

Assistance to Textile Units

*545. **Shri Liladhar Kotoki:**
Shri N. R. Laskar:
Shri Sradhakar Supakar:
Shri Ram Kishan Gupta:
Shri Shri Gopal Saboo:

Will the Minister of Commerce be pleased to state:

(a) whether Government propose to give more concessions to marginal and weak textile units in addition to the increase in price of controlled varieties of cloth announced recently, and

(b) if so the main features thereof?

The Minister of Commerce (Shri Dinesh Singh): (a) and (b) No decisions have been taken so far

Production of Textiles

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*558. **Shri D. N. Patodia:**
Shri R. Barua:
Shri C. C. Desai:
Shri Ramachandra Veerappa:
Shri Vishwa Nath Pandey:

Will the Minister of Commerce be pleased to state

(a) whether it is a fact that there has been a considerable decline in the production of textile industry in the country in the post devaluation period,

(b) whether a number of textile mills in the country have been closed down during this period and many are facing closure, and

(c) if so, the measures taken to protect the interests of the textile industry?

The Minister of Commerce (Shri Dinesh Singh): (a) to (c). There has been some decline in the production of cloth and yarn since September, 1966, but production in July-December, 1966, compared favourably with that in January-June, 1966. Since January, 1967, the production has appreciably fallen, but this is mainly

because of the shortage of cotton necessitating even curtailment of machine activity

After devaluation 15 mills closed down. Taking into account 8 mills closed prior to devaluation, as at end of May 1967, 23 mills continued to remain closed. In the same period, further 25 mills were closed only for limited periods but have reopened since.

With a view to increasing production in cotton textile mills, (i) increased imports of cotton have been arranged, (ii) the compulsory extra closure of mills which was for one day a week till the middle of April, 1967, has now been reduced to one day in a fortnight, and (iii) financial assistance by way of direct loans, or guarantees for loans from financial institutions has been extended to cotton textile mills in a few cases either wholly by the Central Government or jointly with the State Governments concerned

Shri K. Ramani. In view of the statement made by the hon Minister I would like to know whether the textile units which are to be taken over by the Government under the control of the Textile Corporation to be set up will be treated as nationalised property, that is to say, property of the Government as in other undertakings in the public sector.

Shri Dinesh Singh: I would request the hon Member to be a little patient. We shall come before this House with the proposal, and that would be the time to go into it

Shri K. Ramani: May I know the policy or basis on which compensation will be paid by the Textile Corporation for the textile units which are taken over? Will it be the market value or the book value?

Shri Dinesh Singh: It is a little too early to say all these things. When the Bill comes before the House with proposals all this can be considered.

Shri Umanath: The other day when a similar question was asked it was stated by the hon. Minister that the Government has decided to establish a corporation and that a legislation will be brought before the end of the session. It is on record. Very recently when Government had taken over certain mills, like Narsingji Mills, Sholapur and Akola Salwatram mills, Government have reduced the dearness allowance of the workers by 33-13 per cent and reduced the strength of the workers also. When the purpose of taking over of the mills is to maintain production and employment conditions of the workers, they have done just the contrary. Now that some mills are to be taken over by Government by bringing a legislation before the end of the session for establishing the Corporation, I would like to know from the Government whether they would be prepared to assure this House that when this Corporation takes over the mills it will see to it that the entire strength as well as the service conditions of the workers existing prior to the closure will be maintained. Can I have this assurance from the hon. Minister?

Shri Dinesh Singh: May I clarify the position? So far as the legislation is concerned, it is to enable us to take over these mills under certain circumstances. So far as the corporation is concerned, no legislation is necessary. It will be by a proposal which will be discussed here. Regarding the question of workers and others, naturally, we are most anxious to see that the workers get a fair deal and in any Government-owned corporation there should be no apprehension that workers will be in any way at a disadvantage. So far as the assurance is concerned, anything in regard to the Corporation, with your permission, I would like to say only when the matter is being discussed here.

Shri Vasudevam Nair: Sir, are you satisfied with that reply?

Shri Sradhakar Supakar: The answers to questions Nos. 542 and 545 indicate that the Textile Corporation will take over only the dead mills but not the dying or the suffering mills. May I know whether the Textile Corporation will only work as an undertaker and not as a doctor?

Shri Dinesh Singh: It might also give birth to new mills.

Shri R. Barua: From the answers of the hon. Minister I understand two things are emerging—one is Government's taking over the mills and the other is the Corporation's coming into existence. May I know whether Government will be taking over mills which are sick and not viable or they are going to take over mills by giving necessary compensation and then evolve new patterns?

Shri Dinesh Singh: As I said earlier, I would beg of hon. Members to be a little patient. When I bring this proposal before the House, all those details will be given, because the point here is in relation to what kind of mills we shall take over and that will be a technical thing. We will have to define what kind of mills will be taken over. As I said, we shall not be limited only to taking over mills but we may set up new mills ourselves.

Shri S. K. Tapuriah: It appears to me that we are trying to drive down the same old beaten up path. I would like to know from the hon. Minister whether while making these proposals they have also tried to nail down the causes of the so-called sickness in the industry. Just saying that cotton shortage or something is responsible is not enough. Do they also suggest some practical methods besides just taking over these mills which will improve them? All that we have been hearing noised about is that Government will take them over. Do they expect that Government has a magic wand? Have you nailed down any reasons for their inefficiency and

what do you think will be the remedies other than just taking over by Government?

Shri Dinesh Singh: The hon. Member fully knows the difficulties that are being faced by this industry. Cotton shortage is only a temporary phase, but there have been to some extent old mills which have not been renovated from time to time. Then, there has not been ploughing back; there has been mismanagement in many cases; there have not been enough resources in some cases—these are some of the basic problems. They have been gone into; there have been a number of committees on this

Shri M. E. Krishna: When the Government is taking over these mills, will these mills be geared up to produce special varieties of textiles for the foreign market or is it the intention of Government only to take up these mills to produce textiles which have got very keen competition in the local market?

Shri Dinesh Singh: They will be export-oriented as also for internal consumption.

Shri Swell: The Minister is very optimistic when he says that the establishment of the Textile Corporation would not only correct the ills of the textile industry but might also give birth to many more mills. He is also on record in this House as saying that one of the main reasons why the textile mills have fared badly was the shortage of cotton supply to the mills. I would like to know from the hon. Minister whether the West Asian crisis, the closing of the Suez Canal and the uncertain political conditions in U.A.R. would not affect further the supply of cotton to this country and to the mills.

Shri Dinesh Singh: U.A.R. is only one of the sources from which we purchase cotton. As the hon. Member may have seen in the newspapers today, it appears that U.A.R. is making a provision to continue export

and import from India from the port of Suez. Regarding the import of cotton from other countries that passes through Suez Canal, certainly, there will be some delay because of the closure of the Canal. It is a little difficult to estimate, at this stage, because we do not know for how long the Canal will be closed. But if it is closed only for a short time, there will not be much dislocation.

Shri Bedabrata Barua: The imported cotton as it is made available to the textile mills in India is on a rationed basis and there is a big gap in the price that actually rules in the open market which is more favourable to stronger mills. Will the Government consider the question of selling the imported cotton in auctions in the open market and utilise that money for the improvement of the textile mills?

Shri Dinesh Singh: It is a suggestion for action which I have to get examined.

Shri Hem Barua: The hon. Minister seems to be very optimistic when he says that Suez Canal may not be closed for long. But judging from the statement made by President Nasser, the Suez Canal might be closed for long and might not be reopened for navigation because he insists upon a condition that Israel must vacate the Arab territory which she occupied during the last conflict. That will take a long time. What is the basis for the optimism of the hon. Minister?

Shri S. S. Kothari: Any secret message from President Nasser to Mr. Dinesh Singh?

Shri Dinesh Singh: If it were so, it would be difficult to share with the hon. Member.

I am sorry the hon. Member, Mr. Hem Barua, did not follow me. I said that if the Canal was going to be closed for a short time, there will not be much dislocation.

Shri Hem Barua: What is the basis for that optimism that the Suez Canal is going to be closed for a short time? I say that is not going to be.

Mr. Speaker: It is not optimism; there is a big 'if'.

श्री मधु लिमये : अध्यक्ष महोदय, कपड़े की पैदावार बढ़ाने के लिए इन्होंने कहा है कि हम तीन इलाज कर रहे हैं—एक तो रुई मंगा रहे हैं बाहर से, दूसरी चीज जो जबरन छुट्टी सप्ताह में एक दिन थी उस को पखवाड़े में एक दिन कर दिया और फिर मिलों की वित्तीय सहायता भी कर रहे हैं। पिछली बार जब यह विधेयक लाये थे तो मैंने दो सुझाव दिए थे। एक सुझाव यह था कि यह जबरन छुट्टी हटाकर मशीनों में कोई तब्दीली न करते हुए, रुई की खपत न बढ़ाते हुए काउंट बढ़ाकर दरमियानी धरसे के लिए पैदावार को बढ़ाया जाय तो क्या जाय इस पर विचार किया गया है और दूसरा सुझाव मैंने यह दिया था कि कई बड़ी मिलों के पास बहुत रुई है उस में बिरला मिल भी शामिल है। उस के बारे में मैंने कुछ चिट्ठिया भी लिखी हैं। तो क्या इन के ऊपर छापा मार कर हम इस रुई को अपने कब्जे में ले कर दूसरी मिलों को बांटने के बारे में सरकार ने पिछले छः महीनों में कोई कार्यवाही की है ?

श्री बिनैस सिंह : जो पहला सवाल था माननीय सदस्य का अध्यक्ष महोदय, मैंने जो उस के संबंध में लोगों से बातें कीं तो उन्होंने कहा कि धलग धलग तरह के कपड़े बनते हैं और सब कपड़ों में उस तरह से घागा मोटा करने से कपड़े के लिए अच्छा नहीं होता। धलग धलग बेराइटी का कपड़ा बनता है धलग धलग काम के लिए। . . . (बबबबब) . . . मैं तो कपड़ा बनता नहीं, अध्यक्ष महोदय।

दूसरी बात—रुई का जहाँ तक सवाल है उस के लिए माननीय सदस्य जानते हैं कि

कुछ नियम बने हुए हैं। नियम है कि डार्ड महीने तक की रुई मिलें अपने पास रख सकती हैं आमतौर से। उस के अलावा कुछ लोग फिक्स्ड डेट डेलिवरी पर खरीदते हैं। आज उन के पास ज्यादा नहीं है लेकिन फिक्स्ड डेट डेलिवरी पर खरीद लेते हैं जिससे कई महीनों की सप्लाई घाती रहती है। जहाँ पर यह पता चलता है कि कला मिल में रुई ज्यादा है तो उस की जांच की जाती है। पिछले मन्त्र टेक्सटाइल्स कमिश्नर से मैंने बात की थी इस की खास हिदायत रखनी चाहिए कि किसी खास मिल को जो इजाजत दी है उस से ज्यादा स्टॉक उस के पास नहीं होना चाहिए। अब यह भी खबर आ रही है कि खरीद फरोकन, दूसरे दूसरे नामों से होती है उस की जांच हो रही है।

श्री मधु लिमये : छापा नहीं मारा।

Shri S. R. Damani: May I know whether any survey has been made of the marginal and weak units and what is the idea of providing easy finance for their modernisation?

Shri Dinesh Singh: Out of approximately 600 textile mills, about 250 or so were established after Independence. They are generally speaking, apart from those which are mis-managed, in a better condition. The older ones are having greater difficulties. As I have said in the body of the statement, the question of giving them finances is being considered and is being looked into by the finance agencies.

श्री हरकम चन्द कश्यप : मैं यह जानना चाहता हूँ कि हमारे देश में लगभग 600 मिल हैं उस में से सवा पांच सौ मिलों की स्थिति बहुत खराब है और 75 मिल ऐसी हैं जिन का संबंध विदेशों से रुई आने का है वह चल रही हैं। सरकार इन्हें अपने हाथ में लेगी फिर भी उसमें नवी मशीन और रुई लगानी पड़ेगी तो क्या सरकार का ऐसा विचार है कि मिल वार्षिक और उच्च-

पतियों को यह सारी सहायता दे और उन की हालत ठीक हो सके और क्या उद्योग-पतियों से उन्होंने उन के विचार लिए हैं कि उन का क्या मत है इस सम्बन्ध में ?

श्री विनेश सिंह जी हा। उन से कुछ बातें हुई हैं। मैं अध्यक्ष महोदय बम्बई फिर जाऊंगा। उन से और और लोगों से भी बात करूंगा। हम को कोई एतराज नहीं है और मिल मालिक अपनी मिलों को ठीक से चलायें और सरकार की तरफ से कोई रुकावट नहीं है। हमारी तरफ से पूरी काशिश है कि जितने तरह के उद्योग हैं वह जितनी तेजी से हो सके हमारे देश में बड़ों उम में हमारे देश का भला है। लेकिन किसी एक खास को बुलाकर हम कहें कि आप यह करे आप को कोई खास फ़ैमिलिटी हम देंगे यह हमारी पालिसी नहीं है।

Foreign Private Investment

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*543 Shri Ram Kishan Gupta
Shri Kanwar Lal Gupta
Shri K. S. Vidyarthi
Shrimati Tarkeshwari Sinha
Shri S. R. Damani

Will the Minister of Industrial Development and Company Affairs be pleased to state

(a) whether any policy has been chalked out defining the general approach to foreign private investment with a view to removing uncertainties currently inhibiting the initiative of foreign investors, and

(b) if so the broad features thereof?

The Deputy Minister in the Ministry of Industrial Development and Company Affairs (Shri Bhanu Prakash Singh): (a) and (b) It is considered desirable to enumerate Government's policies on foreign collaboration and foreign investment in the form of a comprehensive Policy Statement. Details in this regard are under examination.

श्री राम किशन गुप्त मैं जानना चाहता हूँ उन मुल्कों के नाम जिन की तरफ से फारेन कॉलैबोरेशन के लिए प्रोपोजल्स प्राये हैं ?

श्रीद्योगिक विकास तथा समवाय-कार्य मंत्री (श्री कलकत्तीन अली अहमद) इम वक्त सब मुल्का के नाम तो नहीं दे सकता लेकिन घात रहत है और मैं मेम्बर माहब को नाम दे दूंगा।

श्री राम किशन गुप्त मैं जानना चाहता हूँ कि फार्म एन्वैस्टमेंट्स की तरफ से किस बिज्नेस की फ़ैर्मिलिटीज मांगी जा रही है और उन के लिए सरकार क्या विचार कर रही है ?

श्री कलकत्तीन अली अहमद जरा फिर शहराये, मैं ने सुना नहीं।

अध्यक्ष महोदय श्री कवर लाल गुप्त।

श्री कवरलाल गुप्त क्या मंत्री महोदय वतायेंगे क्योंकि इन की पालिसी जो इस क बार में है सुबह कुछ होती है, शाम कुछ होती है, एक मंत्री कुछ कहता है, दूसरा मंत्री कुछ कहता है, यहाँ कुछ कहा जाता है, काँग्रेस की मीटिंग में कुछ, और तीसरी जगह कुछ और, तो छाबीरी में आपने क्या यह अपनी पालिसी बदली है ? जैसे मिनिस्टर नाहब ने कहा हम कुछ तैयार कर रहे हैं तो आप ने पहले वाली पालिसी रखी है या कुछ बदली है और बदली है तो क्या बदली है ? कौन सी बड़ी बड़ी चीजों पर विचार कर रहे हैं जो प्राये आप लाने वाले हैं ? दूसरी चीज—क्या विदेश के कुछ लोगों ने आप से कुछ महसूसयते मांगी हैं कि यह अगर आप हमें फ़ैर्मिलिटीज देगे तो हम अपना पैसा लगायेंगे ? अगर वह मांगी हैं तो क्या है और उन पर क्या कार्यवाही आप ने की है ?

श्री कलकत्तीन अली अहमद : जहाँ तक पालिसी का टास्कुक है हमारी पालिसी