

**SHRI SAUGATA ROY:** I am surprised that the hon. Minister is so blissfully unaware and ignorant of the extent of smuggling that takes place along the land routes. For his information I may mention that every year, during the jute season, thousands of bales of jute are smuggled into West Bengal through the Bangladesh border, thus depressing the jute prices. This year there is a possibility, in view of the jute shortage occurring in our country, of such jute smuggling taking place again.

Secondly, through our border with Nepal which has a direct connection with China, consumer durables from China and also Red Books of Mao are smuggled in large numbers. May I know what steps the hon. Minister is taking in order to prevent jute smuggling from Bangladesh in the coming months and also to prevent the smuggling of Red Books through Nepal?

**SHRI H. M. PATEL:** I am glad the Hon. Member thinks that he has much more knowledge about smuggling and whatever takes place than I have, and I congratulate him on it. But I would also like to tell him that we have figures, for instance, of seizures that take place along these borders. What I had told him was that, relatively speaking, far more smuggling takes place by sea so far as smuggling operations in this country are concerned and, along the land frontiers, it is less. For instance, up to April 1977, something like Rs. 12 lakhs worth of goods from Bangladesh had been seized. We go on the basis that we do manage to seize a certain proportion of whatever is attempted to be smuggled in, and that gives one an idea. So, land smuggling is certainly there but it is still of a relatively small proportion.

**SHRI VINODBHAI B. SHETH:** I come from a town which is a paradise for smuggling, namely Jamnagar district for smuggling, namely Jamnagar ...

**MR. SPEAKER:** That is why I called you!

**SHRI VINODBHAI B. SHETH:** Is the Government aware that there is collusion in regard to smuggling operations with Government officials, particularly of Customs, Excise and other such departments? (Interruption). There are some particular pockets along the coast where one has to pay a 'pagdi' to high officials. Will the Government look into this matter?

**SHRI H. M. PATEL:** I am grateful to the hon. Member for the information that he has given. We are aware that smuggling takes place along that coast.

As regards the other activities like connivance, collusion etc., I will certainly go into it.

#### Impact of Freezing of Prices on Price Index

\*293. **SHRIMATI PARVATHI KRISHNAN:** Will the Minister of COMMERCE AND CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) whether some of the major Industrial Houses have decided to freeze the prices of their manufactured goods voluntarily; and

(b) if so, what impact has it made on the general price level?

**THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (SHRI MOHAN DHARIA):** (a) The decision on price freeze by some leading industrialists in Bombay was announced on 31 May, 1977. A similar announcement by industrialists in Calcutta was made on 3 June, 1977.

(b) While the wholesale price index for manufactured products (1970-71=100) remained more or less steady during the week ending 28 May, 1977 and week ending 11 June, 1977, the index rose by 0.4 per cent during the week ending 18 June, 1977 as compared with the index for the preceding week.

**SHRIMATI PARVATHI KRISHNAN:** I would like to ask the hon. Minister, whether he has held any meeting with the representatives of the industrial houses and if so, which are the major industrial houses and whether they have sent any communication to the Government as to their intention for freezing the prices and at what level they intended to freeze these prices and for what length of time.

**SHRI MOHAN DHARIA:** Prior to the presentation of the budget by the hon. Finance Minister, it is true that I had a meeting, but the meeting was not only the representatives of the industrialists, but it was the first meeting at which the leaders of the various trade unions and other experts were also invited. In that meeting, I made it very clear that what is needed in the country is not price freeze, but bringing down the prices. To freeze the prices at the present level is freezing the agony of the people at the present level.

**SHRIMATI PARVATHI KRISHNAN:** The Minister has used a very high-sounding phrase and he has very good intentions. It is one thing to make an appeal, but I would like to know, what are the positive steps that the Government propose to take, what were the proposals made by the trade unions representatives of the political parties and others?

**SHRI MOHAN DHARIA:** The Government has certainly identified the areas where the prices have gone up, particularly those areas which affect most the poor section of our society. The areas are like edible oils, including mustard oil, coconut oil and other oils, vanaspathi, tea, as also cloth whose price has gone up due to shortage of cotton. Now, what could possibly be done in all these fields was the problem. In the case of cloth, we can have better imports of cotton at one end and produce more cotton at the other. Similar was the case in respect of oil-seeds. Regarding tea, we imposed an export duty of Rs. 5 per kilo. At the same time, we made the planters to bring

more tea for auction to the tune of 80 per cent. Such immediate measures were taken. Then the mid-term measures, as I said, are how we can have more production of cotton, oil seeds, pulses and also jute and such other articles which are needed in the country. And, as I already explained, we have also taken up a study as to how we can create a massive distribution system which will incorporate all these articles that are needed by the common man and right from the production to distribution what sort of system should it be. This is how we are trying our level best to first contain the prices and then bring them down and make essential articles available at reasonable prices.

**SHRIMATI PARVATHI KRISHNAN:** He has not answered that part of my question as to the proposals that were put forward by the Trade Unions and other representatives because he said that he met them.

**SHRI MOHAN DHARIA:** There were several proposals. There was also an earlier question to-day. But the proposals included (1) creating a massive distribution system and (2) having better production. Then my Congress friends who were present also insisted on nationalisation of textile mills, cotton mills and so many other industries. ...

**SHRIMATI PARVATHI KRISHNAN:** Sugar also.

**SHRI MOHAN DHARIA:** There are several other proposals.

श्री हुकम देव नारायण यादव : सवाल महंगाई रोकने या मूल्य स्थिर करने का नहीं है सवाल दाम बढ़ने का है। सरकार के पास दाम तय करने की कोई नीति है या नहीं? उद्योगपति जो पैसा करते हैं सरकार राजी है या नहीं और सरकार कानून बनाना चाहती है या नहीं कि उसकी कीमत बाजार के बाजार में डेढ़ गुना से थोड़ा कितनी भी हालत में नहीं होना चाहिए? ऐसा करेंगे तभी कीमतें स्थिर हो पायेंगी

और मंहगाई आप रोक सकते हैं। इस नीति को सरकार उद्योगपतियों से मनवाने के लिए तैयार है या नहीं ?

**SHRI MOHAN DHARIA:** It is a very serious matter and I do concede with my friend that unless and until reasonable prices are fixed for production inputs and also the margin of profits properly fixed, it will not be possible to have these articles made available at reasonable prices. Therefore when I mentioned 'massive distribution system', it includes all these suggestions and I would very much like to examine all these proposals.

**डॉ० बलदेव प्रकाश :** मेजर इंडस्ट्रियल हाउसिंग की तरफ से बालेंटी प्राइस सब्सिडी करने की जी बात कही गई है वह क्या सरकार की धांधलों में धूल झोकने के लिए नहीं कही गई है ? क्या सरकार इस के बारे में कोई सब्त कार्यवाई करना चाहती है या नहीं ? उन लोगों ने साल सप्लाई करना ही बन्द कर दिया है, मेजर इंडस्ट्रियल हाउसिंग माल ही सप्लाई नहीं कर रहे हैं। पंजाब के छन्दर नायलोन फाइबर सिल्क इंस्टी के लिए धागा बिल्कुल नहीं आ रहा है, वे दे ही नहीं रहे हैं। वे कहते हैं कि कोई फायदा नहीं है। मैं जानना चाहता हूँ कि सरकार कोई सब्त कदम उठाने का इरादा रखती है उनके बिरुद्ध या नहीं ?

**SHRI MOHAN DHARIA:** As I said earlier, there are certain elements who would like to exploit the country when we were passing through scarcity conditions and were in a very critical situation. So far as the prices are concerned, this is the legacy of the past which we are supposed to face and while doing it, we have to see how we can increase our production and how it can be at a competitive price and how it can be made available. All these factors will have to be taken into consideration. Regarding one factor which was just raised, i.e. regarding artificial yarn required

by the small-scale industries in the Punjab, the hon Member is well aware that at my instance a meeting was held and it has been agreed by the yarn manufacturers, not that they will make the supply at the prices already voluntarily agreed to but that even the backlog that they have not supplied will be supplied and if it is not done by them, certainly proper measures will be taken.

**SOME HON. MEMBERS rose.**

**MR. SPEAKER:** Next Question—  
Qn. 294.

**SHRI R. K. AMIN:** Question No. 294.

**MR. SPEAKER:** At least this information we must get.

**SHRI M. RAM GOPAL REDDY:** At least you should go upto my question No. 297.

**MR. SPEAKER:** I am trying to see what I can do.

#### **Restructuring of Indian Airlines and Air India**

\*294. **PROF. R. K. AMIN:** Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government are planning to restructure the management of Indian Airlines and Air India to ensure closer coordination in their working; and

(b) if so, when will it be given effect to?

**पर्यटन और नागर विमानन मंत्री (श्री युक्तोत्तम कौशिक):** (क) और (ख): इस प्रश्न की, दोनों कापरिसेनों की कार्य-कुशलता को और बढ़ाने तथा दोनों के बीच और अधिक बलिष्ठ सम्बन्ध को सुनिश्चित करने की दृष्टि से, ज्ञान की आ रही है।