are the rich sons of the soil, salt of the earth, who will build the new India in the years to come, decades to come, because they represent the repository, capital formation, which a nation wants in order to harness the physical, geographical, agri-

cultural, marine and various technological resources of our country. That is what I have to mention regarding the growth which has taken place.

Coming to the various weaknesses and the weak points, because we are really concerned with the results for the future, having known what the past was. I must say that while we have made considerable progress industrially and technologically in making things from a pin to a locomotive in this country, we have now to concentrate for a little while more on agriculture. I am glad that most of the hon. Members made this point that agriculture, plantations, minerals and fisheries are fields where the inputs of foreign exchange are comparatively minimal, less than the potentialities they would contribute in terms of export promotion, human welfare and satiation of the economic aspirations of the people. These are the sectors to which we should give our concentrated attention for the next 5 or 10 years so that we can have a harmonious blend of industrial technology on one hand and agricultural advancement and advancement in plantations and minerals to make one whole human body, the national body, from which the national economy gets nutrition from all her constituent elements. That being our aim, in our import policy in the coming years as emphasized by hon. Members, we shall be giving greatest attention and the highest priorities to the imports and manufacture of pesticides and insecticides, to the import and manufacture of agricultural equipments, tractors and pumps, diesel engines and various other things, imports and manufacture of trawlers for fishing boats and various other things like ship-building, port reconstruction and mechanisation of ports and so on. Dr. Singhal and other hon. Members were concerned that the basic inputs and import have to be properly done. I can assure him and the House that it is properly looked into.

I am now coming to the wider question of imports. Several hon. Mem-

bers have stressed the need for import substitution. May I remind hon. Members that import substitution has been the foundation of the industrial policy of India over the last 19 years. It is not as if innovation starts today. Innovation started in this country when we became free, when the energies of the people were released from foreign bondage. From that time onwards the people of this country started looking into production, what he can make here, what part of the components he can make here and substitute it by the innovation of the local genius. Innovation does not mean that foreign technology is abjured. Science and technology have no frontiers. They have lost all narrow national frontiers. They are not the prerogatives of any one particular country. The frontiers of knowledge are much wider, as wide as the world. Therefore, something which is local, which is indigenous, blend it with something which is from the other countries of the world, is a part of import substitution or innovation. That is what we have done. You take any machinery, any plant, coalmining equipment, tea planting equipment, textile mill machinery or any type of machinery, from practically less than Rs. 10 crores worth of annual production fifteen years ago, we have today started producing industrial machinery and complex technological equipments worth Rs. 535 crores. Last year the production of capital goods and equipment, machine-building industries of every type, electrical and mechanical machine tools and equipment and various other heavy machinery has come to Rs. 535 crores. This year it may come to Rs. 600 crores. It has to be remembered that this has been the result of the theory of import substitution and import rationalisation over the years. Some years back it was impossible even to conjure that we can make textile mill machinery. The other day I went to Jaipur to open the Poddar Textile Mills of which 65 per cent of the machinery, the most modern and up to date machinery, be it in the carding or blow

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room section or any other section, was manufactured within the country. Very soon 85 per cent of the textile machinery will be manufactured here. So also for sugar mills. Regarding cement factories we practically make 93 to 94 per cent of the machinery indigenously. Therefore, I can assure hon. Members that import substitution will be ever aggressively pursued, because there is no end to human endeavour. Nobody can say that we have reached the desired end, but certainly we are in the right direction and we will concentrate our attention on that. Therefore, we have appointed a Committee under the chairmanship of Dr. V. K. R. V. Rao. We are awaiting the report of the Committee. Every attention is being paid in every Ministry to this matter of import substitution.

**Shri Warrior:** Have you got similar cells in all Ministries?

**Shri Manubhai Shah:** Yes, Sir; import substitution is a basic thing in all Ministries.

**Shri Warrior:** We have got complaints from other Ministries.

**Shri Manubhai Shah:** I am grateful for your suggestion; but it is being done by every ministry and co-ordinated by the Director-General of Technical Development and by various ministries combined. There is no lack of co-ordination or lack of will; there might be some omission here or there which I am prepared to admit.

We have published a booklet. I hope, hon. Members have got a copy of the annual statistics of exports and imports in which we have shown to serious students of research on science and technology as to what we are importing so that they can study it. We can give them more details and then they can tell us. "Here you can do this or here you can save this", because we are wanting to save every pound, shilling and pence or every dollar and cent that we can by avoiding imports of those things which we can make here.

Therefore that is fundamental and I would like to invite the co-operation of the whole country—industrialists, businessmen and the two august Houses of Parliament—to undertake a serious and detailed study of these statistics so that we can get wiser in future. Over and above the efforts which we in the Planning Commission, the Government and the Ministry are already making, this will be a further augmentation of these efforts.

Some hon. Members rightly mentioned about the dissatisfaction on import licences. We are in the know in this matter; for years we have been hearing this and several machineries have been devised over the years. The latest, the Mathur Committee Report, which is in two parts—the first part was implemented and the second part is coming before the House very soon was also a further step in this direction.

But may I clarify that the Chief Controller of Exports and Imports is not the authority of an arbitrary character nor has he got any powers, *Suo motu*, that is, on his own motivation he cannot either allow an import or reject an import. The Red Book is a combined effort of all the Ministries of the Central Government in consultation with the people of the business interest concerned which puts down the annual policy as to what is allowed to be imported and what is not allowed to be imported. He is merely your vehicle, the agency of this august House, to carry out that policy. I think, several times I have apologised on his behalf here because my Ministry looks after this organisation. We are sorry when we have to say "No"; nobody likes to say "No". As long as we can say "Yes", we would not like to say "No". But when the resources are Rs. 1,400 crores and the import applications are for Rs. 2,000 crores, we have to say "No".



In that respect also, when we have to say "No", there are several appeals. There is an appeal at the licensing port authority's level; there is an appeal at the CCIE level and in the last 1½ years we have started institution of appeal at the Ministry's level—not at the Minister's level because it is impossible for the Minister to look into all the applications; it has got to be looked into in a quasi-judicial-executive manner in great detail. The Additional Secretary in my ministry is the chairman of a committee. (*Interruption*).

**Dr. L. M. Singhvi:** The complaint is that these appeals are never really considered as appeals—it is just like an appeal from pole to pole—and it is said, "It is regretted that the decision cannot be revised" That is the routine reply given normally.

**Shri Manubhai Shah:** They have to give the reasons. If there is no money, there is no money. But what I am saying is that what I want to avoid is preference, arbitrariness, selectiveness or some influence. I am prepared to stand and take on behalf of Government all the blame for saying "No" when we have no money, but I am certainly at one with the whole House and every individual in this country that if A has been favoured compared to B under a current policy, I will see to it that the officer concerned is thoroughly punished and the redress is made of the injustice done to an individual. That is what I am talking about. At the executive level all forums of appeals have been well established.

Over and above that the control order is within the jurisdiction of courts. So many suits are filed against us and I am happy about it. In a democratic country the courts are there to put the executive right. The whole concept of jurisprudence or common justice is underwritten in our constitution, our procedures and codes. Therefore we always welcome that.

Where a party is aggrieved and his repeated appeals have given no satisfaction to him, as the hon. Member says, it is always open to him to go to the courts. Just as against Her Majesty the Queen of England, since the advent of democracy, hundreds of suits are filed and debated by the courts and those decisions honoured by the executive, here also I can say whenever a court, any level of the court, has set aside the judgment of the CCIE or anybody of the Ministry, we have always been happy to abide by the verdict of the court. That forum also exists over and above the executive level that I mentioned.

**Shri P. C. Borooah:** It should be expeditiously dealt with.

**Dr. L. M. Singhvi:** Let him examine some of the appeals, study this matter more intensively and come to the House resatisfied that these appeals are rejected not because of any extraneous considerations or lack of considerations but that they have been pondered and no arbitrary action has been found to be taken.

**Shri Manubhai Shah:** I can say that it is a continuous thing which I and my predecessors have exercised; but I am open still further and if any hon. Member at any time of the day or night, any time he chooses, writes a letter to me or meets me and tells me, "Here is a thing which he wants me to look into," I am at his disposal. That is all that I can say.

More than that, I am for an institutional reform. I do not want that individuals alone should sit in judgment. The procedures themselves must be satisfactory. Therefore we are continuously streamlining the procedures.

But the House has to bear with us. The real difficulty is that grievances can arise by favouritism, but grievances can also arise because of shortages.

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The demand of this country on internal and external resources is so enormous, the present aspirations of the people in this country have risen so fast that all we can do still further is still falling short of what the saturation point of satisfaction really comes to. Therefore the House should bear with us. The point has to be explained to an entrepreneur or to a person who wants something that it is not within the Government's miraculous power to grant everything.

For instance, the hon. Member said about stallions or horses to be imported. I am certainly your servant for the purpose. He could have dropped me a line on that. Even though it is another ministry, I have not abrogated all my authority conferred upon me by Parliament on various ministers in this country to examine whether the stallions were correctly imported or not. There cannot be much foreign exchange involved in it.

**Shri Sonavane:** Why not dispense with all these imports of stallions etc.?

**Shri Manubhai Shah:** That is another matter. That is import substitution by producing or breeding horses here.

**Shri Sonavane:** Use your intelligence in that behalf so that we can save so much of foreign exchange.

**Shri Manubhai Shah:** Whether the stallions should be imported or not is another matter; but, maybe, to generate a new breed you do need perhaps import some.

**Shri Sonavane:** For gambling purposes?

**Shri Manubhai Shah:** No. It may be gambling or it may be racing. The whole generation of horses has to be maintained to the highest tempo. But I am not going into the merits of the matter, whether the horses are to be imported or not. It is for the

House to decide; but having decided it, I am with hon. Member that there should be fairness in whatever the licensing procedure should be. I would invite your very valuable co-operation in this respect kindly to write to me. Even though it may not be directly under my ministry.....

**Shri Tyagi (Dehra Dun):** Is horse-trading on a large scale?

**Shri Manubhai Shah:** Very small; I do not think it can be more than a few horses here and there. We really do not import many horses. It was not only in connection with this but Shri Sheo Narain mentioned yesterday about some difficulty of import so I am taking it as general question. Wherever there is distress felt, I am in your hands to examine it. I also seek the co-operation of the hon. House in seeing that the difficulties of the nation are explained in turn by hon. Members to their constituents and to the various people in the country.

Then, questions arose on various matters which require a clarification by me. Yesterday, Shri Dandekar mentioned about the East European countries. I do not mind if he has any nostalgia about it or any ideological inhibition. Even the countries which he admires and which I need not name are all rushing to do trade with the East European countries. I know of a very great country in the western bloc which had kept in Peking an exhibition of industrial products for 12 long months and four ministers of the Crown went there.

**Dr. L. M. Singhvi:** You have named the country.

**Shri Manubhai Shah:** There are many countries with the Crown. There are Crown countries and crownless countries in many parts of the world. Four ministers went there. We do

not go there, but they went there—even various neighbours who vie with each other on ideological grounds. Trade cultivates common friendship because it is only an exchange of the resources and the wealth which we share in common for the benefit of humanity. Therefore we should be bereft of any partiality.

He mentioned about the unit value. It is only in the open street that you can go and find out what is the value today of black pepper which is being exported and what it was when these East European countries were not buying it. The reason is simple. When you buy in bulk, you tend sometimes to increase the price; also, they are more intimately concentrated with bulk purchasing organisation, unlike the market operation where you buy the lowest and sell the highest. That is the philosophy of market operation. It is not the philosophy of the centrally-controlled economies. I am not adumbrating any economic theory. What I merely say is that this charge is entirely false that the East European countries buy here at lower prices and our terms of trade with them are not favourable. This is what he had mentioned. You again read his speech where he tried to prove that he was not quite convinced that we were having favourable terms of trade. I submit that we are having even a favourable edge regarding this trade. I am not arguing on this basis. I am saying that I am putting them on the same level as any country in the world. Whether it is rupee or dollar or sterling, whether it is a rupee payment country or a convertible currency country, as mentioned in the Ministry's report, we consider all alike and we are wanting to trade with every part of the world, i.e. with the whole world.

What is our trade today compared to the population which this area enjoys on the gamut of mankind? The proportion of our trade with the whole world is just *pro rata*. They Command

15 to 16 per cent. of the world's population. The statistics are there. Our trade is on the same basis. We had neglected in the centuries past because we were under foreign domination; we were not masters of our own country. The hon. Members opposite want that we should still remain under that type of illusion or some opiate influence of certain other countries. We have no such illusions. We are friends to the whole world. Here is the United States of America which is helping us; here is the great Soviet Union which is helping us; here is the United Kingdom which is a great friend of ours; here is Czechoslovakia which is helping us. Without destinational preferences, we want to trade with the whole world to mutual benefit and the national interest of India being supreme in that direction.

**Shri Tyagi:** The Commerce Minister should be a good salesman.

**Shri Manubhai Shah:** Mr. Tyagi has always a partiality for me. So he always says good words. What I was saying was this. Shri Dandekar also mentioned about balance of trade in the East European countries. He was very very touchy or anxious that Rs. 9 crores or Rs. 11 crores in seven years' total should not be adverse. It is only accounting. I have explained to him even at the cost of interruption that this is purely accounting because it takes a long time to settle accounts through banks. But the very fact that nothing is allowed to be converted through a convertible currency that the payment agreement is frozen, the rupee is blocked here under which alone transactions are done, should satisfy the hon. House and the hon. member who is very particular about this that always a balanced trade continues under bilateral pacts with these countries. But he was not saying anything about countries with which we have Rs. 90 crores adverse balance of payment every year—not at the end of 7 years, 11 crores; he made some totals; I do not know how he

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made the totals; sometimes it is 3 crores and sometimes it is 7 crores; whatever it is, he was very much concerned with those countries who buy our goods in kind and give their machinery and equipment and goods to us in the same manner as we get from the other countries; he was not concerned with the countries with whom we have an adverse balance of payment of Rs. 50 or 90 or 100 crores per year; but he was concerned with countries which have been enlarging the trade with us to mutual benefit—plus or minus 11 crores or 5 crores. I would invite the co-operation of the members. Let us not go into ideological grounds on this matter. If the price of import is high, we are prepared to negotiate to bring it down; if the price of export is low, whatever the country, we are prepared to say that we will have support price or floor price or something. If there are any imports which are not being done from one direction and are being allowed from another, then we can certainly correct that matter. He said that everybody in the bazaar says, "if you want to import something, go to the rupees area; you will get". That is a fallacy. As far as the countries which give credit and free foreign exchange are concerned, we have certain elements of basic character to maintain the sterling position or the balance of payment position or the reserve position. Now with these East-European countries, trade is a little more flexible because they would buy as much as we could sell to them if we buy something from them. Therefore, we say, "all right". Here our ceiling from the free foreign exchange or the credits given by friendly countries is now only allocated to different sectors and we do not have any elbow room left. If you have a commodity which is allowed to be imported under the import policy and if you can find an East European source, we will certainly talk to them; they will buy something more from us and, therefore, the balance of trade will be

maintained. This is easy flexibility and this should not be misunderstood as any relaxation of import policy in four of any particular set of countries. This is what I want to draw the attention of the hon. member to. Once for all, this dialogue should be over. That is why we have devoted a full chapter on this. All are friendly countries. Why should we discriminate in the open forum of this august House against one country or the other unless there is a specific case with relation to one country or the other; then we have really to examine our best interest, whether our interests are being hurt or are being promoted. But far and generally I would request the hon. House that trade with all friendly countries who are assisting us, whether they are western or Pacific or Atlantic or East European, should have the common support of the House. Where there is a mistake, we can clear it up. Otherwise, as a general policy, our international approach to trade without any barriers of ideology should have, if I can say and request the hon. Members, the full support of the House.

14 hrs.

Then he has mentioned about export promotion schemes. I would like to say again what we have re-emphasized in our reports. The import entitlements have been misunderstood by some. The concept behind this is not compensatory; the concept behind this is service; it is a service concept. If you want to promote the export of manufactured goods—in this there is an import input—unless you give priority to the exporter who exports that, you will find him in this great scarcity of foreign exchange completely weak, emaciated and incapacitated and he will not be able to produce goods in time and of the right type that you want. As a matter of fact, this concept can be further extended. Nobody should be allowed to import unless he exports and earns; it is a long term process. At least every manufacturer should return a part of

his import input to the nation by way of export. This is what I said in the address to the last meeting of the Council. Should we not decide as a nation? The Established Importers or the Actual Users, i.e. some preferred people in the country come to the Government every time and say, "give us this foreign exchange" and the whole House, in the name of industrial development and economic growth, wants that to be supported without any word to be said, "will you kindly make yourself self-financing to the extent of 25 or 30 per cent" Are you not having the obligation to the nation to produce your goods and utilise your inputs in the best possible manner so that you help us earn something? It is not necessary that every unit should do it. I know some firms would say, "how can everybody do it". I do not believe that. Certainly you can buy somebody else's exportable goods and help the nation to earn a part of the foreign exchange.

**Shri Bade (Khargone):** Is the hon. Minister aware that, recently, some members of the Public Accounts Committee went to Bombay just to enquire whether some exporters got import licences and sold them in the black market?

**Shri Manubhai Shah:** As far as the Public Accounts Committee is concerned, I would not like to bring it here; that is an august body. There have been complaints here every time only of these Rs. 50 crores covered by the export promotion schemes: there is this Rs. 1400 crores import on which I should be concerned about foreign exchange. Under the export promotion schemes at least, there is no black-marketing. This is allowed under the law to be sold at market prices. At least in other cases there is an obligation, the legal obligation that he shall consume it in his own factory; the A.U. licence is insisting on this; it is already 80 or 85 per cent. of our import distribution—about Rs. 1100 crores; A.U. licensing makes it obligatory on the entrepreneur to whom the licence is given that he shall use it in his own factory and not

sell it. Here is a set of people who promote the production of exportable goods; we give them import inputs so that they produce the goods for export and he gets some concession—Mr. Dandekar mentioned that he gets 1-1/2 times or double. It is true because the attraction of sheltered market is ready so great. Why should I, as a manufacturer, when I get a manufacture licence from the CCI&E for Rs. 3 lakhs, take any care to sell my goods abroad? I get it as a matter of right because the established policy of Actual Users is there. Now that person who does not co-operate with the Government gets all the A.U. licences; he can sell it in black market. The hon. members—some of them—may not feel worried about it whereas an exporter who is given the full authority to sell and transfer it to the other people is being looked down upon. Let us connect the focus on export promotion. If you want this mighty effort to grow it should have the blessings, understandings and intellectual support of the entire House and the entire country. Where there are difficulties, we shall never put up with them; we shall see to it that malpractices of any character, whether it is exporter or importer or manufacturers or individual or established importer, are put down. That is why we brought the Bill which this august House passed to make an enactment for the compulsory punishment of six months or two years. This is necessary when we have a major problem of this nature where manufactured goods will have to be promoted if you really want to grow to the world stature in regard to export. This country can be viable in the world economy only when the export of this country is Rs. 2000 crores per year. It may take 10 years or 15 years. But it is not a day dream. Here, there is every possibility that this country can do it and make it up. We have got capacity in agriculture and in industry to do it; but for that we have to get full support and intellectual understanding from every side of his House. As Shri Bade pointed

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out, some few people might have done something wrong. There might be a little difficulty here and there. We shall punish all such wrong characters and also try to remove such difficulties that exist now. But, on the whole this export promotion scheme which operates on the manufacture goods front only—that is why this 20 per cent business is there—has to be promoted on the theory that the exporter who manufactures and exports goods or exports the otherman's manufactured goods should be given the necessary import inputs on a basis of priority as against those who do not co-operate and export at all. That is how the import entitlements have been devised. As I have already mentioned, there is this compensatory element in this in order to see that the vacuum created by one portion of goods going out which is now being taken advantage of by those who manufacture goods but do not export, by the non-exporting manufacturers is off-set. That is why this built-in arrangement is made—twice equal to the import inputs. As my hon. friend, Shri Sanjivayya pointed out, for every watch exported by HMT, the import input being Rs. 10 and Rs. 37 is the FOB price—he can make 4 watches out of this export of one watch. That is the whole advantage. We return to him double and the other half comes to the nation. There is no export promotion scheme in which 50 per cent, 25 per cent, 15 per cent or 10 per cent not retained by the central treasury. That was my explanation for this. Black-marketing and other things will be there in a country which is scarce in many respects. There are many ways to do such things. Even grains which have no import content are not sometimes sold at the price which this House considers as fair price. Sugar sells at a high price; oil sells at a high price. In my humble view these two issues should be kept separate. The abuses will not be tolerated in any sector, whether export, import, manufacturing,

industry, local trade or whatever it is. As far as as promotional effort is concerned, the schemes have been well-conceived which are yielding results, which are leaving us some residue, over and above doing export promotion. By far and large, the trade and industry have fully appreciated them. We have also given the schemes in full detail in the Report.

श्री क० ना० तिवारी (बगहा) :

जितना कुछ भी आप कह रहे हैं मैंनुफैक्चर्ड गुड्स के बारे में कह रहे हैं । लेकिन जो एग्रिकल्चरिस्ट हैं और जिस से रा मैटीरियल ले कर फिनिशड गुड्स तैयार की जाती है चाहे एक्सपोर्ट के लिए या इंटर्नल कंजम्पशन के लिए वह यह फील करता है कि उस के जो संरक्षण मिलना चाहिये वह नहीं कोल रहा है, उस को जो कीमत मिलनी चाहिये मिलों से वह नहीं मिल रही है । वह यह फील करता है कि उस को फेयर प्राइस नहीं मिलता है । इस पर भी माननीय मंत्री महोदय रोशनी डालें तो अच्छा होगा ।

Shri Manubhai Shah: That is what I was saying from the very beginning. Shri Tiwary was not there when I was adumbrating about agriculture, when I first started. We are primarily concerned with staple commodities, agricultural commodities, minerals, plantation commodities like tea or jute. I would even go to the extent of saying that the necessary import inputs should be saturated to this sector even to the exclusion or reduction of import inputs of the manufacturing industry. I for one am prepared to go to the extent of suggesting that the entire requirements of agriculture or of raw cashew-nuts, or of tea or of iron ore or of other mineral ores should be first given to them so that the nation can advance in those areas which are basic. I was merely mentioning that the export promotion schemes have been thoroughly explained in the Ministry's Report and full explanations have been given for those schemes which are helping to promote exports. My test to find out

the success of such a scheme would be this—whether such an export promotion scheme leaves any residue of foreign exchange to us or not, whether in the last analysis such a scheme gives any employment to the people through that industry or not. We may take the diamond industry about which Shri Madhu Limaye said something. It is a traditional industry in which more than 3 lakhs of people are employed in Jaipur, Cambay, Salem, Coimbatore, Tuticorin, Rajasthan, etc. Many entrepreneurs are there in this industry. We are importing raw and rough precious stones and diamonds because our country does not produce them. They are re-cut and made into jewellery. Its export was previously to the extent of 3.8 crores which has now gone up to 15.58 crores. As this is a potential line, in future it may be doubled or trebled. Therefore, import inputs.....

**श्री मधु लिमये :** इसी के सम्बन्ध में, हीरों के निर्यात के बारे में मैंने कहा है कि यहां के करीगरों और मजदूरों की ट्रेनिंग का भी गवर्नमेन्ट को इन्तजाम करना चाहिये ।

**Shri Manubhai Shah:** There are so many training schemes for this purpose. The Handicrafts Board has got a training programme all over the country for this purpose. I would not go into all these details. We are recognising the master craftsman. We are giving them awards. We are also instituting a system of Guru and Sishya, so that the past traditions are properly honoured. The master craftsman will be having 10 or 20 students in different crafts. I hope the House will excuse me if I do not go into so many of these details, which are germane to the issue but which are covered by the broad policies.

14 hrs.

Now, I shall come to Textiles, about which several Members mentioned. May I say, Sir, that India today is the biggest cotton textile producing country in the world. We started as num-

ber 5 in 1947. As a result of the march of freedom, the march of progress, the march of industrial development of this country sustained over the last 19 years, we have today nearly 600 fullfledged textile mills including spinning mills. We produce nearly 8,200 million yards of cloth and we may go upto 10,000 million yards. It is true that old age takes its toll. As in the case of human beings, it is also true of machinery. There are mills which are 100 years, 50 years, 40 years old.

**Shri Sonavane:** What about rejuvenation?

**Shri Manubhai Shah:** Rejuvenation of the person who can rejuvenate himself. But, there is old age beyond which rejuvenation cannot work. We are doing that in the case of mills wherever it is possible.

**An hon. Member:** What about the hon. Minister?

**Shri Manubhai Shah:** I am not so old. That is why I am kicking. Where the unit has become bad and where it is not likely to give any return, we have got to close it. There are in all 21 mills in that category in the whole of the country out of this gamut of more than 600 mills which have 16 million spindies, 2 lakhs and 10 thousand looms in the organised sector, 2.8 million handlooms and more than 3, 4 lakhs of powerlooms. At one time they were 40, 45 closed mills but we have been gradually reducing and reducing and we have brought it to 21. Out of this, the Central Government runs 11 mills and the mill to which my hon. friend, Shri S. M. Banerjee, referred and to which Shri Madhu Limaye also referred has also been taken over by the Government of India. We are waiting for the finance from the State Bank of India and we hope to get it soon. We have appointed Shri Kapur, a senior officer of the U.P. Government as the authorised controller. There was a suggestion that

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we are partial to one jute mill. I can assure the House on my behalf and on behalf of my colleagues in the Government that none of us is interested in any jute mill. If somebody comes to me and we discuss about it, that should not be misconstrued as any collusion. After all, we are here to discuss such issues. If my colleague hears something about a jute mill, he is right in feeling that he should talk to me about that. That does not mean he is interested in that mill. For that we have already appointed a Committee to go into that. A Company Law Board Survey Committee has been appointed for Maheshwari Devi Jute Mill and we hope to get their report in the next few days. It is our intention to take whatever action is necessary on the basis of that report. If the finding is that the present management is not good, as has been alleged, I can assure you, Sir, that without any fear of contradiction and categorically we shall take over the mill immediately. We are not interested to continue it under the same management.

श्री मनुभाई बिहारी मेहरोत्रा (बिल्हौर) :

जो मिलें ठीक नहीं चलती हैं, प्रीर उन को आप टेक ओवर कर लेते हैं तो उन को चलाने के लिए आप सर्विस के आदमी रख लेते हैं, आई० सी० एस० या आई० ए० एस० के आदमी रख लेते हैं। मैं जानना चाहता हूँ कि इस तरह के लोगों का आप केडर क्यों नहीं तैयार करते हैं ताकि अगर कहीं बंगलिंग हो तो उन में से इन मिलों को चलाने के लिए आदमी रखे जा सकें ?

**Shri Manubhai Shah:** We have taken over a man from the trade, Mr. Maroo who was running the Indu Mills, Bombay. I can assure the House that wherever we have got the talent for running such mills, we have taken them over in order to see that these mills are run alright and they make profit; otherwise this House will hammer me out if they are not making

profit and run at a loss. So far we have not incurred any losses. I can assure you that we shall closely examine any unit before taking over and see whether it will redound to the credit of the Central and the State Government if they run them. Of course we may run them for some time under a loss to the exchequer in the interest of production and in the interest of employment, so that by closing them we may not cause serious unemployment problem. For a few lakhs of rupees more, I can come to this august House and say that I want a little more money to run these mills. But such a thing has not happened so far. I can assure the hon. Members that there is no influence working here or anywhere else so far as Maheshwari Devi Jute Mill is concerned which would prevent us from taking it over temporarily under the Industries Act and then run the Mill ourselves. But what I am concerned at is to see that the mills restart working. I would not agree to the charge made by an hon. Member yesterday—I forget whether it was Shri Warrior or somebody else—who said that there was a large lay-off. Certainly, the need for rationalisation is obvious, and it has also been the policy which has been accepted by the Indian Labour Conference that when we renovate a mill or we expand a mill we do not cause any serious unemployment for the people who are employed there even though it is rationalised. That is the pattern on which we are going. Anyway, if there is any serious lay-off anywhere due to any malpractice by the employer, I would request the co-operation of the hon. Members to bring that to our notice, and we can certainly look into it.

As a matter of fact, we have been licensing mills freely. Where we find that a unit is closed and is not workable, we declare it as scrap, but then it is my assurance to the House that the capacity required for absorbing the entire working force shall be



approved by us at the same location. The point is that it should not cause local unemployment. Instead of a mill closed at Sholapur, it is no use giving a licence for setting up one in Delhi. My hon. friend Shri Sonavane, I think, was going to draw my attention to this matter; it is no use giving a licence for a mill in Delhi instead of that, because the Sholapur labour cannot be transferred to Delhi, and I can say that it would not render any help to the Sholapur Mill employees if unemployment is caused there, by our giving a licence for a mill in Delhi. We are licensing to the Maharashtra Government and also to any entrepreneur that could come forward to absorb the entire working force in that area so that no unemployment and hardship are caused to the workers there.

**Shri Warlor:** But the State Government of Kerala did nothing at all to bring back the Sitaram Mills which was gutted a few years back into production.

**Shri Manubhai Shah:** The hon. Member is raking up old cases. As regards that mill, I think it is better that I do not go into that now. I know that mill so well, and I think the Kerala Government were wise in not running a completely dead horse and bringing discredit to themselves thereby. But I can tell him that we have licenced 12 new mills....

**Shri Warlor:** The hon. Minister may scrap it and put up a new mill instead.

**Shri Manubhai Shah:** We are prepared for it. Even now, I can give this assurance that wherever an existing unit is dead or scrapped or burnt up and cannot work or wherever an existing unit is worth being scrapped and it is not correct in national interest to run it, we shall licence to either a private individual or the State sector or the Central sector; and we have a programme in this regard. In fact, my hon. friend

Shri Ranga asked us yesterday why this question of taking over the management was there, and why these mills were taken over in the public sector. I may tell him that we do so for this reason. Where a private entrepreneur is not ready to come forward and go to a backward area like Etawah or Eastern UP or certain backward areas of Bihar or Assam or Manipur or Tripura or NEFA and so on, to provide employment to the people in those areas, we do this. Therefore, I would say that we are prepared to meet the situation.

Regarding khadi, I do not think that I should take much time of the House. Since the chairman of the Khadi Commission is very keen on this, we are closely examining whether any of the units in the Khadi Commission . . .

**श्री झोंकार लाल बरेखा (कोटा) :**  
बहुत घोटाला है ।

**श्री मनुभाई शाह :** खोट तो उस में लिखी हुई है ।

The whole concept of khadi is that just as we give protection to the mill industry against foreign imports by imposing customs duties and giving them subsidy here, likewise, the handloom and the khadi industry also has to be protected by this House and the people of this country in the interests of employment which today we are not able or are not in a position to offer by any other alternative sources.

**श्री हुकम चन्द कछवाय (देवास)**  
हैदराबाद खादी बोर्ड में क्या हुआ ?

**Shri Manubhai Shah:** I can say this only. I do not know so many details as the hon. Members know. But I can say this; wherever the Khadi Commission or the Central Government finds that a State Board or even a few centres run by them are not being run in a proper manner, whether in terms of accounting or in terms of economics,

[Shri Manubhai Shah]

I can give this assurance that we shall get that matter examined thoroughly; if necessary, we shall close those centres or take over the work of that board; we are not worried about the State Board non-cooperating with us, because we can take it over. As a matter of fact, the other day, in the informal consultative committee attached to my Ministry, this suggestion came, and I said, and with the permission of the chairman of the Khadi Commission, that we would be prepared to appoint a reviewing committee of the Members of Parliament, the representatives of the State Khadi Boards and the representatives of the Khadi Commission headed by the chairman and certain other knowledgeable people.....

**Shri Sham Lal Saraf:** It is a good idea.

**Shri Manubhai Shah:**....so that they can harmonise the relations. If there are any deficiencies found in the working of the Khadi Commission, and if the relationship between the State Board and the State Government or between the Central Government and the State Boards and the State Governments, with respect to khadi is lacking in any better co-ordination, that committee can give us the necessary advice, and we shall be at the disposal of the House in regard to any suggestions that could be made. But I must say this, and I pray for this, that as far as khadi is concerned, it is a built-in concept of the ruling party, that we are going to support khadi, whether other people like it or not. The millions of people in this country in the villages and cottages cannot be allowed to become unemployed only in the craze for some automatic machines or in the craze for some textile mills or because of the craze of some people thinking that khadi is being supported by adverse means or adverse reaction or it is being subsidised. If it is said for the sake of

economy that the subsidy is being granted through the nose....

**Shri Ranga (Chittoor):** Why does my hon. friend restrict it to the ruling party alone? It is a national policy.

**श्री हुकम चन्द कछवाय :** खादी बोर्ड परवरिश बोर्ड बन गया है। जो लोग खादी पैदा करते हैं उन को कुछ नहीं मिलता।

**श्री मनुभाई शाह :** यह बहुत अन-चैरिटेबल रिमार्क है। जिस में हम पले हैं, जिस पर सारा मूवमेंट चला है। khadi was the livery of the Indian freedom movement.

**श्री हुकम चन्द कछवाय :** मैं स्वयम् खादी बनाता हूँ, मुझे अनुभव है कि मुझे कितना मिलता है इस में। मैं खुद बुनकर हूँ। मैं जानता हूँ कि दूसरों को कितना मिलता है और हम लोग कितना कमाते हैं।

**श्री मनुभाई शाह :** ठीक है, यह सब बातें हैं। लेकिन देखना तो यह है कि आप के पास खादी का कोई आल्टर्नेटिव नहीं है, हैंडलूम का कोई आल्टर्नेटिव नहीं है। चूंकि अमरीका और जेकोस्लोवाकिया से हमें ज्यादा अच्छा माल मिल सकता है या जापान में एक लड़की साठ लूम चलाती है, इस-लिये यहां भी ऐसा कर दिया जाये, इस से सत्यानाश हो जायेगा, लाखों आदमी बेकार हो जायेंगे।

**श्री मधु लिमये :** माननीय मंत्री समझे नहीं। वह खादी का विरोध नहीं कर रहे हैं। आज खादी का जो इन्तजाम है वह बहुत खराब है। उस के बारे में वह कह रहे हैं।

**श्री मनुभाई शाह :** इन्तजाम को ठीक करने के लिये प्रबन्ध होना चाहिये।

I am in the hands of the House for improving the working of the Khadi Commission and the Khadi Board. That was why in the informal consultative committee when this idea came up we readily accepted that we could review it and harmonise the relations in a better way and in a more integrated manner wherever defects were found. But often the basic concept gets lost many a time in the various details. The basic concept of khadi and village industries and decentralised industries is in-built into the economic philosophy of the ruling party which had the privilege of making this country free from foreign bondage and which has had the privilege of having the country industrialised, making the progress of the country possible. (Interruptions) Anyhow, that can be a matter of opinion.

The last point that I would deal with is about cotton, because otherwise my hon. friend Shri Rane would say that I have not touched it. May I say this that during the days which he was recalling with great nostalgia, the floor price was only Rs. 400? Now, the price is Rs. 877 for the Virnar Basic staple. My hon. friend will concede that Government have been conscious of the needs of the grower; and in regard to the ceiling, the concept was Rs. 530. but now the ceiling price is Rs. 1109 per candy. I can say this without any fear of contradiction that this is the highest price for cotton of the same spinnability and the same staple and the same physical characteristics anywhere in the world. We cannot give more than that and the prices have been ruling at the ceiling. I agree with the hon. Member's suggestion that one of the growers' representatives may be there on the Import-Export Advisory Council; we shall welcome him there because for the other agricultural commodities the representatives are there. So far as cotton is concerned, we had so many other forums, and so we did not think of having a representative there, but we can invite a representative in respect of cotton also. But the

point is that whether it is tobacco or cashewnut or jute or cotton or black pepper or oilseeds, our prices are some of the highest in the world. I have already dealt with the position in regard to cotton. As regards jute, I have explained here many a time that compared to the price charged by our neighbour, our price is 50 per cent or 100 per cent higher. They give a subsidy to their jute goods, but we do not do so. They give them 20 per cent or 30 per cent import entitlement or bonus vouchers as they call it and try to undercut us. As against that, our jute industry this year has exported about Rs. 184 crores worth of goods as compared to about Rs. 161 crores last year, and during the next year it would go up to something like Rs. 200 or 205 crores.

**Shri Ranga:** Our iron and steel prices are the highest. Our sugar prices are the highest. All our prices are high. What about the inflation?

**Shri Manubhai Shah:** That is due to the sheltered economy which we have with a large and growing population. Those are different features which I would not like to cover at this stage. But what I say is this that the growers' interests are being fully looked after; and wherever there is any variety where any hon. Member who is a greater expert in that particular line can draw our attention to it, we can help. I want to give this assurance to Shri Rane because yesterday he was mentioning all the time that as far as the growers' interests were concerned, they were not being looked after.

**Shri Bade:** Cotton is the weakest point.

**Shri Manubhai Shah:** Cotton is the strongest point. The prices are ruling at the ceiling and not at the floor. We intervened this time when the prices were sagging further; so, we purchased Bengal Deshi, and automatically the price of other cotton got supported at 10 per cent lower than the ceiling but higher than the floor; in between the ceiling and the floor we

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penetrated the market and we purchased it, and the prices were supported thereby.

I may mention to this House that productivity in the methods of science and technology is what our Indian agriculture needs in addition to the inputs of a financial and economic character which we have already built into the price support schemes.

If there are any deficiencies in any crop, we are prepared to have a second look at it and see to it that the farmer gets a reasonably better price; I cannot say that it will be an absolutely correct price or economic price or this price or that price, but it will be a better price.

**Shri Ranga:** What about handloom weavers? There are huge stocks lying. New duties are levied now by the budget this year. They are all complaining everywhere.

**Shri Manubhai Shah:** I wanted to finish in 40 minutes, but the hon. Member goes on putting questions.

As regards handloom, a special marketing operation is on. We have promised the Bleeding Madras manufacturers that the Government will purchase 3-4 million yards. Already one million yards are in our warehouses. The inspectors are examining Bleeding Madras. It was not our fault. They should not produce in anticipation of the American demand.

**Shri Ranga:** What about the new duties?

**Shri Manubhai Shah:** My hon. friend Shri Bhagat and the Finance Minister have already dealt with that. I can assure this House that as far as handloom is concerned, we are very watchful. Wherever there is accumulation, we give rebate. Last year, we extended rebate, as the hon. Member knows, by 15 days, in many places

by one month. If there is still accumulation, we are prepared to look into it. But bring it to our notice, and do not kindly generalise.

**Shri Ranga:** You know it only too well. The highest duties are put on it.

**Shri Balakrishnan (Koilpatti):** What is the reason for the declining export of Bleeding Madras to America?

**Shri Manubhai Shah:** That is true. Export of Bleeding Madras to America is in decline because it has been somewhat out of fashion. It went on for 5 or 6 years. Now we have to innovate new designs, new constructions, new structures so that it can be made attractive.

**श्री किशन पटनायक (सम्बलपुर) :**  
भार्ट सिल्क फैब्रिक का इम्पोर्ट क्यों डिकलाइन कर रहा है ?

**श्री मनुभाई शाह :** उसमें लिखा हुआ है कि इस में दाम बढ़ गए ।

**श्री मधु लिये :** पोलिस्टर यार्न के बारे में जो मैंने बातें कहीं उस का भी खुलासा करना चाहिए ।

**श्री मनुभाई शाह :** पोलिस्टर यार्न का भी खुलासा कर दूँ, हरएक चीज़ का खुलासा करूंगा तो पांच घंटे में भी पूरा नहीं होगा ।

As far as art silk fabrics are concerned, in the recent years when the exchange situation became difficult, this was a sector where we could not give high priority, so that the pulp and other raw materials of the industry instead of coming in under normal actual users' imports had to be allowed only against exports. We knew this would lead to a fall in exports, but we have to make a choice which is whether we shall give more fertiliser to tea which is

giving us foreign exchange or to jute or to cotton or we shall give full foreign exchange to rayon pulp for rayon factories. Shri Limaye is correct in saying that the exports have fallen. The local cost has gone up. But I do hope that with the revised scheme which we have now put into operation, which has been appreciated by the industry, may be over a year or two, we shall again make up for the fall.

As far as the polyester fibre is concerned, that consignment has been caught, if the hon. Member does not know. We are prosecuting the persons who might have misused it. It is a technical breach; I will not say it is a moral or legal breach. But it is a breach. It was not meant to import that particular type of fibre which is banned; it was meant to import only staple fibre or viscos; they have got polyester. This is a sort of what one may call bad thing. They will be penalised.

श्री मधु लिमये : इसी के बारे में पूछ रहा हूँ ।

श्री मनुभाई शाह : हाँ, तो उम को जकर पेनलाइज करेंगे । जरा ग्राप इन्तजार करें । यहां कोई किसी का मामा चाचा या भांजा नहीं है । जहां कोई गलती पकड़ी जायगी उसी को हम मजा देंगे ।

But what is necessary is that a mole-hill should not be made into a mountain. The correct perspective should be kept. This nation has achieved many things on the production front, on the agricultural front, on the educational front, on the export front. We have still many heights to conquer. I can say that the march is long and the road is arduous, but this country and this Party are determined to see that we put this country on its world stature in as short a time as possible.

**Mr. Deputy-Speaker:** Any cut motion to be put separately? . . . No. I will put all of them together to the vote of the House, that is, cut motions Nos. 17—51.

*The cut motions were put and negatived.*

**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 1967, in respect of the heads of demands entered in the second column thereof against Demands Nos. 1, 2, 3 and 113 relating to the Ministry of Commerce."

*The motion was adopted.*

*(The motions for Demands for Grants which were adopted by the Lok Sabha, are reproduced below—Ed.)*

#### DEMAND NO. 1—MINISTRY OF COMMERCE

"That a sum not exceeding Rs. 33,72,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1967 in respect of 'Ministry of Commerce'."

#### DEMAND NO. 2—FOREIGN TRADE

"That a sum not exceeding Rs. 16,03,20,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1967 in respect of 'Foreign Trade'."

#### DEMAND NO. 3—OTHER REVENUE EXPENDITURE OF THE MINISTRY OF COMMERCE.

"That a sum not exceeding Rs. 16,54,00,000 be granted to the President to defray the charges

which will come in course of payment during the year ending the 31st day of March, 1967 in respect of 'Other Revenue Expenditure of the Ministry of Commerce'."

**DEMAND NO. 113—CAPITAL OUTLAY OF THE MINISTRY OF COMMERCE**

"That a sum not exceeding Rs. 1, 38,79,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March 1967 in respect of 'Capital Outlay of the Ministry of Commerce'."

**\*DEMANDS FOR GRANTS ON ACCOUNT (KERALA), 1966-67.**

**Mr. Deputy-Speaker:** The Finance Minister.

**The Minister of State in the Ministry of Finance (Shri B. R. Bhagat):** These Demands for Grants on Account are to be put by you, Sir, to the vote of the House.

**Shri H. N. Mukerjee:** (Calcutta Central): Since there is a Parliamentary Committee on Kerala and since so far we are completely in the dark as to how it has proceeded, I had suggested earlier to the Speaker, and he appeared at the time to reciprocate and say that something should be done about it that in so far as the formulation of these Demands for Grants are concerned, the opinion of that Parliamentary Committee should be made known to the House. But as far as I am aware, it is not being done.

**Mr. Deputy-Speaker:** This is a vote on account. The Kerala Budget will come later.

**Shri H. N. Mukerjee:** If we vote the grants, what is the good of having some discussion later?

**Mr. Deputy-Speaker:** The Budget will come later.

**Shri Warior (Trichur):** It is coming very late, in May. When the vote on account was being taken, we thought we would get a chance to speak on several subjects. Yesterday, you were hurrying me to close on the supplementary demands. Because they were supplementary demands, I did not go into all the items. All the items are covered in this vote on account. Should we not get an opportunity now to speak on immediate, urgent problems? We can wait till May for discussion of general problems.

**Mr. Deputy-Speaker:** If he wants, I can allow him a few minutes. The Demands for Grants on Account (Kerala) for 1966-67 are now before the House.

**Shri Warior:** Yesterday, when we debated the supplementary demands for grants for Kerala, we were not able to speak on all the various problems in detail or even touch upon the very urgent and immediate ones.

The first thing I wanted to say while speaking in detail was that normalcy must be restored in Kerala as soon as possible. The point is that if we had a popular Government in Kerala, I think by this time normalcy would have been restored there. But Government here has not taken any action. 135 students were arrested and some of them are still languishing in jail.

**Mr. Deputy-Speaker:** His own colleague, Shri Vasudevan Nair, had suggested that there should be a discussion on these matters. These things can be raised when the general budget of Kerala is discussed.

**Shri Warior:** At that time, the idea was that the general budget would come almost along with this vote on