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## LOK SABHA

Friday, June 16, 1967/Jyaistha 26, 1889
 (Saka)

The Lok Sabha met a: Eleven of the Clock

[MR SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

नियंत्रण हटाये जाने के बाद इम्पात का मून्य

\* 541 भी स० चं० सामःत:
भी राम मूर्ति.
भी ग्र० क० गोपासन:
भी बासूडेबन नायर:
भी बारेनानाच:
भी कार्ता नाथ पांडे.
भी ईक्वर रेड़ी:

श्री मधु तिमये: डा॰ राम मनोहर नोहिया: श्री स॰ मो॰ वनर्जी: श्री वार्च फरनेग्डीच:

थी मोहन स्थप्यः भी रा० स्थ० विद्यार्थीः बी राथ कृष्ण पुरतः

थी थपताशास महायार्थः । भी विषणाई सं • प्रदेशः

डा॰ महावेद प्रसाद : भी स्रवस विहारी वाकपेदी : भी संबर सास मृद्य :

थी बीरेन्द्र कुमार साह :

भी पाषसारवीः भीकं•हाल्दरः

क्या इस्पात, सान तथा थातु मत्री यह बताने की कृपा करेंगे कि

- (क) इस्पात से नियत्नण हटाये जाने से इस्पात की बनी वस्तुचो के मूल्यो में कितनी विद्य हुई है तथा इसके क्या कारण हैं,
- (ख) मूल्यों को बढने से रोकने के लिये क्या कार्यवाही की गई है,
- (ग) क्या देश म इस्पान का उत्पादन ग्रव उस स्विति पर पहुंच गया है कि नियंत्रण हटाये जाने से खुले बाजार में इस्पात के क्यापार मे कोई कठिनाई नहीं होगी; भीर
- (घ) क्या नियत्रण हटाये जाने से पहले उनके मतालय द्वारा किये गये घड्ययन तथा मागो के सुप्ताबो का स्थीय दशनि बाला एक विवरण सभा पटल पर रख दिया जायेगा?

The Minister of State in the Ministry of Steel, Mines and Metals (Shri P. C. Sethi): (a) to (d). A statement is laid on the Table of the House (Placed in Library. See No. LT-685/67)

Shri S. C. Samanta: May I know what results are perceptible at present after the de-control of all sorts of steel from 1st May, 1967?

Shri P. C. Sethi: Actually the categories in short supply will take about 3 to 4 months to stabilise, because production in those categories is likely to rise now and the position would be easier.

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Shri S. C. Samanta: May I know for how long Government intends to study the working of decontrol and whether any other committee will be established for that purpose?

Shri P. C. Sethi: There is no idea of establishing any other committee, but we would like to see the market conditions for at least a few months and then we would come to a conclusion.

Shri Vasudevan Nair: In the statement Government has tried to explain away the whole thing by saying,

"It is not correct, however, to say that the price increases have occurred as a result of decontrol,"

But we find from the statement that the prices of all categories of steel have gone up. They have said that some items are in short supply and so there is some justification for prices going up. But what is the justification for the prices of all the items going up? May I know whether Government will seriously consider, in case this trend persists, going back on the present decision of decontrol?

Shri P. C. Sethi: We have said it because no increase in price was given to the steel industry since 1st March, 1964. Whether decontrol would have come or control would have remained, some price increase was due. That is why we said, there is no connection between the price increase and decontrol.

श्री मध्य लिमये : स्टील के दामों में कुछ इजाफा मनिवार्य या चंकि भावकारी वगैरह बढ़ गई थी । लेकिन इन्होंने जो तालिका दी है उस में कुछ बीओं के दाम तो बहुत ज्यादा बढ़े हैं जैसे गैलवेनाइज्ड कौरोंगेटिड भीट्स 29 प्रतिमत, उसी तरह से व्हील एंड टायर्ड, घोल्ड डिखाइन 20 प्रतिकत, कोल्ड रोल्ड कीट्न बारह प्रतिकत. एक्समब मोल्ड डिबाइन 21 प्रतिकृत । क्या मंत्री महोदय व्यौरा देंगे कि एक्साइज

इयुटी बढ़ने के कारण मूल्य वृद्धि कितनी समर्थनीय थी भीर उससे ज्यावा कितनी हुई है? यथि ज्यादा हैतो फिर एक सवाल उठता है घष्यक महोदय धक्सर कहा जाता है, मुक्त व्यापार होना चाहिये, भीर मुक्त ब्यापार होने से दाम गिरेंगे, यहां तो मक्त भ्यापार की इजाजत दी गई है फिर क्या कारण है कि इतने ज्यादा दाम बढ़ गए हैं । मैं पूंजीपतियों से भी जानना चाहता हं कि ग्राखिर मामला क्या है? क्या कारण है कि मक्त ब्यापार जब होता है तो दाम गिराने के बजाय उनको बढ़ाते रहते हैं। मैं चाहता हूं कि इस बात का मंत्री महोदय खलामा करें।

भी प्रव चंव सेठी : जहां तक एक्साइज इयटी भीर फेट का ताल्लुक है इनकी वजह में दामों में बढ़ोतरी पहले भी की जाती रही है। इस सभय जो भावों में बढ़ोतरी की गई है खाम तौर से कौरोगेटिड शीट्स में, क्हीलज में भीर एक्सेल्ड में उसको मैं बता देता हं। कौरोगेटिड भीट्स में इजाफे का सब से बड़ा कारण यह है कि करीब 120 रुपये का फर्क जो जिंक इस्तेमाल होता है भीर जो स्पोर्ट होता है उसकी प्राइस में पड़ गया है: । करीब तीम रूपये का फर्क डिबैल्प्एशन की वजह से पड़ा है । इंजोनि-यरिंग इंडस्ट्री को कुछ एक्सपोर्ट के लिए सबसिडी भी देने वाले हैं। इन सब को देखते हए जो इजाफा किया गया है वह बाजार के हालात को देखते हुए मुनासिब मालुम होता है।

भी जार्ज करनेन्डीज : ये जो दाय बढ़े हैं, मैं जानना भाहता हूं कि विदेशों से जो धलन घलग किस्म का सामान घभी भी हिन्तू-स्तान में भावात किया जाता है, उसके भी दामों में यह बढ़ोतरी हुई है भीर हुई है तो किस परिणाम में हई है ?

भी प्रक चंक सेठी : यह जो बढ़ोतरी की गई है यह तो हिन्युस्तान स्टील लिमिटेड

भीर प्राइवेट सैक्टर का जो इंडिजीनस स्टील है, उस में की गई है।

भी राम कृष्ण गुप्त : यह कहा गया है कि कुछ ऐसी भाइटम्ब हैं जिन का प्रोड क्शन जरूरत के मुनाबिक नहीं है। मैं जानना चाहता हूं कि वे कौन कौन सी कैटेगरीज हैं भीर उन के प्रोडक्शन को बढाने के लिए क्या क्षम उठाये जा रहे हैं ?

भी प्र० चं ० सेठी . जिन कैटेगरीच को भागी गार्टेन है जन में खास तौर से फ्लंट प्रोडक्ट्म हैं, कोरोगेटिड गीट्स हैं, प्लट्म भादि हैं । कौरागेटिड गीटन के प्रोडक्शन में इजाका करने की काणिश की जा रहीं हैं । इसके लिए जिंक के लाइसेंस दिये गये हैं । यह भाशा की जाती है कि वो तीन महीने में इन चीजों का प्रोडक्कन पहने से बड़ेगा । सेकिन यह नहीं कहा जा सकता है कि पूरी तरह से जो डिमाड है उसको हम मीट कर सचें ।

भी मिनभाई जे० पढेल . मेरे दो सवास है। एक तो यह है

"(1) What effect the Government has recorded in the internal market after de-control of steel;

# दूसरा यह है :

(2) how many kinds of steel are still imported from abroad and what steps the Government is taking to produce them in this country."

श्री प्र० चं० तेटी: यहा तक बाजार
में अनेतिबिलिटी का सवाम है जो फ्रैट
श्रोक्क्ट्स हैं तथा इस तरह की दूसरी बाइटम्ब हैं उनकी कमी बाबी भी महसूस की
जा रही है। जहां तक बायात का सवास है,
दूक्त एकाय, फ्लेटस एंड बीट्स, क्लैट
श्रोक्कट्स इन्लोर्ट की बाती हैं।

भी भारत बिहारी बाजपेवी : क्या यह समझा जाए कि स्टील के दामों में जो वृद्धि हुई है उससे गरकार सतुष्ट है भौर दामों को कम करने के लिये कोई भी कदम उठाने के लिये तैयार नहीं है ?

भी प्र० चं० सेठी . जहां तक बढ़ोतरी का सवाल है प्रन्य चीजो की कीमतों में जो बढ़ोतरी हुई है उसकी तुलना में जे० पी० सी० ने जो प्राइसिम को इनकीड किया है वह संत्रोयजनक प्रतीत होता है। यह खयाल है कि जो गडोतरी की गई है उसकी वजह से घब कम से कम एक साल तक घीर कोई बढ़ोतरी नहीं होगी । इसका खयाल रखा जाएगा घोर बढोतरीन हो, इमकी कोशिक की जाएगी।

भी हुक्तम चन्द कछ दाय कोई गारंटी देसकते हैं।

भी प्र० चं ० से आं माल घर नहीं होगी, ऐसा खयाल है :

Mr. Speaker: Please sit down. Ministers should wait for the name to be called. They should not simply answer to whoever puts a question.

भी कंबरलाल गुन्त: खास तौर से कौरागेटिड शीट्स के मूल्यों में तथा एक्सेल्ब, मोल्ड डिजाइन के मूल्यों में बृद्धि बहुत ज्यादा हुई है। इनके मनावा घौर भी चीजें इस लिस्ट में बी गई हैं। डिकंट्रोल के पहले भी इनकी अनैक मार्किट प्राइस बहुत ज्यादा थी, क्या यह बात ठीक है ? घगर ठीक है तो उस बक्त क्या प्राइस वी घौर उसके मुकाबने में घब प्राइस कुछ बड़ी है, कम हुई है या उतनी ही है ?

को प्रकृषं के लेते : व्यक्ति माफिट प्राइक का तो ठीक से बंदासा नहीं है । वेकिन यह कहा वाला है कि सीरोवेटिट बीद्स सासार में दो हवार से लेकर पण्णीस सौ रुपये टन के मान से मिलती थीं।

भी कंदरलाल गुप्तः धव क्या भाव है ?

भी प्र० चं० सेठी: ठीक पता नहीं है। स्लैक मार्किट का तो भव सवाल नहीं है।

भी संबरलाल गुग्तः साजका भाव सफेट में बता दीजिये।

भी प्र० चं ० सेठी : इसका भाव पंद्रह सौ टन के लगभग फिक्स है। लेकिन बाजार में भायद 1700-1800 के भासपास विकती हैं।

Shri Virendrakumar Shah; Sir, before I put my supplementary I would like to know whether my impression about a reply given by the Minister is correct. My question is based on that. Did the Minister say that there is no connection between price increase and de-control?

Shri P. C. Sethi: I did say, Sir, that as far as price increase is concerned even without de-control it was due.

Shri Virendrakumar Shah: Thereby he means that there is no connection between price increase and decontrol. De-control came into effect on 1st May and price increase was announced on 2nd May after obtaining the approval of all ministries including the Steel Ministry of which the hon. Minister is in charge. that is so, would it be a correct statement to make that there is no connection between price increase and de-control? May I also now whether Government have received representations from processing industries like re-rolling industry and engineering industry to the effect that this increase in price is high in the sluggish market, which the Government themselves have accepted, and that this is going to act further adversely?

Dr. Chenna Reddy: The position is there is no connection between the two. The increase in price was inevitable and it was inherent in the situation since 1964 when the prices were revised. Secondly, the prices for rerollers and billets have been increas-Along with this increase, deeđ. also control has been effected. Regarding the increase in the price of billets, to which the hon. Member has referred, it is a fact that the increase is there. JPC has been advised to examine the matter. It is under consideration.

Mr. Speaker: 1 would suggest that along with S. Q. No. 542, S.Q. Nos. 545 and 558 may also be taken up.

Corporation for closed Textile Units

\*542. Shri K. Ramani: Shri Mohammad Ismail: Shri Umanath:

Will the Minister ef Commerce be pleased to state:

- (a) whether some State Government have made proposals to establish a corporation to run the closed textile units taken over by Government:
- (b) if so, the names of such State Governments and the main features of the proposals;
- (c) whether Government have considered the proposals; and
  - (d) if so, the result thereof?

The Minister of Commerce (Shri Dinesh Singh): (a) Yes, Sir

- (b) The Government of Maharashtra in their Fourth Plan proposals proposed the setting up of a Textile Corporation for taking over the closed mills which are capable of being salvaged. They proposed an outlay of Rs. 5 crores for investment in the share capital of the proposed Corporation.
- (c) and (d). Government are, themselves, proposing to set up a Textile Corporation to take over such textile mills.

#### 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 there-of?

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

### Production of Textiles

\*558. Shri D. N. Patedia; Shri R. Barua; Shri C. C. Desai; Shri Ramachandra Veerappa; Shri Vishwa Nath Pandey;

Will the Minister of Commerce be pleased to state

- (s) 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 miles 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, 1987, 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 eraly 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 Narsingii 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 bere.

Shri Vasudevag 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 no: 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 sicknes in the Just saying that cotton industry. 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 institutionary and

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

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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. R. 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 Disseh 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'.

भी मध् लिमये: मध्यक्ष महोदय कपड़े की पैदावार बढ़ाने के लिए इन्होंने कहा है कि हम तीन इलाज कर रहे हैं--एक तो रूई मगा रहे हैं बाहर से, दूसरी चीज जो जबरन छट्टी सप्ताह में एक दिन थी उस को पखवाडे में एक दिन कर दिया और फिर मिलों की वित्तीय सहायता भी कर रहे हैं। पिछली बार जब यह विधेयक लाये ये तो मैंने दो सुभाव दिए थे। एक सुभाव यह था कि यह जबरन छुट्टी हटाकर मशीनों में कोई तब्दीली न करते हए, रूई की खपत न बढाते? हए कांउट बढ़ाकर दरमियानी भरसे के लिए पैदाबार को बढाया जाय तो क्या जाय इस पर विचार किया गया है भौर दूसरा सुझाव मैंने यह दिया था कि कई बडी मिलों के पास बहत रूई है उस में विरला मिल भी शामिल है। उस के बारे में मैंने कुछ चिट्ठिया भी लिखी हैं। तो क्या इन के ऊपर छापा मार कर हम इस कई को धपने कब्जे में लेकर दूसरी मिलों को बांटने के बारे में सरकार ने पिछले छः महीनों में कोई कार्यवाही की है ?

श्री विनेश निह: जो पहला सवाल या माननीय सदस्य का अध्यक्ष महोदय, मैंने जो उस के संबंध में लोगों से बातें की तो उन्होंने कहा कि अलग अलग तरह के कपढे बनते हैं और सब कपड़ों में उम नग्ह से आगा मोटा करने से कपढ़े के लिए अच्छा नही होगा । अलग अलग बेराइटी का कपड़ा बनता है अलग अलग काम के लिए । (आवश्यात). मैं तो कपड़ा बृतता नहीं, अध्यक्ष महोदय ।

क्छ नियम बने हए हैं। नियम है कि डाई महीने तक की रूई मिलें घपने पास रख सकती हैं भामतौर से। उस के भलावा कुछ लोग फिक्स्ड डेट डेसिवरी पर खरीवते हैं। माज उन के पास ज्यादा नहीं है लेकिन फि-मस्ड डेट डेलिवरी पर खरीद लेते हैं जिससे कई महीनों की सप्लाई धाती रहती है। जहां पर यह पता चलता है कि फलां मिल में रूई ज्यादा है तो उस की जांच की जाती है। पिछले मलबे 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 स्टाक उस के पास नहीं होना चाहिए। धव यह भी खबर भा रही है कि खरीद फरोब्त, दूसरे दूसरे नामों से होती है उस की जांच हो रही है।

भी मध् सिमये : छापा नही 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 mismanaged, 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 हुकम कार कष्टवाय : मैं यह जानना काहता हू कि हमारे देश में लगभग 600 मिल हैं उस में से सबा पांच सी मिलों की स्थिति बहुत कराब है भीर 75 मिल ऐसी हैं जिन का संबंध विदेशों से कई धाने का है वह चल रही हैं। सरकार इन्हें भपने होच में लेगी फिर भी उसमें नथी मधीन भीर कई जगानी पड़ेगी तो क्या सरकार का ऐसा विचार है कि जिस माजिक और उच्छोक-

पितयों को यह सारी सहायता दे भीर उन की हासत ठीक हो सके भीर क्या उद्योग-पितयों से उन्हों ने उन के विश्वार लिए हैं कि उन का क्या मत है इस सम्बन्ध में?

श्री विनेश सिंह जी हा। उन से कुछ बातें हुई हैं। मैं प्रध्यक्ष महोदय बम्बई फिर जाऊगा। उन से भौर भौर लोगों से भी बात करूगा। हम को कोई एतराज नहीं है भौर मिल मालिक प्रपनी मिलों को ठीक से चलायें भौर मरकार की तरफ में कोई रुकावट नहीं है। हमारी तरफ से पूरी काणिश हैं कि जितने तरह के उद्योग हैं वह जितनी तेजी से हो सके हमारे देश में बढ़ें उस में हमारे देश का मला है। लेकिन किसी एक खास को बुलाकर हम कहें कि प्राप यह करे प्राप को कोई खास फैंसि-लिटी हम देंगे यह हमारी पालिसी नहीं है।

## Foreign Private Investment

\*543 Shri Ram Kishan Gupta Shri Kanwar Lai Gupta Shri R. S. Vidyarthi Shrimati Tarkeshwari Sinha Shri S. R. Damani

Will the Minister of Industrial Development and Company Affairs bepleased 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 Bhana 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 Detils in this regard are under examination

भी राम किशन गुप्त मैं जानना बाहता हू उन मुल्को के नाम जिन की तरफ में फारेन कोलैंबोरेशन के लिए प्रोपोजल्म भाये हैं?

सीधोगिक विकास तथा समबाय-कायं मश्री (श्रीफ करहीन झली सहमद) इस वक्त सब मुल्का के नाम नो नहीं दे सकता लिकन झान रहत है और मैं मेम्बर माहब को नाम द दगा।

श्री राम किञ्चन गुप्त में जानना चाहता हू वि फारन एम्बेमेंडसं की तरफ सं किस विस्म की फैसिलिटीज मागी जा रही है श्रीर उन के लिए सरकार क्या विचार कर रही है?

भी फलक्ट्रीन श्रसी भहमव जराफिर दाहराये, मैं ने सुना नही।

ग्रभ्यक्ष महोदय श्री कवर लाल गुप्त।

भी कथरलाल गुप्त नया मत्री महोदय वतायेंगे क्योंकि इन की पालिसी जो इस क बार म है सुबह कुछ होती है, शाम कुछ होती है, एक मन्नी कुछ कहता है, दूसरा मली कुछ कहता है, यहा कुछ कहा जाता है, कार्षेस की मीटिंग में कुछ, भीर तीसरी जगह कुछ भौर, तो भावीरी म भावने क्या यह प्रपनी पालिसी बदली है ? बैसे मिनिस्टर नाहब ने कहा हम कुछ तैयार कर रहे हैं तो धाप ने पहले वाली पालिसी रखी है या कुछ बदली है भीर बदली है तो क्या बदली है? कौन सी बढी बढी चीजो पर विचार कर रहेहैं जो धार्य भाप लाने बाले हैं ? दूसरी **वीज**---क्या विदेश के कुछ लोगो ने बाप से कुछ महालयते मागी हैं कि यह भगर भाप हमे कीसलिटीज देगे वो हम अपना पैसा सनावेंनें ? धगर बह मागी हैं तो क्या है भीर उन पर क्या कार्यवाही भाप ने की है?

भी कमरहीन जली बहनदः प्रद्वा तक पातिची का तास्तुक है हवारी पातिची 1949 से जब कि इडस्ट्रियल रेजोल्यूशन हम ने पास किया उस के मातहत हम ने काम किया और उसी पालिसी को हम खलाना भी जाहते हैं जैसा कि भानरेबल मेम्बर को मालूम है कि हम ने बाहर से इन्बेस्टमेट के लिए उन जीओ में सहलियत दी जो कि हमारे मुल्क में जिन के पैदा करने में दिक्कत है जिन का टैकनिकल नो नाउ या टैकनिकल नासेज नहीं है भीर जिन के लिए फारेन एकनचेज की बहुन जरूरत है भीर यहा पैसा नहीं मिल सकना।

इस के साथ साथ हमने यह भी किया कि जहातक होगा मैजोरिटी माफ़ शैयसे हम लोगों का होगा भीर माइनीरिटी स्नाफ शेंससं बाहरवालो का होगा। लेकिन उन्द चीजे जैसे इन्गोरेस, बैकिंग, टेडिंग कारपोरंशन वगैरह के लिये हम ने यह किया हुआ है कि वें यह हिम्सा नहीं ने सबती है। बाहर के लोगो की यह शिवायत है कि हमारी पालिसी उनको भ्रच्छी तरह से मालम नहीं है कि किन किन इण्डस्ट्रीज में यहां भा कर इन्बेंस्ट कर सकते है, दरख्वास्त देने में उन को काफी बक्त लगता है भीर उस के लिये किय-किस के पास जाना पड़ता है। हम इन सब बालों की डिटेन्ड को देख रहे हैं, जब बे हिटेंस्व तैयार हो जाएगी, तब एक रेजोल्युशन हमारा भाषेगा। मेरा इरादा है कि पालिया-मेट के सामने भी उस का रखगा।

श्री कंबर लाल गुष्तः ग्रांग्यक्ष महोदय,
मेरे दूनरे सवाल का जवाब नहीं दिया गया।
क्या ग्राप के पास विदेशों से कोई ऐसी माग ग्राई है कि ग्रागर ये सहुलियतें हम को देगे,
तब हम पैसा लगायेंगें विया उन्होंने कोई ऐसी
वीज ग्रापके सामने रखी है, यदि रखी है तो
उस पर क्या ग्रामल किया गया है?

भी कलक होन आती भ्रष्टमव : एक शिकायन उन की तरफ से यह आई है कि जब वह हमारी कन्द्री में बरक्वास्त देते हैं, तो उनको बहुत बनत मगता है भीर कई समह जाना पड़ता है, इस के घलावा धीर कोई बात नहीं है।

भी रा० स्व० विद्यार्थी: पिछले पांच साल से लगातार फौरन एक्सचेज इन्वेंस्टमेट कम होता जा रहा है भीर उस का कारण यह है कि यहा पर सरकार के कुछ परवरवा लोग, जिन के पास किसी ट्रेड की मौनोपोली है, वें सरकार को बाध्य करने हैं कि फौरन-एक्सचेंज की इन्वेस्टमेट यहा न हो पायं। धगर ऐसा है, तो क्या सरकार ऐसा प्रयस्त करेगी कि फौरन इन्वेंस्टमेट ज्यादा से ज्यादा देश में लगे भीर जो चीजे यहा पर पैदा नहीं होती है, वें देश की कन्जम्पान के लियं यहा पैदा हो मके?

श्री फलकड़ीन श्राली ग्रहमद: जैसा कि
मैंने पहले अर्ज किया हमारी यह पालिसी
है कि हम उन चीजों में फीरेन इन्वैस्टमट
मागते हैं भीर महलियतें देते हैं, जो हम खुद
सपने मुल्क में नैयार नहीं कर सकते हैं, जिनका
टैकनीकल-नो हाउ या माइन्टिफिक-नो-हाउ
हमारे मुल्क में नहीं है। यह एक बहुत श्रच्छी
बात है कि जब हमारे मुल्क की तरक्की हो
रही है, इण्डम्ट्रीब बढ रही है तो लाजमी
नौर पर फौरंन इन्वेस्टमंट भी कम होगा
श्रीर हमारे मुल्क का इन्वेस्टमंट ज्यादा
वर्षेगा।

Shri S. B. Damani: May I know in which particular industries foreign collaboration or investment is going to be allowed and whether any list has been finalised, and if so, the names of those industries, and whether proper care will be taken to see that those plant and machinery which are manufactured in the country will not be allowed to be imported?

Shri F. A. Ahmed: As I have already pointed out, we encourage foreign investment in those industries where we lack technical know-how and where it is not possible for us to find the entire foreign exchange for the purpose.....

Shri Kanwar Lal Gupta: Which are those industries? The hon Minister has not named them.

Shri F. A. Ahmed: There is a certain banned list in which foreign investment is not allowed. If the hon. Member wants, I can lay on the Table of the House a list of the industries which are banned for the purpose of foreign investment. There are certain institutions like banking. insurance and trading institutions where we do not allow any foreign investment.

Apart from that, there are two conditions. One is that their shares should be minority shares and only in those industries where we have allowed such investment. We have allowed majority shares where the main contribution to the project is in a field of technology where India has made little progres, and secondly, the amount of foreign exchange needed for the project is such that unless the foreigner is allowed to have a mojority shareholding, we shall ourselves have to find a substantial amount of it.

Shri Vasudevan Nair: After all this, what is left in it?

Shri F. A. Ahmed: These are the only two exceptions where we have accepted majority shares. Otherwise, we allow foreign investment if it is favourable to us and if we find that the development of those industries is in the interests of our country.

Shri S. R. Damani: My question is: in which particular line of industry foreign collaboration and investment is going to be allowed.

Shri F. A. Ahmed: I have said that so far as basic industries are concerned, we do not allow foreign investment. This also applies to institutions I have named, namely, insurance, banking and trading. Only where technical know-how is not available in our country and where a large volume of foreign exchange is required, and it is not possible for us to raise that foreign exchange ourselves and also that industry is necessary for the development of our country. there we encourage and allow foreign collaboration.

Shri H. N. Mukerjee: In regard to majority foreign shareholding in certain intances, the late Prime Minister. Shri Lal Bahadur Shastri, had told this House on 2 March 1965 that Government's policy as that in cases where we are constrained to accept majority shareholding, we shall put up a condition that as far as possible ultimately they would become minority partners in the concerns which are set up. What progress has been made in this direction since 1965 and may I know whether Government intends, now that it is going to formulate a policy, to see to it that majority foreign shareholding is eliminated altogether?

Shri F. A. Ahmed: That is the line in which we are thinking.

Shrimati Sharda Mukerice: The latest figures available according to RBI bulletins concerning the quantum of private foreign investment in 1962 come to Rs. 735 crores, which is probably 50 per cent or thereabouts of the total. With a'l these relaxations of rules and so on, what is the policy of Government as to the percentage of private foreign investment in regard to the total private investment in the country? What is the maximum that will be allowed?

Shri F. A. Ahmed: I have already said that what we have in view is the development of industries which are essential to our country and also there where technical know-how and scientific knowledge is otherwise not available. Subject to these, it is our attempt to reduce foreign investment in our country as much as possible,

Shrimati Sharda Mukerjee: What is the Government's policy?

Speaker: He has already replied to that while answering a previous question.

Shrimati Sharda Mukerjee: Is there going to be no limit?

Mr. Speaker: Shri Jha.

भी शिव चन्द्र माः मंत्री महोदय ने कहा कि फौरन इन्वेंस्टमेंट के संबंध में विचार हो रहा है कि क्या पालिसी हमें बरतनी वाहिये। प्राज यह स्थिति है कि जिस मुल्क का प्राइवेट इन्वेस्टर यहा इन्वेस्ट करना है उस मल्क की नीति हमारी राष्ट्रीय नीति से प्रन्तर्राष्ट्रीय मैदान में खिलाफ़ जाती है तो बाहे 50 परमेन्ट में कम भी हो, तो भारत यदि चाहेतो उस पर कब्जा कर सकता है. उस को एप्रीप्रिएट कर सकता है। मै जानना चाहता ह कि क्या प्राइवेट इन्बेंस्टसं की तरफ में यह बात रखी जा रही है कि यदि उन के मुल्क की नीनि हमारी नीति से राष्ट्रीय मैदान में बिलाफ जाती हो, तो भी 10-15 साल तक उस का एप्रोप्रिएणन नही होगा ?

श्री कसच्हीन सली सहसव: मैंने कहा है कि हमारा सब में पहला मनमद यह है कि कन्द्री का दबेलेपमेंट हो, इस बात को महेनजर रखते हुए जिन इण्डस्ट्रीज की हम को जरूरत है, हम उन को जन्दी से जन्दी बढ़ाना चाहते हैं। जिन चीजों की टैकनीकल नो-हाऊ भीर फारेन एनसचेंज की हम को जबरत है, मरकार उन चीजों के फीरन इन्वेंस्टमेंट को महूलियन दे रही है। लेकिन जब हुम अपने पैरों पर खड़ें हो जायेंगें, हमारे पास टैकनीकल नां हाउ होगा, तब हम को बहां से रुपया लेने या टैकनिकल-नो-हाऊ लेने की जरुरत नहीं होगी।

वी सवीमाई वें प्रशंस : माननीय प्रव्यक्ष, में घाप की मार्फत माननीय संबी में प्रश्ना चाहता हूं कि कीन कीन से उन्नीनों में किनने कितने प्रतिज्ञन विदेशी पूजी जगाने पर उन्होंने मंजूरी दी है ? पत्नी महोदय कृपया उन के नाम बननायें। दूसरे फितने समय के भन्दर विदेशों से जो यहां व्यापार करने के लिए माते हैं उन को भाग सारी सुविधाएं देते हैं धौर वह फैक्टरियां चासू हो जाती हैं?

भी फलपड़ीन अली सहसव: जहां तक इडस्ट्रीज के नामों का ताल्लुक है मेरे पास इस वक्त नाम नहीं हैं बाकी धर्गर धानरेकुम मेम्बर को जरूरत होगी तो मैं बाद में उन्हें दे सक्गा:

Shri Jyotirmoy Basu: Mr. T. T. Krishnamachari, who was once the Commerce Minister and then Finance Minister, while addressing the Associated Chamber of Commerce, Calcutta, in early 1950 had made a policy declaration that we shall only allow foreign capital to come where it is a must for technical knowhow, and for others it will be left to the sons of the soil In view of that, may I ask the Government to tell us how far they have deviated from that policy declaration in the past, and they propose to do for the future?

Mr. Speaker: He has answered The questions are becoming repetitive

Shri F. A. Ahmed: I have explained the policy we have been pursuing

Shri K. Narayana Rao: The Minister has pointed out that there are two factors which enter into the policy, know how and foreign exchange So far as the foreign exchange probiem is concerned, is it not true that the foreign capital has been allowed on the ground of foreign exchange, then the entire foreign exchange has again to be ploughed back by means of profit in due course of time? Such being the case, does it not mean that the foreign exchange problems today are only deferred to the future in view of this particular thing? If so, may I know whether the Government has taken any precautionary steps in entering into these agreements to see that the profits which ultimately the foreign investor gets will be utilised for the Indian economy itself?

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Shri F. A. Ahmed: So far as the question of foreign exchange is concerned, the hon. Member must bear in mind that we only allow such foreign exchange to come in with respect to capital equipment which is not available in our country, and which we require immediately for the purpose of development, and only in those cases the question of foreign exchange is taken into consideration And whenever these agreements are entered into, we try to safeguard the interests of the country so that as much as possible the profits earned here do not go out of our country

Shri S. S. Kothari: Is the investment climate considered satisfactory by the Government? How does the return on capital invested in this country compare with the return on capital invested in other countries?

Mr. Speaker: Wider, much wider question

Shri F. A. Ahmed It is a question of opinion

Shri Umanath: They have the assessment. In fact, so many times it has been mentioned. The highest return is in this country.

Shri F. A. Ahmed: What I am pointing out is that it is a matter of opinion. That is a question which the investor has to consider and not myself.

Shri Umanath: You have not considered it, the Government has not considered it?

Shri Hem Barua: May I know if it is a fact that the hon. Minister has decided to invite foreign capital, of course from some East European countries, for the purpose of setting up a plant in this country to manufacture small cars? If he has done so, I would like to know.

Mr. Speaker: How does it arise here?

Shri Gopalan: It has been reported that the rate of profit earned from British and American investment in India is the highest in the world as compared to the rate of profit earned in other countries. In view of this, may I now from the Minister what steps they are proposing to take to check this drain of national wealth?

Shri F. A. Ahmed: We examined all these proposals and we find that the agreements are in our favour; then only they are accepted. We do not in every case know what profit is earned by them in other countries and perhaps in many countries the profits earned is less or more than what they are getting in India. . . . (Interruptions)

Mr. Speaker: Next question-544.

Incentives for Small-Scale Sector

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\*544. Shri Sharda Nand:
Shri Bharat Singh Chauhan:
Shri Ranjit Singh:
Shri N. R. Laskar:
Shri Sradhakar Supakar:
Shri Liladhar Kotoki:
Shri Shri Gopal Saboo:
Shri A. B. Vajpayee:
Shri Kanwar Lai Gupia:
Shri Ram Avtar Sharma:
Shri Parkash Vir Shastri:
Shri Shiv Kumar Shastri:
Shri Y. S. Kushwah:

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

- (a) whether Government propose to give incentives and facilities to small scale sector in order to hold the price line of consumer goods and to compete in foreign markets;
- (b) whether Government have set apart 50 to 60 items of manufacture exclusively for the small scale sector; and
- (c) if so, the main features of the proposals and the number of small