

LOK SABHA DEBATES

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LOK SABHA

Wednesday, May 2, 1973/Vaisakha 12,
1895 (Saka)

*The Lok Sabha met at Eleven of the
Clock.*

[MR SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

**Radio and Electronic Components
Manufacturers of West Bengal not
allowed to expand their Business**

*921 SHRI B K DASCHOW-
DHURY: Will the Minister of ELEC-
TRONICS be pleased to state

(a) whether the radio and electro-
nic components manufacturers of West
Bengal have not been permitted to
expand their business in West Bengal,
whereas these manufacturers are be-
ing freely allowed to start new pro-
jects or to expand their business in
other States, and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE
MINISTRY OF HOME AFFAIRS
(SHRI K C PANT). (a) No restric-
tion has been imposed on the manu-
facturers of Radio & Electronic com-
ponents of West Bengal to expand
their business in that State

(b) Does not arise

SHRI B K. DASCHOWDHURY: Is
it a fact that the Phillips Company
wanted a licence from the Govern-
ment of India for manufacturing near-
ly 3,00,000 sets and the Government
of India imposed certain conditions
that whatever be the number of sets
over 80,000 manufactured by the com-
pany, 75 per cent thereof should be
exported, and on this ground the

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expansion of the company was not
allowed? Also is it a fact in this
particular case, the Government of
West Bengal sent a detailed report to
the Centre charging the Central Gov-
ernment with encouraging expansion
of this company in some other States
than West Bengal and the Chief Min-
ister also sent a note in this connec-
tion in August 1972? If so, what are
the reactions of the Government

SHRI K C PANT. Phillips (India)
had an industrial licence for the pro-
duction of 60,000 radio receivers in
their factory at Calcutta. In 1967,
their original application was for reg-
ularisation of expansion from 60,000
to 1,00,000 sets. The Department of
Defence Supplies, which was handling
this matter at that time, said that this
should be an application for expansion
rather than regularisation. So they
applied for expansion to 1,75,000 sets.
This was in April 1969. By the time
the matter was taken up by the Lic-
ensing Committee, the policy was that
in certain sectors where the small
scale industry was also engaged, ex-
pansion would be allowed if the party
was willing to export 75 per cent of
its additional capacity. This is the
reason for the condition. Later on, the
West Bengal Government wrote to the
Central Government when the com-
pany was already producing over two
lakh sets. Their original licence, I
would remind the hon. Member, is
only 60,000 sets. They were already
producing over two lakh sets, and the
recommendation was that they may be
allowed to expand to three lakh sets.
So, the company was approached and
they said they will not agree to this
condition of 75 per cent export. Now,
actually the expansion to three lakh
sets without due authority is an objec-
tionable thing. But because of the
conditions of West Bengal because of

West Bengal Government's recommendation and so on, the discussions are going on with the company, and a negotiating team has been set up by the Government to go and discuss with Phillips (India) Co., not only in regard to this particular licence but the general role that the company can play here, the reduction in foreign quota and so on and so forth. So, this negotiating team is taking up the whole matter and other related matters with the company.

SHRI B. K. DASCHOWDHURY: May I know whether it is a fact that Phillips Co., started a factory at Loni, near Poona, in 1958 with a capacity to manufacture 12,000 sets a year and up to date, the branch at Loni has been allowed to expand up to 700,000 sets without putting any restriction or any condition that 75 per cent of their total production should be exported? If so, why these two standards have been maintained by the same company one for the expansion in West Bengal and the other for expansion in Loni, in Maharashtra?

SHRI K. C. PANT: There is no question of two standards. The Poona company had a licenced capacity, according to my information, of 3.3 lakh radio receivers. This may be at a later date than the one mentioned by the hon. Member. In 1968, they had applied for a licence for expansion of the capacity to 10 lakh sets. But, the licensing committee only agreed to seven lakh radios. This was approved and the letter of intent was issued. Their applications was prior to the other application of expansion in the Calcutta unit from 60,000 to 1,75,000 units. So, I do not think there are two standards.

SHRI B. K. DASCHOWDHURY: May I know,—(Interruption)—the date was changed, though the monthly quota of this licence was from November, 1970, but it was changed from August, 1949 to 1970?

SHRI K. C. PANT: I do not know about any change of date. I do not know what the hon. Member is really objecting to. In West Bengal, this company has expanded production and without authorisation, they were allowed to go on producing. What is the objection?

SHRI M. S. SANJEEVI RAO: I want to know from the hon. Minister whether he is aware of the fact that because of the policies of the Government of India, Phillips Co., are not only shutting down in West Bengal but they are going to Singapore in a big way and they are intending to completely wind up their organisation in India?

MR. SPEAKER: This does not arise out of this question. This is an information you are giving to the Minister. How is he expected to know it? Did they consult him about Singapore? Next question.

SHRI SAMAR GUHA: Sir, one supplementary. Just half a minute.

MR. SPEAKER: I have already passed on to the next question. I am sorry. Now, Mr. Bibhuti Mishra.

राष्ट्रीय एकता परिषद् को पुनःसक्रिय करना

* 922. श्री बिभूति मिश्र :

श्री इसहाक सम्भली :

क्या गृह मंत्री यह बनाने की कृपा करेंगे कि

(क) क्या सरकार राष्ट्रीय एकता परिषद् को पुनःसक्रिय करने के प्रश्न पर विचार कर रही है; और

(ख) यदि हाँ, तो उसके क्या कारण हैं ?