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Friday, March 13, 1964  
Phalguna 23, 1885 (Saka)

# LOK SABHA DEBATES

Seventh Session  
(Third Lok Sabha)



LOK SABHA SECRETARIAT  
New Delhi

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## LOK SABHA DEBATES

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### LOK SABHA

Friday, March 13, 1964/Phalguna 23,  
1885 (Saka)

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

[MR. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### M.M.T.Cs. Agreement with Poland

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- \*565. { Shri Vishram Prasad:  
Shri R. G. Dubey:  
Shri Yashpal Singh:  
Shri Jedhe:  
Shri B. P. Yadava:  
Shri Dhaon:  
Shri Bishanchander Seth:

Will the Minister of International Trade be pleased to state:

(a) whether the Minerals and Metals Trading Corporation of India has concluded any agreement with the Polish Government; and

(b) if so, the broad features thereof?

**The Minister of Industry (Shri Kanungo):** (a) and (b). Pending finalisation of 1964 contract for the supply of iron ore to Poland, the Polish Enterprise has agreed to buy one lakh tons of 65/63 grade iron ore during January 1964—April, 1964. Contract for the supply of iron ore has been entered into by the Minerals and Metals Trading Corporation of India Ltd. with M/s. Stalexport of Poland. A delegation of the M.M.T.C. is visiting Poland to finalise the 1964 contract for the supply of iron ore.

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**Shri R. G. Dubey:** May I know whether any other items are included in this agreement?

**The Minister of International Trade (Shri Manubhai Shah):** Yes, Sir, there are many items included in this. This is only one of the items. The items will be pig iron, steel, ferro-alloys and non-ferrous metals.

**Shri R. G. Dubey:** May I know whether this is a barter agreement and whether we should get other items in exchange from Poland?

**Shri Manubhai Shah:** This is not strictly a barter agreement, but a rupee payment agreement. Whatever is permissible under the trade protocol will be imported from Poland against export of iron ore.

**श्री यशपाल सिंह :** क्या इस एग्रीमेंट में ऐसा कोई प्रावीजन है कि भारत से भेजा हुआ माल पोलैंड वाले हमारे किसी शत्रु देश को सप्लाई नहीं कर सकेंगे ?

**श्री मनुभाई शाह :** इस में कोई शत्रु देश का सवाल नहीं है । वह किसी को सप्लाई नहीं कर सकते, वह खाली खुद ही कंज्यूम कर सकते हैं ।

**Shri Maheswar Naik:** May I know whether the terms of export of iron ore to Poland are easier compared to those with Japan?

**Shri Manubhai Shah:** They are at international prices, depending on the distance from India.

**Iron Ore Export**

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- \*566. { **Shri Subodh Hansda:**  
**Shri S. C. Samanta:**  
**Shri M. L. Dwivedi:**

Will the Minister of **International Trade** be pleased to state:

(a) whether it is a fact that all exports of iron ore from the Eastern Zone are channelised through Paradip Port; and

(b) if so, the reasons for abandoning the Calcutta Port for such exports?

**The Minister of International Trade (Shri Manubhai Shah):** (a) No, Sir.

(b) Does not arise.

**Shri Subodh Hansda:** May I know whether it is a fact that some time back a news item appeared in the newspapers that all the exports of iron ore from Orissa zone would be diverted from Paradip Port?

**Shri Manubhai Shah:** There is a misunderstanding on this point. The development of Paradip as a major port has been undertaken by the Government to see that the Tomka-Daiteri iron deposits and Talcher deposits in Orissa are developed for further exports in future. The present position is that it cannot handle any big vessels and only small quantities are exported through it. Haldia, Calcutta and Paradip will continue to be used for all the eastern region iron ore exports.

**Shri Subodh Hansda:** Is there any plan in future to export iron ore through Haldia port?

**Shri Manubhai Shah:** Yes, Sir.

श्री म० ला० द्विवेदी : मैं जानना चाहता हूँ कि क्या मिल्डिंग की वजह से कलकत्ता बन्दरगाह में माल को ले जाने में कोई कठिनाई नहीं पड़ती ? यदि हाँ, तो इस दिक्कत को कैसे दूर किया जायेगा ?

श्री मनुभाई शाह : बहुत दिक्कत पड़ती है । इसे दूर करने के लिए ट्रांसपोर्ट मिनिस्ट्री इजिंग कर रही है ।

**Shri Ramachandra Ulaka:** May I know whether it is a fact that the progress of export of iron ore from the eastern zone has slowed down during the year; if so, the reasons therefor, and the action taken by Government in this regard?

**Shri Manubhai Shah:** No, Sir, there is no slowing down.

**Shri Ranga:** Are any special steps being taken to develop the Masulipatam and Kakinada ports for the export of iron ore, instead of loading too much at Vizag as at present.

**Shri Manubhai Shah:** The general policy of development of ports for iron ore export is to concentrate on six major ports of India, because, as the hon. House is aware and the hon. Member is aware, transport and handling cost is a very major component in the export earning of iron ore. Wherever there are opening like Kakinada, Masulipatam or Karwar, etc. we are taking advantage of the existing facilities and the normal developmental programme of the States in regard to these intermediate or small ports for exporting whatever we can.

**Shri B. K. Das:** In view of the fact that Haldia has not yet been developed, what is the present position or percentage of exports through the Calcutta port? How much is exported through Paradip?

**Shri Manubhai Shah:** I had already explained this matter.

**Motor-cycles and Scooters**

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- \*567. { **Shri Ramachandra Ulaka:**  
**Shri P. C. Borooah:**  
**Shri Dhuleshwar Meena:**

Will the Minister of **Steel, Mines and Heavy Engineering** be pleased to refer to the reply given to Unstarred Question No. 1586 on the 13th December, 1963 regarding production of motor-cycles and scooters and state.

(a) when the factories are likely to go into production and whether

foreign exchange necessary therefor has been allocated in full;

(b) whether any applications for setting up of new factories have been under consideration, if so, the number thereof and in how many cases foreign exchange has been secured;

(c) whether it is a fact that the prices of scooters and motor-cycles have been increasing and if so, how the present prices compare with that in vogue three years before; and

(d) the steps being taken to reduce the prices of indigenous production?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subra-**

**maniam):** (a) to (d). A statement is laid on the Table of the Sabha.

#### Statement

(a) One unit for the manufacture of mopeds will be in regular production by the middle of this year and the other is expected to commence production by the end of the year. Necessary foreign exchange required for capital goods and raw materials has been released.

(b) No applications for the establishment of new factories are under consideration.

(c) The ex-factory retail selling prices of scooters and motor-cycles ruling today and 3 years ago compare as follows:—

Name of vehicles	Prices ruling in 1961	Prices ruling now
	Rs.	Rs.
Lambretta Scooter . . . . .	1800·00	2027·54
Vespa Scooter . . . . .	1964·00	2041·35
Enfield (Fantabulus) Scooter . . . . .	2575·00 (introduced in 1962)	2772·00
Enfield motor-cycle 350 c.c. . . . .	3733·00	3995·00
150 c.c. . . . .	2078·00	2240·00
Rajdoot motor cycle . . . . .	2200·00 (introduced in 1962)	2200·00
Jawa motor-cycle 350 c.c. . . . .	2580·00	2580·00
150 c.c. . . . .	1224·00	1143·00

(d) Reduction in prices is possible only if the volume of production of each unit is substantially increased. To achieve this aim, licensing of new units has been banned and the expansion of existing units will be encouraged if the need arises for licensing more capacity.

**Shri Ramachandra Ulaka:** Kindly refer to para (a) of the statement. What are the actual production capacities of these producing units and what are the capacity of those which are already in the production stage?

**Shri C. Subramaniam:** I have given the units which are already in the production stage.

**Mr. Speaker:** What is the capacity? He wants that.

**Shri C. Subramaniam:** I am sorry I do not have that with me. But this has been given on an earlier occasion.

**Shri Ramachandra Ulaka:** What time is allowed by Government for the commencement of production? Has any producer surrendered his licence due to the reason that he could not start the production within this time?

**Shri C. Subramaniam:** Yes, Sir; some licences had to be revoked because they did not take sufficient steps to implement the licence. It takes about two years to get into production.

श्री ब्रज बिहारी मेहरोत्रा : क्या माननीय मंत्री बताने की कृपा करेंगे कि ये मोटर साइकिल्स और स्कूटर यहां पूरे के पूरे

बनेंगे, या इन के कुछ भाग बाहर से मंगाने पड़ेंगे ?

**Shri C. Subramaniam:** Not cent per cent. Lambretta 81 per cent indigenous content. Vespa 69 per cent; Enfield-75 per cent. It is round about these figures.

**Shri R. G. Dubey:** What is the actual cost of production, because the impression goes about in the country that these prices are very high?

**Shri C. Subramaniam:** They get about ten per cent margin on this: on that basis price is fixed.

**Shrimati Savitri Nigam:** Why have the prices of Lambretta and Vespa increased and not those of Rajdoot and Jawa motor cycles? Is it a fact that because the demand is more for Vespa and Lambretta the dealers have increased the prices?

**Shri C. Subramaniam:** As a matter of fact a cost accountant goes into the cost of production and it is on that basis that it is done. The main increase has been because of the increase in the excise and customs duties.

श्री म० ला० द्विवेदी : मंत्री महोदय ने हाल ही में एक बयान दिया था जिस में बतलाया था कि छोटी कार और स्कूटर के नए कारखाने बनाए जा रहे हैं। मैं यह जानना चाहता हूं कि इस बात को ध्यान में रखते हुए कि लम्ब्रेटा और स्कूटर ब्लैक में एक हजार रुपये ज्यादा पर बिक रहे हैं, क्या सरकार इन कारखानों की कैपेसिटी बढ़ाने के लिए कदम उठा रही है जिस से कि जनता की मांग पूरी हो सके ?

How long will it take to increase the capacity for the production of Lambretta, Vespa, etc. so that the demand of the public may be fulfilled?

**Shri C. Subramaniam:** As regards Lambretta and Vespa scooter we have already given some expansion programme and they are doing it.

**Shri M. L. Dwivedi:** To what extent?

**Shri C. Subramaniam:** I cannot give the exact figures. With reference to the Fourth Plan, we shall further examine and try to find out to what further extent expansion could take place.

**Shri Bhagwat Jha Asad:** Licences for new factories have been banned but there is the demand. How does the hon. Minister expect the present manufacturing units to expand their production? Since the prices are so high, do Government propose to force them to expand or allow new units?

**Shri C. Subramaniam:** If only an opportunity is given to them everybody is prepared to expand.

**Shri Harish Chandra Mathur:** As it is obvious from the statement that prices cannot be brought down until and unless the number produced in a particular unit is increased to a considerable extent, may I know what would be the minimum which must be produced to give an economic rate and what would that rate be? Are you contemplating some action as you are taking in the case of small cars to pool them or to put it in the public sector?

**Shri C. Subramaniam:** There is no intention of pooling them, because, here, my own impression is, if we concentrate over the expansion during the fourth Plan we should reach an economic size for this sector. It is about 30,000 to 50,000 per unit.

**Shri Harish Chandra Mathur:** What about the price?

**Shri C. Subramaniam:** I cannot immediately say. There should be some decrease in price.

श्री यशपाल सिंह : इसी आदरणीय सदन में माननीय मंत्री ने यह आश्वासन दिया था कि इन की कीमत १५०० रुपये पर आ जायेगी तो वह कब तक आ जायेगी और हम इस मामले में कब तक सैल्फ सफिशिएंट हो जायेंगे ?

**Shri C. Subramaniam:** I do not think in the near future we can bring it down to Rs. 1,500. Self-sufficiency is a relative term, but we shall try to see that during the fourth Plan there is sufficient expansion to meet the demands.

**श्री कछवाय :** स्कूटर्स की देश में बहुत मांग है तो इस की मांग की पूर्ति कब तक हो जायेगी और मांग की पूर्ति के साथ साथ क्या कुछ कीमतें भी उनकी घटेंगी ?

**Mr. Speaker:** Only the latter portion need be answered. The first part of the question has already been answered.

**Shri C. Subramaniam:** I could not follow.

**Mr. Speaker:** The question is whether the prices would decrease as the number of scooters produced becomes greater.

**Shri C. Subramaniam:** Yes, Sir; it is bound to decrease.

#### Woollen Industry

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\*568. { **Shri Maheswar Naik:**  
          **Shri Onkar Lal Berwa:**  
          **Shri P. C. Borooah:**

Will the Minister of **Industry** be pleased to state:

(a) whether it is a fact that the small manufacturers in the woollen industry are facing considerable hardship for want of raw materials; and

(b) if so, the steps being taken to save them from extinction?

**The Minister of Industry (Shri Kanungo):** (a) and (b). As a result of the Emergency and the consequent gearing of the entire woollen industry to defence production, there was an overall shortage of raw materials, affecting all consumers including the

small scale manufactures. With the banning of exports of yarn coupled with the fact that defence requirements have by now been largely met, the position is expected to improve. A Distribution Committee is examining the entire question.

**Shri Maheswar Naik:** May I know whether, in view of the existing shortage of imported yarn, it is contemplated to import it so that this import can serve as an incentive for the export of finished goods?

**Shri Kanungo:** No, Sir. We are not contemplating imports. We cannot afford it.

**Shri Maheswar Naik:** May I know to what extent our policy on the export of raw wool is responsible for the starvation of the existing small-scale industries?

**Shri Kanungo:** Export will always have priority over internal requirements.

**Shri Sham Lal Saraf:** May I know whether the shortage is being felt in the indigenous raw material or in the imported ones?

**Shri Kanungo:** Import.

**Dr. L. M. Singhvi:** May I know whether any of the existing woollen mills have been licensed in recent years, during the last two or three years, to manufacture carpets also and, if so, what is the number of such woollen mills and, if not, why not?

**Shri Kanungo:** The woollen mills do not weave carpets. They are licensed for spinning carpet yarn; they sell yarn and the carpet-makers make them.

**Shri Kapur Singh:** How far does our domestic wool production fall short of our overall requirements and what are our main sources of import?

**Shri Kanungo:** Our domestic production of wool is not good enough for worsted spinning. It is good enough for carpets, and the worsted

spinning has to be done on imported wool which used to be of the order of Rs. 10 crores. It has now come down to Rs. 5 crores.

**Shri Kapur Singh:** What are the major sources of import?

**Shri Kanungo:** Mostly Australia; that is the world source.

**श्री श्रीकार लाल बेरवा :** में जानना चाहूंगा कि बड़े मिल मालिकों को और छोटे लघु उद्योगों को जो कोटा दिया जाता है वह किस आधार पर दिया जाता है ?

**श्री कानूनगो :** उन का पुराना जो कंजम्पशन रहता है उस के आधार पर दिया जाता है ।

**Dr. Ranen Sen:** Previously we used to import a certain amount of raw wool from Tibet. What is the present position?

**Shri Kanungo:** All shut out.

**Dr. M. S. Aney:** To the question as to what are the main sources, the hon. Minister said, "world source". That is not the reply to be given. Why not he mention the name of the country?

**Mr. Speaker:** Obviously, the hon. Member did not hear the answer, fully. He said Australia, which is the world source.

**Shri Hem Raj:** May I know whether the Government has received any representation from the Lahaul and Spiti traders who have got some stock which is remaining undisposed of and whether the Government have taken any steps to help them?

**Shri Kanungo:** There is a shortage all round. We have not received any representation from them.

**Shri P. R. Ramakrishnan:** In view of the shortage of wool, and since a few processes of the manufacture of synthetic wool from plastics have been

perfected, is the Government licensing any factory for the production of this synthetic wool?

**Shri Kanungo:** There are many synthetics. But my opinion is that no synthetic is as good as wool. Of course, we would like to set up capacity for various man-made fibres, but at present there is no proposal.

### F.I.C.C.I. Conference

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\*569. { **Shri Yashpal Singh:**  
**Shri Hem Barua:**  
**Shri P. C. Borooah:**

Will the Minister of **Industry** be pleased to state:

(a) whether it is a fact that the eastern regional conference of the Federation of Indian Chambers of Commerce and Industry recently expressed their concern at the present disparity in the growth rate of the eastern and western regions of the country; and

(b) if so, the actual position?

**The Minister of Industry (Shri Kanungo):** (a) and (b). Government have not received any communication from the Federation of Indian Chambers of Commerce & Industry on this subject. However, from a Press Communiqué issued by the Federation, it is noticed that a reference was made to the uneven industrial development within the eastern region in spite of ample natural resources. As far as the Government is aware, no comparison between the growth rates in the eastern and western regions of the country was made.

The factual details relating to balanced regional development of the country are available in the brochure entitled "Economic Development in Different Regions in India" published by the Planning Commission in August, 1962, copies of which are available in the Parliament Library.

**श्री यशपाल सिंह :** क्या यह बतलाया जा सकता है कि ईस्टर्न रीजन में ज्यादा कारखाने कब तक खुल जायेंगे और ईस्टर्न और वेस्टर्न रीजन के बीच में आज जो यह डिसपैरिटी है वह कहां तक हट जायेगी ?

**Shri Kanungo:** This statement will show that it is a continuing process.

**श्री यशपाल सिंह :** स्टेटमेंट में अभी तक यह नहीं बतलाया गया कि प्रपोज़नलो कितनी डिसपैरिटी अभी चल रही है ?

**Shri Kanungo:** It is very difficult. The statement makes it clear and I would refer the hon. Member to the paper which has been published by the Planning Commission "*Economic Development in Different Regions in India*" where this matter is very well discussed.

**Shri Brij Raj Singh:** He has not answered the question about the proportional disparity.

**Mr. Speaker:** He has referred to that paper. If it is contained in a published document, it is enough.

**Shri Kapur Singh:** What are the basic reasons for this disparity in growth rates of these different regions?

**Shri Kanungo:** Mostly historical.

**Shri Bhagwat Jha Azad:** As far as I remember, the brochure *Economic Development in Different Regions in India* does not give any indication of the Government's assessment as to how there is disparity between growth rates in western and eastern regions. May I know whether, in spite of this brochure, any attempt has been made by the Government to study the problem as to how far the resources of the eastern region can be developed much better as compared to the western region?

**Shri Kanungo:** It is very difficult to assess it. The fact remains that certain natural resources are available

in the eastern part of India and it is the constant effort of the Government to utilise them.

**Shri R. G. Dubey:** May I know whether the Government or the Planning Commission have any machinery to assess that balanced development of the regions is taking place?

**Shri Kanungo:** Yes, Sir; the Planning Commission's job is that.

### नागालैंड में चुनाव

\*५७०. श्री प्रकाशबीर शास्त्री : क्या विधि मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या नागालैंड में सामान्य निर्वाचनों के बारे में कोई शिकायतें मिली हैं ;

(ख) यदि हां, तो किन लोगों से तथा किस तरह की ; और

(ग) क्या कुछ कारणों से कुछ क्षेत्रों में निर्वाचन नहीं हुए थे ?

**The Deputy Minister in the Ministry of Law (Shri Bibudhendra Misra):** (a) and (b). The Election Commission has not received any complaint on the actual conduct of the recent general elections in Nagaland. However, certain complaints such as stopping of party meetings unlawful rejection of nomination papers, arrest of opposition party workers, kidnapping of election agents, public meetings in polling areas etc. were received by the Commission.

(c) It is not correct that elections were not held in certain areas.

**श्री प्रकाशबीर शास्त्री :** समाचारपत्रों में कुछ ऐसे समाचार भी नागालैंड के चुनावों के सम्बन्ध में प्रकाशित हुए थे कि पाकिस्तान जिस तरह पहले से नागा विद्रोहियों को उभारता रहा है उसी तरीके से नागालैंड के चुनावों में उस ने कुछ इंटरफ़ीयर करने का प्रयत्न किया तो क्या सरकार



ने कुछ जानकारी लेने का प्रयत्न किया, यदि हां, तो उस का विवरण क्या है ?

**Shri Bibudhendra Misra:** No, Sir; the Government has no information to that effect.

**श्री प्रकाशवीर शास्त्री :** क्या मैं जान सकता हूँ कि नागालैंड के इन चुनावों में फ़िज़ो समर्थक कुछ लोगों ने कई स्थानों पर इस प्रकार के भी उपद्रव कराये जिस से कुछ व्यक्तियों को चोटें आईं, यदि हां, तो उस का विवरण क्या है ?

**Shri Bibudhendra Misra:** No, Sir.

**Shrimati Renuka Barkataki:** May I know why in the Tuensang area there was no election and members were nominated from there?

**Shri Bibudhendra Misra:** There was election under the Nagaland Act itself. There is indirect election from the Regional Council. 6 members were elected from the Tuensang District.

**Shri Kapur Singh:** Has any large-scale interference by Government machinery been alleged in these elections?

**Shri Bibudhendra Misra:** Between the date of polls there was no complaint as such. There were some complaints before the date of filing the nomination papers. The Chief Election Commissioner of India was there for a week just before the date of poll. Along with the State Government officials, he made personal enquiries about it and found that the allegations were baseless.

**Shri Kapur Singh:** Sir, he has not answered my question. May I know whether any large-scale interference by the Government machinery in these elections has been alleged?

**Shri Bibudhendra Misra:** I have said that there was no interference at all, what to speak of large-scale interference.

**Mr. Speaker:** He wants to know whether allegations have been made.

**Shri Bibudhendra Misra:** Allegations have been made, and it was found that they were not true.

**Shri Ranga:** May I know whether there were any election suits?

**Shri Bibudhendra Misra:** There has been no election petition filed as yet. In respect of 35 constituencies the date for filing the election petition is over and only in respect of 5 constituencies the last date will be tomorrow—14-3-1964.

**श्री कछवाय :** क्या यह सच है कि इस चुनाव में कुछ लोगों को चुरा लिया गया था, कुछ लोगों को पकड़ लिया गया था और जिन्होंने यह काम किया, वे फ़िज़ो के समर्थक थे ?

**Mr. Speaker:** He wants to know whether those who kidnapped some of the voters were the supporters of Mr. Phizo?

**Shri Bibudhendra Misra:** There were some allegations of kidnapping, not by the supporters of Mr. Phizo but by others; but it was found that the allegations were baseless.

### Productivity Council

**\*571. Shri Harish Chandra Mathur:** will the Minister of Industry be pleased to state:

(a) whether Government has assessed the impact of the working of the Productivity Council;

(b) what is the working programme of the Council for 1964-65; and

(c) the expenditure incurred by the Council so far and the sources of income?

**The Minister of Industry (Shri Kanungo):** (a) to (c): A statement is laid on the table of the House.

### Statement

(a) No formal assessment of the working of the Productivity Council

has been made by Government but the Council has itself been evaluating its various activities from time to time.

(b) During 1964-65, it is expected that the National Productivity Council will organise 350 training courses

with the participation of about 6,000 persons.

Some of the important training programmes planned exclusively by NPC (other than those through Local Productivity Councils) for 1964-65 are as follows:—

Name of the training course	Place	Date
(a) Industrial Engineering	Madras	June '64 to Nov. '64.
(b) Training in Management for Higher Productivity	Srinagar	May/June 1964.
(c) Special Industrial Management Programme for Army Personnel facing early retirement	Delhi	March/April 1964.
(d) Integrated Programme for Base repair Depot,	Kanpur Hyderabad.	May/June 1964.
(e) Indian Air Force, Kanpur and Allwyn Metal Works, Hyderabad		
(f) Top Management Programme sponsored by Asian Productivity Organisation		Sept./October 1964. January 1965.
(g) Four Seminars		
(h) Training in Productivity Techniques for Building Industry	Delhi	April/May 1964.

## 2. Incompany Training Programme:

Besides the above training programmes, In-company Programmes are arranged on the premises of individual companies, meant exclusively for their employees. Fifty such programmes in different subjects have been planned for 1964-65 in collaboration with Local Productivity Councils.

3. Integrated Programmes: National Productivity Council has planned that during 1964-65, six integrated programmes will be organised. An integrated programme consists of a series of short courses organised to cover all key personnel of an organisation. The objective of these short courses is not to develop specialists, but to acquaint the existing personnel with modern techniques, practices and procedures of effective operation in their respective fields of work and to give a productivity bias to their operations.

4. Training Manuals: During 1964-65, National Productivity Council has planned to develop Training Manuals on the following subjects:

1. Quality Control
2. Training of Trainers
3. Cost and Budgetary Control
4. Industrial Safety
5. Management Development
6. Marketing and Sales
7. Production Engineering
8. Work Study in Textile Industry
9. Recruitment and Selection
10. Job Evaluation
11. Work Sampling
12. Supervisory Development
13. Work Study
14. Productivity programme for Workers
15. Office Management
16. Communication and Grievance procedure.

17. Material Management
18. Personnel Management in Industrial Relations
19. Human Relations.

The above training manuals will be used by specialists of National Productivity Council and Local Productivity Councils and other professional trainers working with professional training organisations and training department of industries.

5. *Seminars and Conferences*: About 125 Seminars, Conferences and Symposia will be organised by National Productivity Council during 1964-65 under the auspices of Local Productivity Councils and other organisations. It is expected that approximately 8,000 persons will participate in them. National Productivity Council has decided to organise a national conference for training executives in December, 1964 at New Delhi.

6. *The Foreign Training Programmes*: The programme for 1964-65 will consist of the following:

(a) Advanced training abroad in Management and productivity Techniques.

The programme presently committed is for 25 fellowships under US-AID. Additional 25 fellowships for training abroad may be available depending upon additional funds. Aid has also been requested for this programme under the Colombo plan and from the Government of France. It is expected that aid may be available from the Government of West Germany also for training abroad.

(b) *Study Teams*: Under US-AID two study Teams will be sponsored in the following subjects depending on the funds becoming available during the year:

- (i) Role of Labour in productivity.
- (ii) Industrial Engineering in Productivity.

7. *Productivity survey and Implementation Service*: During 1964-65, this service will cover about 20 industrial undertakings, both small and large.

8. *Fuel Efficiency Service*: At the instance of the Government of India, NPC has established a Fuel Efficiency Service to investigate fuel and heat utilisation practices in industry, advise industry on improved techniques of utilisation and train management and technical personnel in such techniques. The service was formally inaugurated on the 15th February 1964, and will commence operation in industrial areas of Bombay very shortly.

(c) During the five years ending 31st March, 1963, the Council has incurred an expenditure of about Rs. 78 lakhs as below:—

Year	Amount
1958-59	4.84 lakhs
1959-60	12.88 lakhs
1960-61	16.30 lakhs
1961-62	21.69 lakhs
1962-63	22.35 lakhs
	<hr/> 78.06 lakhs

The sources of income of the Council are grant-in-aid from the Government of India, sale proceeds of its publications, and recovery of specialists' charges for services rendered to industry and industrial personnel. The amount indicated above does not include the expenditure on the Council's programme of training abroad and productivity study Teams, financed by foreign Governments, the details of which are not available.

**Shri Harish Chandra Mathur**: The statement says: "No formal assess-

ment of the working of the Productivity Council has been made by Government". May I know what supervision, control and direction the Government exercise when they are spending more than Rs. 22 lakhs a month over this Council, and why no assessment was made by the Government?

**Shri Kanungo:** The Government feels that it is too early to assess the working of the Council. From the very nature of the work of the organisation, we feel that it is too early to have any objective assessment of it. The programme of the organisation is always approved by the Government and they keep a watch over it.

**Shri Nath Pai:** What a reply! Indeed, a very enlightening reply!

**Shri Harish Chandra Mathur:** Is it a fact that there has been a change of the Chairman. Dr. Lokanathan was the Chairman, then he got out, then another gentleman by name Shri Ayyangar came, then he got out and again Dr. Lokanathan came in. What explains this change? Has it anything to do with the working of the Productivity Council?

**Shri Kanungo:** No. Shri Ayyangar wanted to resign from this chairmanship for personal and business reasons.

**Shri Harish Chandra Mathur:** The question was why Dr. Lokanathan was removed and Shri Ayyangar was appointed?

**Shri Kanungo:** Dr. Lokanathan wanted to resign for about two years. We persuaded him to remain but he insisted on resigning. Now again he has been persuaded to accept it.

**Shri Sham Lal Saraf:** May I know whether some reports have been coming to the Ministry with regard to the different units of this Productivity Council all over the country? Apart from having an assessment of the Productivity Council as a whole, may I know whether reports are coming from the different units of this organisation spread over the country and

which are separate from the central one; if so, whether they go to prove that those units of the Productivity Council are working satisfactorily or not?

**Shri Kanungo:** There are about 40 local Productivity Councils. Mostly they have their own resources and their reports come to the Government.

**Dr. Ranen Sen:** Several teams were sent abroad on behalf of this Productivity Council. We gather that certain reports have been sent by these teams. Have the Government made any assessment of those reports; if so, what is the result of that assessment?

**Shri Kanungo:** The reports are always placed in the library and sometimes on the Table of the House also. The Government watch the results of it, in the sense that they see whether those who have had the advantage of training are able to and impart the same in the country in the local programmes. By and large, they do it.

**Dr. L. M. Singhvi:** May I know whether Government are aware that there have been a large number of complaints in the administration of the foreign training programme of the Productivity Council; if so, may I also know whether the Government are aware that there are any set criteria for the selection of such foreign trainees or whether the selection is made entirely on a personal and patronage basis?

**Shri Kanungo:** The Government has not received any complaint so far about the selections and regarding the method of selection.

**Dr. L. M. Singhvi:** It is time you concerned yourself with this matter.

**Shri Kanungo:** The National Productivity Council has a process of its own which is objective.

**Shri Bhagwat Jha Azad:** Since the Government has emphatically denied that charge in answer to the question, may I know if it is a fact that most of the trainees who are sent abroad are connected with big industries which themselves can afford to send people for such training?

**Shri Kanungo:** There are some who are connected with big establishments but it depends upon the nature of the subjects in which training is given. Take, for example, paper industry where there are only big establishments and no small establishments.

**Shri Bhagwat Jha Azad:** Is it not as much as 75 per cent.?

**Shri Kanungo:** No, it is not 75 per cent. The reports are placed on the Table and they are also debated upon sometimes, though not every year.

**श्री अचल सिंह :** जो रुपया प्रोजेक्टिविटी कौंसिल को दिया जाता है, उस को वे किस तरह से इस्तेमाल करती हैं ?

**श्री कानूनगो :** नेशनल प्रोजेक्टिविटी कौंसिल को जो रुपया दिया जाता है, वह सेंट्रल गवर्नमेंट में दिया जाता है। लोकल प्रोजेक्टिविटी कौंसिल को ५०-५० बेसिस पर रुपया दिया जाता है—५० परसेंट वे अपने रिसोर्स से इकट्ठा करती हैं और ५० परसेंट नेशनल प्रोजेक्टिविटी कौंसिल देती है।

### Steel Production

\*572. **Shri Sham Lal Saraf:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether it is a fact that a target for production of steel and availability of necessary raw materials like iron ore, coal and lime-stone has been set up for the Fourth Five Year Plan;

(b) whether an urgency has been felt to employ a 'Task Force' to engage itself in multiplicity of tasks like, geo-

logical investigations, evaluation and co-ordination, laboratory investigations; and

(c) if so, the action taken or under contemplation in this regard?

The Minister of Steel, Mines and Heavy Engineering (**Shri C. Subramaniam**): (a) The Steering Group which has been set up to help the Government to formulate its Fourth Five Year Plan for iron and steel is working on the basis of a target for production of rolled mild steel of 13 million tonnes or 17.25 million tonnes of ingot steel. Steps are also being considered to ensure raw materials availability for such a programme for steel. The final target for steel production in the Fourth Plan will be determined by Government after taking into account all relevant factors when the Fourth Plan programme is finalised.

(b) and (c). Various organisations like the National Metallurgical Laboratory, Indian Bureau of Mines and Geological Survey of India, Central Fuel Research Institute, Hindustan Steel Limited, and Government Consultants M/s Dastur and Co. have already been geared to the various tasks inherent in the development programme for iron and steel in the Fourth Plan.

**Shri Sham Lal Saraf:** May I know if the required quantities of lime-stone, coal and iron ore have been made procurable before we launch on the Fourth Plan?

**Shri C. Subramaniam:** Yes, Sir. An estimate has been made with regard to the requirements of iron ore, coal, lime-stone, dolomite and manganese ore and all steps are being taken to further this task.

**Shri Sham Lal Saraf:** With regard to the geological, laboratory and other investigations, have Government and the officers entrusted with this task assured themselves that qualitatively also we have the required raw materials to manufacture steel on the scale proposed?

**Shri C. Subramaniam:** Yes, Sir.

**Shri Sivamurthy Swamy:** May I know which area of the country has the richest percentage of iron ore?

**Shri C. Subramaniam:** As far as iron ore is concerned, Bellary-Hospet area contains the richest iron ore. As far as coal is concerned, it is the Bihar-Bengal area which is the richest in coking coal. Lime-stone is available in Madhya Pradesh. So also dolomite.

**Shri Harish Chandra Mathur:** The other day the hon. Minister stated that the biggest shortfall in coal production was because of less utilisation by the steel industry. I think it was 4 million tons though I do not remember the exact figure. Where was the mistake? Was it in planning the utilisation of coal in the industry? If so, what accounts for this short utilisation?

**Shri C. Subramaniam:** When the estimate was made, it was expected that we would be utilising about 900 kilograms per ton of pig iron. As a matter of fact, it has come down quite considerably. That is one aspect of it. Secondly, the Third Plan expansion programme has been delayed to a certain extent—by about 18 months in two cases and about a year in the case of Bhilai. That has also lessened the consumption of coal during the Third Plan period.

**Shrimati Renuka Ray:** Has any proper assessment been made of the type of steel that will be required so that production may be planned accordingly?

**Shri C. Subramaniam:** Yes, Sir. That is also taken into consideration.

**Shri Inder J. Malhotra:** May I know if the expansion programmes now undertaken at the various steel plants, especially at Bhilai, are proceeding according to the targets set or whether any difficulties are being felt?

**Shri C. Subramaniam:** As I have already stated, there was some delay

in taking these things up; but now they are going according to schedule.

**श्री प्रचल सिंह:** लोहे के जो कारखाने लगातार खुलते जा रहे हैं, उन के लिए जो रा-मेटैरियल की जरूरत है, उस के बारे में क्या आप ने एस्टीमेट किया है कि कितने बरस तक वह मिल सकेगा ?

**Shri C. Subramaniam:** When the steel plants are started the raw materials will be made available; otherwise, the steel plants cannot run.

**Shrimati Savitri Nigam:** May I know whether the various organisations which have been asked to investigate and submit a production plan have submitted their final reports and, if the answer is in the affirmative, what are the main recommendations which they have made?

**Shri C. Subramaniam:** With regard to the future steel plants to be located we set up two organisations to look into it. One report has already been received with regard to the Goa-Bellary-Hospet region. With regard to the Visakhapatnam-Bailadilla region it is expected that the report will be available before the end of this month.

**Shri Nath Pai:** The hon. Minister has stated that the target for the Fourth Five Year Plan would be of the order of 13 million tons of finished steel. In view of the fact that the Bokaro production constituted a very big factor in the total estimated steel production for the Fourth Five Year Plan and in view of the difficulties in which this plant is running, may I know how the hon. Minister expects that the target will be fulfilled and whether it is true that the original cooling off of interest on the part of the American industrialists has recently revived and there is a fresh interest in it?

**Mr. Speaker:** How long is the supplementary?

**Shri Nath Pai:** How is the target expected to be fulfilled if the major factor is not there?

**Mr. Speaker:** Now he should judge it himself.

**Shri Nath Pai:** This is to elucidate what I want to know.

**Shri Nath Pai:** This is to elucidate to implement projects in the Fourth Plan that we must, it requires advance action with regard to those projects in the Third Plan. Therefore we are learning on the basis of the experience that we have gained from the Third Plan and we are trying to take all advance action necessary required for the purpose.

**Shri K. C. Pant:** On the average, how much time has elapsed between the initiation of a steel plant project and its completion in the case of plants set up by Government so far and what is the Government's estimate of this period for steel projects in the Fourth Plan?

**Shri C. Subramaniam:** A new plant can be implemented to a stage of 1 or 1.5 million tons between 3½ and 4 years provided the credit availability and all other things are cleared in time. The main delay with regard to the expansion programme was due to the fact that we did not get the credit clearance in time.

**Shri Sivamurthy Swamy:** So many times the hon. Minister has said that the steel factory will be established near Goa and Hospet which is rather confusing because Goa and Hospet are 200 miles apart. May I know whether the steel plant is going to be established in Hospet or in Goa region? Goa and Hospet are just like north India and south India.

**Mr. Speaker:** Will that also be only 200 miles?

**Shri C. Subramaniam:** It is not so; as far as the steel industry is concerned it is one region. That is why we have appointed a technical committee to go into it and advise us where it should be located. We have just now received the report.

### Heavy Engineering Corporation, Ranchi

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\*575. { Shri Vishwa Nath Pandey;  
Shri Mohammad Elias;  
Shri Yamuna Prasad Mandal;

Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether it is a fact that Government propose to constitute a high level Committee to enquire into the recent fire at the Heavy Engineering Corporation at Ranchi (Bihar); and

(b) if so, when and the terms of reference of this committee?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) and (b). Some very senior officer or a retired Judge of the High Court will soon be appointed to enquire into the lapses of the Management, if any, during the recent fire incident at the Heavy Engineering Corporation, Ranchi. The terms of reference for this enquiry are under consideration of the Government.

श्री विश्वनाथ पाण्डेय : जो कर्मचारी उस कार्पोरेशन में काम करते हैं, क्या उन में से भी किसी को नियुक्त किया जायगा जांच करने के लिए ?

**Shri C. Subramaniam:** That is a police inquiry to find out who was responsible for this incident. But whether there were any lapses on the part of the management is quite a different question. That will be gone into by this inquiry.

**Dr. L. M. Singhvi:** May I know whether before the inquiry is instituted or it is begun, it is proposed that certain officials would either be placed under suspension or will be removed, or is it that this has already been done?

**Shri C. Subramaniam:** It has already been done. Some of the top officials have been removed.

**Dr. L. M. Singhvi:** I want to know who the persons are.

**Mr. Speaker:** Can the Minister give those names?

**Shri C. Subramaniam:** Yes, Sir. The Chairman is no longer the Chairman there. He has been placed elsewhere and the Director (Personnel) has been asked to take leave and he has taken leave.

**Shri Harish Chandra Mathur:** What are the *prima facie* allegations against them in this respect and may I know whether they were accepted when you removed these officials?

**Shri C. Subramaniam:** First of all, as far as the police investigation is concerned, it is still pending and the final report has not yet been submitted. But as far as the management is concerned, the very fact that the fire took place there and it was not detected for more than 2 or 3 hours shows that there were lapses on the part of the management. So, I thought an immediate action should be taken and that is why pending inquiry they have been removed.

**Shri Bhagwat Jha Azad:** Is the hon. Minister aware that among almost the entire section of labour and others who work there at Ranchi there is resentment that the highly placed officers are responsible for this mismanagement? Why is it so late for the Government to set up an inquiry against these officers?

**Shri C. Subramaniam:** First of all, the police investigation should be over—there should not be any interference with that—to find out who was actually responsible for the incident. But meanwhile I am trying to find out a proper officer to inquire into it. At first, one or two officers agreed but later they backed out. I have to fix a proper person to inquire into it.

**Shri Maheswar Naik:** May I know what was the equipment damaged by the fire and whether it has been replaced?

**Shri C. Subramaniam:** There cannot be immediate replacement. It is being examined whether any of these machines can be salvaged and to what extent replacements are necessary.

**Dr. Ranen Sen:** Has the Government made any assessment of the actual amount of loss due to this fire?

**Shri C. Subramaniam:** I have already answered this question. It is estimated that machines of the value of Rs. 35 lakhs have been damaged. But what is the actual damage to these machines is being properly assessed now.

**श्री कछवाय :** आग के बारे में वहाँ की जो लेबर है, उसके द्वारा भी क्या कुछ, लिख कर दिया गया है और इनक्वायरी जो होने वाली है, उस इनक्वायरी कमेटी को जितने भी कागजात हैं, वे सब क्यों दे दिये जायेंगे ?

**Shri C. Subramaniam:** No such representation has come to me.

उड़ीसा के विकास कार्यक्रम

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\*५७६. { श्री सरजू पाण्डेय :  
श्री महेश्वर नायक :

क्या इस्पात, खान और भारी इंजीनियरिंग मंत्री यह बताते की कृपा करेंगे कि :

(क) क्या जापानी विदेशी तकनीकी सहयोग अभिकरणों के सर्वेक्षण मिशन जिसने उड़ीसा के विकास कार्यक्रम का सर्वेक्षण किया था, ने अपना प्रतिवेदन सितम्बर, १९६३ में पेश किया था ; और

(ख) यदि हां, तो उसकी मुख्य सिफारिशें क्या हैं ?

**The Minister of International Trade (Shri Manubhai Shah):** (a) Yes, Sir.

(b) The report mainly deals with:—

(i) Development of iron ore mines in Daitari Tomka area, transport arrangements from mines to the port and development of Paradip port, and also



- (ii) development of ancillary industries based on coal, development of fisheries and setting up of pig iron plants etc.

**Shri Maheswar Naik:** May I know whether this survey has also included any scheme of development of the mineral belts lying far away from these territories and connecting those mineral belts with the port areas?

**Shri Manubhai Shah:** This does not include all the developments possible in Orissa. This only includes the specified area in Daitari Tomka territory.

**Shri Maheswar Naik:** May I know whether as a result of the investigation, the Japanese agency which is co-operating has offered any aid towards meeting the foreign exchange resources required for the development of these mines?

**Shri Manubhai Shah:** Yes, it is the intention that the sale of iron ore will be one component, and all other assistance or credit to be offered by the Japanese for various development complexes will be the second component.

**Shri Ranga:** May I know whether this report will be published and whether any efforts are being made by the Government of India to have some co-ordinated consultations with the Orissa Government in order to see how far the recommendations made by this mission can be implemented both by the Union Government and also by the Orissa Government?

**Shri Manubhai Shah:** Actually, the Orissa Government are piloting the entire work. So, they are very much in the picture. We are co-ordinating at the other end.

**Shri Ranga:** May I know whether the report is published?

**Shri Manubhai Shah:** As far as the report is concerned, these are all technical reports of different types...

**Shri Ranga:** Will at least a summary of it be published?

**Shri Manubhai Shah:** It is not like the report on the working of any particular body, but it is a report of technical experts. They send different types of reports. Therefore, only the broad recommendations will be before the House, but the technical reports as such are not published.

**श्री यशपाल सिंह :** क्या उड़ीसा के अत्यन्त बुद्धिमान गवर्नर महोदय उड़ीसा की सरकार के साथ कामन प्वाइंट पर सहमत हो गये है

**अध्यक्ष महोदय :** गवर्नर साहब का इस में कोई ताल्लुक नहीं है ।

**Shri Ramachandra Ulaka:** May I know any assistance was offered or is being offered by Japan to Orissa for its development programmes, and if so, the details thereof?

**Shri Manubhai Shah:** Yes, the Orissa Government are very much in the picture and they have provided the money and the funds.

**Shrimati Savitri Nigam:** May I know whether this survey mission has visited any other State and made any investigations in any other State?

**Shri Manubhai Shah:** Yes, there are several programmes. The master plan for development of iron ore for export runs into Rs. 308 crores, and I had the privilege to lay a broad picture of it before the House. It develops Bellary, it develops Bailadilla, Kiriburu, Madras iron ore, Central Provinces deposits and various other deposits in Mysore and other States.

#### Supply of Cotton by U.S.A.

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- \*577. { **Dr. Lal M. Singhvi:**  
           **Shri Vishwa Nath Pandey:**

Will the Minister of Industry be pleased to state:

(a) whether the United States are supplying India increased supplies of cotton under P. L. 480; and

(b) if so, the quantum and value of the cotton to be supplied, and the purposes of the increased supply?

**The Minister of Industry (Shri Kanungo):** (a) and (b). The U. S. Government have recently agreed to allocate to India under P.L. 480 3,00,000 U.S. bales of cotton worth about \$47 million (Rs. 22.3 crores).

**Dr. L. M. Singhvi:** May I know whether there is any specific stipulation in respect of these supplies either in the PL-480 or any other ancillary agreement between the Government of India and the Government of the USA, particularly in respect of their utilisation?

**Shri Kanungo:** Yes, one of the conditions is that the normal import from other sources should not be cut down.

**Dr. L. M. Singhvi:** To whom are these cotton supplies likely to be or proposed to be channelised? Are there any criteria for such channelisation of these cotton supplies?

**Shri Kanungo:** It is only the consumer mills which have used this type of cotton in the past, which would be allowed to import it.

**Dr. L. M. Singhvi:** May I know whether there are any criteria for the channelisation of these supplies?

**Shri Kanungo:** The criteria are the staple length and the past use.

**Shri C. M. Kedaria:** May I know what incentives are given to the growers so that we may not have to import the equivalent type of cotton in future?

**Mr. Speaker:** That is a different question altogether.

**Shri Kanungo:** I suppose that that does not arise out of the main question. 2442 (Ai) LSD—2.

**श्री विश्वनाथ पाण्डेय :** क्या देश के अन्दर रुई की कमी है इस वास्ते वह अमरीका से मंगाई जा रही है या यह आवश्यक है कि पी० एल० ४८० के अन्तर्गत रुई आये ।

**श्री कानूनगो :** रुई हमारे यहां हमेशा बाहर से आती है कई किस्म की क्योंकि हमारे मुक्त में वह नहीं होती है । आम तौर से करीब ६ लाख बेल इम्पोर्ट होती है इजिप्ट से और ईस्ट अफ्रीका से ।

**Shri Bhagwat Jha Azad:** May I know whether this import of about three lakhs bales worth about Rs. 22.3 crores is made in the general interest of the consumers at large, that is, the middle class people, or whether it is going to be a specialised variety intended for a specialised class?

**Shri Kanungo:** This is intended mostly to produce medium quality cloth.

**Shri Tridib Kumar Chaudhuri:** May I know whether this cotton would be imported on Government account directly by Government and then distributed to the consuming mills or whether the mills will be allowed to negotiate and import directly on their own account?

**Shri Kanungo:** The price is settled and the terms are settled, and it is a Government-to-Government arrangement, authorise the consumer mills or actual users as we call them, to take the shipments.

**Shri Heda:** Since this import is in excess of the normal import every year, will this be sufficient for the next two or three years' requirements?

**Shri Kanungo:** No, this is much less than the normal imports.

#### Rourkela Steel Plant

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\*578. { **Shri Subodh Hansda:**  
**Shri M. L. Dwivedi:**  
**Shri D. J. Nalk:**

Will the Minister of Steel, Mines and Heavy Engineering be pleased to

state:

(a) whether it is a fact that the German Technical Team during its visit to Rourkela in December, 1963 was not satisfied with the labour performance in the Steel Plant; and

(b) if so, whether the team made any suggestions to improve the performance?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) and (b). H.E.Mr. Walter Scheel, Minister for Economic Co-operation in the Federal Republic of Germany accompanied by some officials visited Rourkela in December, 1963. During discussions with Hindustan Steel, the German team made a general observation that labour discipline in the plant should improve in order to improve the performance. No specific suggestions for improving labour performance were, however, offered by the German team.

**Shri Subodh Hansda:** What is the labour performance in our country at present as compared to that in Germany?

**Shri C. Subramaniam:** I am afraid I cannot immediately give the comparative performance of the two.

**Shri Subodh Hansda:** Are the labour unions also responsible for this bad performance?

**Shri C. Subramaniam:** In Rourkela, there are too many labour unions competing for recognition. Most of the labour troubles are to be traced to this.

**Shri B. K. Das:** Did the Solveen Committee go into this question and make any suggestions for improving labour performance?

**Shri C. Subramaniam:** Yes, every team visiting Rourkela has taken note of the labour indiscipline there and labour slackness there. It is a continuing trouble and we are taking all possible steps to improve the situation.

**Shri Ranga:** Is anything being done to give the labour there regular training as well as refresher training from time to time to raise the tempo of their efficiency?

**Shri C. Subramaniam:** It is not the efficiency of labour which is involved: it is the question of the functioning of too many labour unions there, a race for recognition, and because of this race, putting forward all sorts of demands and creating difficulties there. They start their own strikes and slow-down movements and ultimately it leads to inefficiency in the working of the plant.

**Shri Nath Pai:** Was an effort made by Government to point out to the foreign mission in order to maintain the fair name of Indian labour, who should be the principal builders of socialism, that this alleged indiscipline was the result not only of rivalry but the alleged so-called indiscipline is the direct product of the fostering of unrepresentative unions which the Government indulges in?

**Shri C. Subramaniam:** No union has yet been recognised there because there is keen competition, and the matter has also gone to court. Therefore, there is no question of pointing out inefficiency of Government in this. It is a question of the functioning of labour unions.

**श्री बजरज सिंह :** जब सरकार को यह पता चल चुका है कि बहुत सी यूनियनों के कारण इनएफिशिएंसी आ रही है तो इन यूनियनों को घटाने और एरैडिकेट करने के लिये क्या सरकार कोई प्रभावी कदम उठा रही है ।

**Shri C. Subramaniam:** That is a question of general labour policy. Therefore, it is a matter which will have to be investigated.

**Shri C. Subramaniam:** That is a known to the Minister that the tripartite Labour conference and the Ministry of Labour of the Government of India have laid down in their code of discipline a specific procedure for recognition of unions? What prevents

Government from adopting that procedure in recognising the most representative union?

**Shri C. Subramaniam:** In this case, a verification was made by the Orissa Government, and when they were on the eve of taking a decision, one union went to court and got an injunction, and it is still pending. And it is not only a question of recognising a particular union. As soon as a particular union is recognised, the other unions start all sorts of troubles, so that they may be recognised later on as the most representative union.

**Shrimati Savitri Nigam:** May I know whether this team has also pointed out that the labour welfare activities have also been ignored by the management, and that is why there is unrest among the labour?

**Shri C. Subramaniam:** No, Sir. No such thing was pointed out.

#### Foreign Private Capital in Steel Industry

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\*581. { **Shri Maheswar Naik:**  
          **Shri P. C. Borooah:**

Will the Minister of Steel, Mines and Heavy Engineering be pleased to state whether Government are contemplating to effect a shift in their steel policy in order to facilitate participation of foreign private capital in the Steel Industry?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** No, Sir.

**Shri Maheswar Naik:** May I know whether it is not a fact that the hon. Finance Minister in his Budget Speech made certain suggestions that foreign capital would be invited for participation in the steel plants etc?

**Shri C. Subramaniam:** My understanding is that it had no reference to steel plants.

**Shri Nath Pai:** Is there any truth in the reports appearing in a section of the press that the American interest in Bokaro which cooled off has again

begun to revive, and that some private parties from the United States have come here to display this interest in the steel plant?

**Shri C. Subramaniam:** For Bokaro we have to acquire equipment from foreign countries. Naturally, machinery makers are interested in supplying these things, and America is one of the countries taking interest.

**Shri Sham Lal Saraf:** May I know if it is contemplated to get foreign capital for capital goods as far as the future expansion of the present steel plants is concerned?

**Shri C. Subramaniam:** At present there is absolutely no intention of having equity participation either of private capital within the country, or private capital outside the country in setting up public sector plants.

**Mr. Speaker:** Shri P. C. Borooah. Shri P. R. Chakraverti. Shrimati Savitri Nigam.

**Shrimati Savitri Nigam:** 584.

**Shri Sham Lal Saraf:** 582 has been dropped.

**Shri Bhagwat Jha Azad:** Yes, Sir.

**Mr. Speaker:** It has been transferred to some other day.

#### Office of Iron and Steel Controller, Calcutta

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\*584. { **Shrimati Savitri Nigam:**  
          **Shri P. R. Chakraverti:**  
          **Shri S. M. Banerjee:**

Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether it is a fact that five officials of Iron and Steel Controller's Office, Calcutta have been recently given a charge-sheet by the Department and Police in connection with some graft charge against them; and

(b) if so, the details thereof?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) and (b) One gazetted officer of the rank of Assistant Iron and Steel Controller, Grade I had been charge-sheeted and the departmental enquiry completed. His case is now under consideration in consultation with U.P.S.C. Another gazetted officer of the rank of Assistant Iron and Steel Controller, Grade II and two non-gazetted officials of the Ministerial grade have also been charge-sheeted. They have been asked to submit their defence statements. This Assistant Iron & Steel Controller, Grade II is also the subject of a Police case. He along with five members of the Steel Trade have been challaned for criminal conspiracy as well as commission of offences under Prevention of Corruption Act. The case is sub-judice.

**Shrimati Savitri Nigam:** May I know on what date this particular irregularity and corruptions were detected, and on what date the actual action started?

**Shri C. Subramaniam:** I am so sorry that I do not have the dates here.

**Shrimati Savitri Nigam:** May I know whether the Ministry has been receiving several complaints during the last two years, and that no action was taken till this case was caught by the police?

**Shri C. Subramaniam:** We have to actually get some facts before taking action. As soon as some facts were available, we took action, and the enquiry is proceeding.

**Shri Ranga:** In the light of these complaints and the action taken by the Government, have Government thought of taking any preventive action or given direction to other similar Controllers not only in Calcutta but also in various other places, in order to prevent their repetition again?

**Shri C. Subramaniam:** Hon. Members are aware that Government was very much dissatisfied with the func-

tioning of steel control and that is why the whole matter was gone into, and just now we have made other arrangements for the purpose of de-controlling certain items and also working of the control in respect of the other items. I hope the new organisation will work better.

#### Import of Textile Machinery

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\*585. { **Shri Maheswar Naik:**  
**Shri D. C. Sharma:**  
**Shri Vishwa Nath Pandey:**  
**Shri Onkar Lal Berwa:**

Will the Minister of Industry be pleased to state:

(a) whether Government are considering a proposal for bulk import of textile machinery from Switzerland for marketing it in the country;

(b) if so, on what considerations; and

(c) the value of the imports so proposed?

**The Minister of Industry (Shri Kanungo):** (a) No such proposal is under consideration.

(b) and (c). Do not arise.

**Shri Maheswar Naik:** May I know whether the gap between the availability and production of the textile machinery has been met so far?

**Shri Kanungo:** No, it has not been met . . . (Interruptions). I could not say there is a gap which is met by imports. There is no negotiation with Swiss sources.

**Shri Maheswar Naik:** May I know whether the foreign exchange portion of our imports from other countries has been made available by the countries from which we are going to import the machinery also?

**Shri Kanungo:** Not the whole of it: part of it.

श्री कछबाय : क्या यह बात सही है कि यह जो मशीनें आये हैं इन से कपड़े का

उत्पादन तो बढ़ा है, लेकिन साथ साथ बेकारी भी बढ़ गयी है ?

**श्री कानूनगो :** नहीं ऐसी कोई मशीन नहीं आयी है ।

**श्री विश्वनाथ पाण्डेय :** क्या देश के अन्दर टेक्सटाइल मशीनरी की कमी है ?

**श्री कानूनगो :** जी हाँ, कमी है ।

**Shri Dinen Bhattacharya:** May I know whether a large amount of production capacity of the existing machine building industry in India is going to be idle for want of raw materials?

**Shri Kanungo:** Yes; there are difficulties about imported raw materials.

**Shri Nath Pai:** In view of the fact that most of the machinery in the textile mills in India is totally dilapidated and out-dated, what is Government's overall plan to rehabilitate the machinery? Is it by imports or by stimulating indigenous production?

**Shri Kanungo:** Both. This has been submitted in the annual reports of the Government placed before the House.

**Shri Nath Pai:** Sir, he is not the oracle of Delhi; the reply should be a little more elaborate.

**Shri Sivamurthi Swamy:** Is Government considering the import of small units of spinning by power?

**Shri Kanungo:** No, Sir.

**Shri K. C. Pant:** Is it not a fact, that Government is trying to promote the export of textile machinery? How is it to be reconciled with the shortage in the country?

**Shri Kanungo:** Government is encouraging exports of textile machinery because we want to get our exports when the production goes up and when we will have the machinery; it is a very small quantity. There are certain types of textile machinery which are not produced here. It is only the spinning frames and looms

produced here; they are not enough to meet our immediate demands.

**Shri Heda:** May I know whether at one time the textile machinery manufacturers were claiming they are producing adequate machinery for our requirements.

**Shri Kanungo:** No; they never claimed that. Even in the case of spinning frames, etc. they are in arrears for more than two years.

**Dr. L. M. Singhvi:** Have the Government done any perspective planning in respect of the comprehensive requirements for textile machinery over a period of fifteen years in this country and if so what are the results of such perspective planning? Is it only hand-to-mouth policy?

**Shri Kanungo:** It is well known. Sir; it is a question of assessment and then establishing capacities.

**Dr. D. J. Naik:** Is Government intending to import textile machinery for co-operative spinning mills to be set up in the country?

**Shri Kanungo:** Some part of the textile machinery to be imported is for co-operatives.

**श्री अचल सिंह :** जो मशीनें बाहर से मंगायी जा रही हैं, क्या उनका उत्पादन भारत वर्ष में शुरू हो गया है ?

**श्री कानूनगो :** उन में से कुछ पुर्जे देश में नहीं बनते हैं ।

**Shrimati Savitri Nigam:** What factors have led Government to believe that there is shortage of textile machinery in the country and why the very great capacity in the handloom and ambar charka sector is lying untapped?

**Shri Kanungo:** This factor is so well known that I need not reply.

**Shrimati Savitri Nigam:** It may be known, but I would like to have the answer.

**Mr. Speaker:** He does not agree with the hon. Member.

12 hrs.

## SHORT NOTICE QUESTION

## Delhi Milk Scheme

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SNQ. 9. {  
 Shri Maheswar Naik:  
 Shri H. C. Soy:  
 Shri Shree Narayan Das  
 Shri Ram Harakh Yadav:  
 Shri Murli Manohar:  
 Shri Yashpal Singh:  
 Shri Sidheshwar Prasad:  
 Shri P. B. Chakraverti:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that the Delhi Milk Scheme is facing the worst crisis of its existence because of the heavy drop in supply of milk from the rural collection centres;

(b) whether it is also a fact that the costly plants for manufacturing butter, ghee and ice-cream are lying almost idle owing to shortage of milk; and

(c) if so, what effective steps are being taken to meet the situation?

The Minister of State in the Ministry of Food and Agriculture (Shri A. M. Thomas): (a) and (b). No.

(c) Does not arise.

Shri Maheswar Naik: May I know whether the attention of the Minister has been drawn to a press statement published in the *Hindustan Times* on the 7th instant under the caption, "DMS faces worst crisis. Milk Supply drops", and in which it is also stated that the milk supply has dropped from 5,500 maunds to 3,330 maunds or so?

Mr. Speaker: He can believe the one or the other: either the press or the Minister. He might choose between the two.

Shri Maheswar Naik: I want to know whether the attention of the

Minister has been drawn to it, whether it has been brought to his notice and whether it is true.

Shri A. M. Thomas: That newspaper report has come to my notice. In fact, during that week when the newspaper report appeared, we have purchased on an average 1,480 quintals of buffalo milk and 46 quintals of cow's milk, altogether 1,526 quintals of milk. We have handled, including toned milk, roughly 1,42,000 liters of milk. That would be roughly about 3,900 maunds of milk.

Shri Maheswar Naik: It is also stated in the same report that the official spokesman of the DMS had stated that the production of milk products has dwindled to a trickle. May I know whether there is any truth in that statement and, if so, how the shortage is being met?

Shri A. M. Thomas: That report is not correct. We have handled about 4,000 maunds. In fact, the quantity now being handled is 1,52,600 liters. It is true that due to flooding of large areas of Uttar Pradesh,—which contributes a large share of the milk supplies,—in September last and also as a result of havoc and destruction of fodder crop and also disease of animals, among the buffaloes and even cows our supply has been affected to some extent. Otherwise, we would have perhaps procured a larger quantity, because the target of milk handling, as far as the Delhi Milk Scheme is concerned, towards the end of the third Plan is 7,000 maunds of milk. It may not be possible to reach that because of these circumstances. Otherwise, we would have been able to show better progress.

Shri Inder J. Malhotra: May I know what is the total processing capacity of this plant and how much of it is being utilised and what are the factors for the target not being reached?

Shri A. M. Thomas: As I have already stated, there is progressive increase in the handling. In 1961-62, we

handled 86,000 liters. In 1962-63, we handled 1,15,000 liters. Now, we are handling, as I have already stated, about 1,42,000 liters or a little more, so that it is progressively increasing. As I have indicated, our target is 7,000 maunds by the end of the third Plan. It may be difficult to reach that also. There is capacity for the plant, but there are certain circumstances, such as transport difficulty and so on. We have to procure the necessary tankers for which foreign exchange has to be obtained. Due to all these circumstances, we are proceeding a little slowly. We want to consolidate and then grow.

**Shri Nath Pai:** Is the hon. Minister aware that there is a growing suspicion, often fortified by the unpalatable experience among the consumers of milk, that the milk that is served as pasteurised milk is very often a cocktail of cow's milk, buffalo milk and other unmentionable ingredients and sources?

**Shri A. M. Thomas:** Buffalo's milk is sold as buffalo's milk, cow's milk is sold as cow's milk and toned milk is sold as toned milk. The number of card-holders comes to 1,44,000. In stray cases there may be some complaint. But we are trying to see that such complaints do not arise.

**Shri H. P. Chatterjee:** Delhi is in the heart of the Hariyana belt. May I know whether it is a fact that no cow's milk of Hariyana is brought to Delhi, but milk is collected from 270 miles—Bikaner—only. What does the hon. Minister propose to do in order to procure Hariyana milk?

**Mr. Speaker:** The hon. Member prefers Hariyana milk. Can he supply him?

**Shri A. M. Thomas:** We are in short-supply of cow's milk. We are trying to get cow's milk.

**Mr. Speaker:** He is not asking for cow's milk, but for Hariyana milk.

**Shri A. M. Thomas:** We are setting up some chilling centres in Punjab,

and I think larger quantities of Hariyana milk will come.

**श्री यशपाल सिंह :** क्या यह सही है कि थोड़ा बहुत दूध जॉक मिल्क स्प्लाइ का आता है वह कंज्यूमर्स तक पहुंचते पहुंचते ७२ घंटे लेट हो जाता है और दूध के सब विटामिंस मर जाते हैं, यदि हां, तो सरकार इस को दूर करने के लिए क्या कर रही है ?

**Mr. Speaker:** He says it takes 72 hours.

**Shri A. M. Thomas:** That is not correct. Due to inadequate supply from the supply regions which I have mentioned, namely U.P., perhaps sometimes it gets delayed. But 72 hours is not correct.

**श्री यशपाल सिंह :** जो दूध २०० मील की दूरी से आता है वह ७२ घंटे से पहले तो कंज्यूमर्स को मिल नहीं सकता है ।

**श्री अचल सिंह :** जो दूध बीकानेर से आ रहा था क्या वह आना बन्द हो गया है या अभी भी वह आ रहा है ?

**अध्यक्ष महोदय :** एक मेम्बर ने कहा कि दूध हरियाणा से नहीं आता है और बीकानेर से आता है जबकि दूसरे मेम्बर साहब पूछ रहे हैं कि दूध बीकानेर से आना बन्द हो गया है या नहीं ।

**Shri A. M. Thomas:** We have not stopped; we are getting about 130 maunds of milk from Bikaner.

#### WRITTEN ANSWERS TO QUESTIONS

##### Goa Iron Ore Mines

\*573. **Shri P. R. Chakravarti:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether it is a fact that pellets made out of iron ore fines from Goa mines have been found to be ideal for use in blast furnaces for iron-making;



(b) whether investigation in some metallurgical laboratory has been made regarding the economic utilisation of such iron ore fines and if so, the result thereof;

(c) whether by a process of washing followed by floatation, reduction in alumina and silica contents is achieved with the consequent reduction in consumption of coke for use in producing pig iron; and

(d) whether there is any scheme of setting up a laboratory in Goa for testing local products?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) Samples of iron ore fines from one of the mines in Goa were investigated at the National Metallurgical Laboratory and it was found that pellets made out of them will be suitable for use in blast furnaces.

(b) Systematic laboratory investigations on the utilisation of iron ore fines have been in progress at the National Metallurgical Laboratory for the past several years employing sintering and pelletizing techniques after suitable upgrading. Results have shown that all iron ore fines can be economically utilised by such processes.

(c) Research work at the National Metallurgical Laboratory has shown that in the case of all iron ores, washing followed by gravity separation appreciably reduces the alumina and silica content; such beneficiated ore leads to reduction in the consumption of coke in the process of iron making.

(d) No Sir.

#### Manufacture of Cheap Cameras

**\*574, Shri D. C. Sharma:** Will the Minister of Industry be pleased to refer to the reply given to Starred Question No. 276 on the 29th November, 1963 and state:

(a) whether negotiations with the foreign firm for manufacturing cheap cameras have completed; and

(b) if so, the action taken in the matter?

**The Minister of Industry (Shri Kanungo):** (a) and (b). There has been no further development since the reply from the collaborator is still awaited.

#### Cloth Export to Britain

**\*579. Shri P. C. Borooah:** Will the Minister of International Trade be pleased to refer to the reply given to Unstarred Question No. 1589 on the 13th December, 1963 and state:

(a) the problems relating to imports of finished cloth and made-up textile goods into U.K. from India discussed during talks held in London;

(b) the decisions taken to tackle those problem; and

(c) the extent to which exports of these goods to the U.K. are likely to increase?

**The Minister of Industry (Shri Kanungo):** (a) The problems were:

- (i) what textile manufactures should be categorised as "finished goods" and
- (ii) the maximum quantities which should be tendered by India for export during 1964 under these categories.

(b) A statement showing the categories is laid on the Table of the House. The U.K. has agreed to accept exports of about 25 million sq. yds. under these categories during 1964.

(c) It is difficult to assess the extent to which export of these goods are likely to increase.

#### STATEMENT

Category I.—(a) Yarn dyed piece-goods excluding terry towels, terry towelling and loomstate candy striped cloth.

(b) Loomstate candy striped cloth.

Category II.—Other finished piece-goods.

Category III.—Other towels, made-up articles, bed-sheets, pillow cases, blankets, napkins, etc.

Category IV.—Garments (only wearable items made from millmade cotton fabrics).

### Export Trade in Iron Ore

\*580. { Shri P. R. Chakraverti:  
Shri R. S. Pandey:

Will the Minister of **International Trade** be pleased to state:

(a) whether an organisation is being set up in his Ministry to ensure complete integration in the planning and implementation of schemes for the development of export trade in iron ore;

(b) whether this new arrangement has been devised in terms of the proposals made earlier by the World Bank to the Planning Commission; and

(c) how far the work of execution of the scheme in all its aspects, including the assessment of trade possibilities mining and transport, will be looked into by the proposed organisation and also the normal trade channels?

**The Minister of Industry (Shri Kanungo):** (a) The matter is still under consideration.

(b) and (c). Do not arise.

### Jute Commissioner's Tour

\*583. { Shri P. C. Borooah:  
Shri P. R. Chakraverti:

Will the Minister of **International Trade** be pleased to state:

(a) whether India's Jute Commissioner went on a six-week tour of the E.C.M. countries and some other parts of Europe in December, 1963—January, 1964 in order to assess the prospects for India jute in foreign markets;

(b) if so, whether he has submitted his report to Government, and if so, his main observations and suggestions; and

(c) the action being taken in the light of his report to improve the foreign markets for Indian jute?

**The Minister of Industry (Shri Kanungo):** (a) Yes, Sir. The Delegation left India on 21st November, 1963 and returned on the 27th December, 1963.

(b) Yes, Sir. A statement containing the main recommendations is laid on the Table of the House.

(c) The recommendations are under consideration.

### STATEMENT

#### Recommendations

1. The quality of workmanship and material has to be substantially improved if we are to maintain our existing markets and expand the use of Indian jute goods in West Europe. It is, therefore, of the utmost importance that the quality control scheme is implemented on an industry-wise basis without any avoidable loss of time. Urgent steps will require to be taken to ensure that the scheme is effectively applied at each and every mill. It is most essential that this particular subject should receive more vigorous attention of the entire industry. Further it is of utmost importance that the overall quality of the jute produced in India should be improved as quickly as possible. In the meantime Government should also consider more liberal imports of long jute and cuttings.
2. Urgent and prompt consideration be given to the revision of the C.J.F.S.A. form of contract to ensure that customers are afforded better service in the matter of claims settlement, arbitration, late shipment penalties, etc. as the majority of importers in Europe are unanimously of the opinion that the present form of contract is biased in favour of shippers and manufacturers and leads to

discontent with customers and results in loss of confidence and loss of business—which otherwise may not be lost to the Indian industry.

3. There is at present no marketing organisation at all for the jute industry in West Europe. It appears most necessary that if we are to expand our sales of jute goods in Europe, a suitable organisation should be set up as quickly as possible.
4. More emphasis should be laid on product development work in the laboratories of the I.J.M.A.R.I. and the I.C.J.C.
5. Steps should be taken to ensure that the results of all research work are pooled and needless duplication avoided.
6. Government should reconsider the removal of export duty on raw jute and import duties on jute goods.
7. Government should consider its decision to exclude jute goods from barter link deals.
8. Fullest facilities should be allowed to the industry to carry out further rationalisation and modernisation in order to increase efficiency and reduce costs. More liberal facilities should be provided for importing specialised equipment.
9. Government should consider the possibilities of setting up (a) bag making units (b) small units for specialities.
10. India should examine if it would be advantageous to become a member of the International Packaging Convention to facilitate the import of Indian jute goods for re-export.
11. I.J.M.A. should undertake the preparation of suitable sample folders illustrating the range of products, particularly specialities manufactured by the industry for

distribution among importers and consumers.

12. Greater facilities should be afforded to the jute industry for the import of new types of machinery for proper evaluation under actual working conditions in India.
13. Spare parts should be made available with greater facility to ensure optimum utilisation of the costly equipment installed in the industry.
14. The Industry should consider the setting up of an appropriate scheme for the training of mechanical and electrical staff in collaboration with the machinery manufacturing companies abroad.

#### Coal Mining Industry

1124. **Shri Karni Singhji:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state the steps taken to develop the mining industry for which Poland's Vice Minister for Foreign Trade offered his country's collaboration during his visit to Delhi in December, 1963, to secure an increase in the output of coal by two million tonnes per year?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** The Government of Poland extended, in May 1960 and in November 1962, two credits for the development of nine deep shaft mines, each with an average production target of 2.16 million tonnes per annum. Shaft sinking at Sudamdih, with an ultimate target of 2 million tonnes, commenced on the 1st March 1962 and is progressing according to schedule. Shaft sinking work in the second mine at Monidih in Central Jharia, with a target of 2 million tonnes, will commence on the 17th March, 1964. For the remaining seven mines, drilling work is in progress with a view to selecting the best sites for their development.

During his visit to Delhi in December 1963, the Polish Vice Minister for

Foreign Trade did not make any fresh offer for increasing production. However, in the course of trade negotiations, it was agreed that Poland would supply coal mining machinery worth Rs. 60 lakhs under the Indo-Polish Trade Agreement for 1964.

#### Andhra Pradesh Khadi and Village Industries Board

**1125. Shri E. Madhusudan Rao:** Will the Minister of Industry be pleased to state:

(a) the amount of loan granted during the Second and Third Five Year Plans by the Khadi and Village Industries Commission to Andhra Pradesh Khadi and Village Industries Board;

(b) the amount spent out of these loans for the development of each Industry; and

(c) whether the Board has submitted any scheme to the Commission for the development of Khadi and Village industries in the State?

**The Minister of Industry (Shri Kanungo):** (a) Rs. 3.75 crores upto 31st December, 1963.

(b) Information is being collected and will be placed on the Table of the House in due course.

(c) Yes, Sir.

#### Groundnut Production

**1126. Shri E. Madhusudan Rao:** Will the Minister of Industry be pleased to state:

(a) the total amount of groundnut produced in Andhra Pradesh during 1963;

(b) the approximate quantity of groundnut oil exported from the State during the same period; and

(c) the total cost thereof?

**The Minister of Industry (Shri Kanungo):** (a) to (c). The information is being collected and will be laid on the table of the House.

#### Cement Factories in Orissa

**1127. Shri Ramachandra Ulaka:** Will the Minister of Industry be pleased to state:

(a) the number of cement factories at present in Orissa;

(b) the number of licences issued to Orissa for establishing cement factories in the State during 1963-64; and

(c) the latest progress made in establishing cement factories in Koraput District (Orissa)?

**The Minister of Industry (Shri Kanungo):** (a) One.

(b) No license was issued in the year 1963-64, but one license was issued in the year 1962-63.

(c) The cement factory schemes for Koraput District have been given up by the applicants.

#### Demand for Coal in Orissa

**1128. Shri Ramachandra Ulaka:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) the demand for various grades of coal for Orissa State during 1963; and

(b) the extent to which the demand was met?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) and (b). The figures of the accepted demand for different varieties of coal from Orissa State during 1963, and the despatches against this demand are given below:—

(Figures in wagons)

	Quota	Despatches
Coal	5,798	} 6,798†
Hard Coke	192	
Soft Coke	880	
TOTAL	6,870	7,730†

†No separate figures for hard coke despatches are maintained.

†Despatches have exceeded the quotas due to ad hoc allotments on account of improvement in transport position.

### Manufacture of Tillers at Balasore (Orissa)

1129. **Shri Ramachandra Ulaka:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) the progress, if any, made so far in regard to the manufacture of Power Tillers at Balasore (Orissa) by M/s. Industrial Development Corporation of Orissa Limited; and

(b) when it will go into production?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) and (b). The Corporation is still negotiating with the Japanese collaborators the details of technical assistance, capital participation, manufacturing programme, etc.

### Cotton Textiles Arrangement with G.A.T.T.

1130. { **Shri Warior:**  
**Shri Vasudevan Nair:**  
**Shri Daji:**

Will the Minister of **International Trade** be pleased to state:

(a) whether it is a fact that the long term cotton textiles arrangement was reviewed by the G.A.T.T. Cotton Textile Committee in December, 1963; and

(b) if so, whether India as an exporting country was able to reduce in any way the adverse effects of the pact which resulted in imposing of unnecessarily heavy restrictions by U.S. Government?

**The Minister of Industry (Shri Kanungo):** (a) At the last meeting of the Cotton Textile Committee held in December, 1963, the operation of the arrangement was examined. A major review of the provisions of the Arrangement will, however, be due only during the third year of this

Arrangement in the light of its operation in the preceding years.

(b) Does not arise.

### Central Coir Research Institute

1131. { **Shri Warior:**  
**Shri Daji:**  
**Shri Vasudevan Nair:**  
**Shri M. K. Kumaran:**

Will the Minister of **International Trade** be pleased to refer to the reply given to Unstarred Question No. 2008 on the 20th December, 1963 and state:

(a) whether any of the results obtained by the Central Coir Research Institute have been applied in the retting of husks of coconut; and

(b) if so, the result thereof?

**The Minister of Industry (Shri Kanungo):** (a) and (b). Information gathered from the studies conducted so far in the Central Coir Research Institute cannot be applied in the retting of coconut husks at this stage. Further investigations in this regard are being conducted.

### Pig iron and Scrap for Kerala

1132. { **Shri Warior:**  
**Shri Daji:**  
**Shri Vasudevan Nair:**  
**Shri M. K. Kumaran:**

Will the Minister of **Steel, Mines and Heavy Engineering** be pleased to state:

(a) whether it is a fact that the allotment of pig iron and scrap to Kerala State for 1963-64 fell far short of demand and capacity of foundries in the State; and

(b) if so, the action taken to increase the supplies?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subra-**

**maniam):** (a) and (b). There is an all round shortage of pig iron for industries not only in Kerala State but in other States also. The total availability of pig iron in 1963-64 is estimated at about 1.2 million against the assessed demand of over two million tonnes. It is, therefore, possible to meet only a part of the demand of all States. The main reason for the shortage is that the demand of pig iron (foundry grade) has been steadily growing but the availability has not correspondingly increased as several schemes for production of pig iron which were licensed in the private sector have not materialised as anticipated. While steps are being taken to augment supply by raising indigenous production and arranging imports of pig iron, whatever quantity is available is being distributed among all the States in an equitable manner.

There is at present no distribution and price control over melting scrap (excepting ingot moulds which are included in the quota of pig iron).

### Hosiery Industry

1133. { **Shri Maheswar Naik:**  
**Shri Bibhuti Mishra:**

Will the Minister of **Industry** be pleased to state:

(a) the latest contribution of the hosiery industry in India in its export performances;

(b) whether the scope of expansion of its foreign trade is being explored; and

(c) if so, in what way?

**The Minister of Industry (Shri Kanungo):** (a) Exports of hosiery (all fibres) goods from India during the years 1961 to 1963 have been as follows:

Exports of hosiery (all fibres)	(Figures in million rupees)		
	1961	1962	1963*
Cotton	1.44	0.96	0.85
Woollen	1.61	2.03	8.29
Silk	0.27	0.57	1.05
Art Silk	0.04	0.12	0.05
Unspecified	0.41	0.46	0.78
Post parcel	1.25	1.26†	3.47†

\*Upto November, 1963

†Upto July, 1963.

(b) Yes, Sir.

(c) The following are the measures which have generally been taken with a view to boosting of exports of hosiery goods:

- (1) (i) A Sub-Committee of the Cotton Textiles Export Promotion Council to deal exclusively with the export of hosiery goods has been set up. The Sub-Committee has been making recommendations from time to time regarding the measures necessary for increasing the exports of hosiery goods.
- (ii) The Council also keeps in touch with the market position in various countries, exploring potential demands and relevant data are passed on to interested exporters.
- (iii) A representative of the Council is also being deputed on tour to Middle East Countries with a view to making an on the spot study of market conditions and also to investigate about further possibilities of export of hosiery goods from this country.

(2) The Export Promotion Panel for Woollen Goods has under its consideration a proposal to send a delegation representing the hosiery industry to study various techniques of production and packings adopted in

foreign countries with a view to expanding the export of hosiery goods.

(3) The Hosiery Industry Federation has been asked to draw up a 10 year Plan to boost the exports of hosiery goods.

### **Heavy Machine Tool Project and Foundry Forge Plant, at Ranchi**

**1134. Shrimati Savitri Nigam:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state the progress made in the Heavy Machine Tool Project, Ranchi and third stage of Foundry Forge Plant, Ranchi to be built with Czech Credit.

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):**

*Heavy Machine Tool Project, Ranchi*

The Detailed Project Report has been accepted on 29-5-63 and a Contract for the supply of plant and equipment from Czechoslovakia for a value of Rs. 3.05 crores, has been entered into by the Heavy Engineering Corporation Ltd. with M/s Technoexport, Prague on the 30th May, 1963. Negotiations are in progress for finalising the Agreement for Technical Co-operation and Design Documentation. Global tenders, received for the supply of equipment from countries other than Czechoslovakia, are under examination.

Levelling and grading of the plant site is nearing completion. Construction of field offices has progressed to the extent of 80 per cent.

Detailed working drawings for the buildings and other items of construction work are under preparation and procurement of building materials is in progress. Tenders for construction of Principal Production building have been called for.

### **Foundry Forge Project (Third stage) Ranchi**

The Detailed Project Report for the first phase of the Third Stage of the Plant has been accepted on 29th May,

1963, and a Contract for the supply of plant and equipment from Czechoslovakia for a value of Rs. 3.026 crores for the first phase of the III stage of the Project has been executed on 30th May, 1963 between the Heavy Engineering Corporation and M/s. Technoexport, Prague. On the 25th February, 1964, an Agreement for the supply of 6000-ton press and ancillary equipment for a value of Rs. 2.23 crores from Czechoslovakia has been concluded with M/s. Technoexport, Prague.

The Design and drawing work relating to the buildings and other items of construction work is in progress.

### **Import of Ammunition**

**1135. Shri G. S. Musafir:** Will the Minister of International Trade be pleased to state:

(a) whether it is a fact that the import of ammunition is banned; and

(b) whether Government propose to reconsider their import policy and issue liberal licences to established importers for gun ammunition in letters such as LG and SG and ammunition for pistols, revolvers and rifles of different bores?

**The Minister of Industry (Shri Kanungo):** (a) The quota for Established Importers is 'nil' but some imports have been arranged by S.T.C.

(b) The present import policy for various items including ammunition is under review in connection with the formulation of the import policy for the next licensing period April, 1964-March, 1965.

### **उत्तर प्रदेश में खनिज निक्षेप**

१९३६. श्री बिडवनाथ पाण्डेय : क्या इस्यात, खान और भारी इंजिनियरिंग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि झांसी तथा बांवा जिलों (उत्तर प्रदेश) में खनिज निक्षेप मिले हैं;

(ख) यदि हां, तो कौन-कौन सा खनिज पदार्थ प्राप्त हुआ है; और

(ग) सरकार इस सम्बन्ध में क्या कार्यवाही कर रही है ?

**इस्पात, खान और भारी इंजीनियरिंग मंत्रालय में उपमंत्री (श्री प्र० चं० सेठी) :**

(क) जी हां ।

(ख) भारतीय भूविज्ञान-सर्वेक्षण संस्था द्वारा बांदा जिले में चिन्नी मिट्टी ( clay ) और काँच-रेत ( glass sand ) व झांसी जिले में पाइरोफिल ( pyrophyllite ) के काम करने लायक निक्षेप पाये गये हैं । इन जिलों में खनिज लोहा, सीसा, चूना-पत्थर, तांबा, जिप्सम ( gypsum ), गेरू, फेलस्पार ( felspars ), बॉक्साइट ( bauxite ) और फुल्लर मिट्टी ( fuller's earth ) भी पाई गई, परन्तु इन का कोई आर्थिक महत्व नहीं है ।

(ग) उत्तर प्रदेश सरकार के भूविज्ञान और खनन निदेशालय द्वारा काँच रेत और पाइरोफिलिट के निक्षेपों का विस्तृत भूवैज्ञानिक अन्वेषण किया जा रहा है । उपर्युक्त निदेशालय इन खानों के खनन का नियमन करने और सुधार करने के लिए भी कदम उठा रहा है ।

#### G.A.T.T.

**1137. Shri P. C. Borooah:** Will the Minister of International Trade be pleased to state:

(a) whether India stressed the need for some radical changes in the structure of the G.A.T.T. to safeguard the interest of the under-developed countries at their recent meeting held in Geneva;

(b) if so, the changes proposed by India; and

(c) GATT's response to this demand?

**The Minister of Industry (Shri Kanungo):** (a) Yes, Sir.

(b) A copy of India's proposals concerning the addition of a chapter on

Trade and Development to GATT is laid on the Table. [Placed in Library. See No. LT-557/64]

(c) The proposals made by India and other Contracting Parties for the improvement of GATT are now under consideration.

#### Western Regional Office of Geological Survey of India

**1138. Shri Vishwa Nath Pandey:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether it is a fact that a Western Regional Office of Geological Survey of India is to be started by splitting up the Southern Regional Circle into two; and

(b) if so, where its headquarters will be located?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) Yes, Sir.

(b) The location of the Headquarters has not yet been decided.

#### Advisory Committees in the Ministry of S. M. & H. E.

**1139. Shri P. R. Chakravarti:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) the number of Advisory Committees set up in his Ministry in connection with production, transport and distribution of coal;

(b) the composition of the respective Committees with number of members and period of membership;

(c) whether the producers of coal are represented association-wise; and

(d) whether the colliery workers' representatives have been included in the Committees?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) There are three such Advisory bodies viz.,

(i) Coal Advisory Council;

(ii) Coal Production & Distribution Advisory Committee; and



## (iii) Coal Transport Advisory Committee.

(b) The composition, etc., of these Committees is given in the statement laid on the Table of the House. [Placed in Library. See No. LT-2526/64.]

(c) and (d). Yes, Sir.

**Steel Plant at Haldia Port**

1140. { Dr. Ranen Sen:  
Shri Dinen Bhattacharya:  
Dr. Saradish Roy:

Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether Government propose to set up a Steel Plant at Haldia Port in West Bengal; and

(b) if so, the details thereof?

The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam): (a) No, Sir. Not in the near future, but Haldia will be considered as one of the possible locations

in connection with the future expansion of steel/pig iron capacity.

(b) Does not arise.

**Purchase of Raw Jute**

1141. { Dr. Ranen Sen:  
Shri Dinen Bhattacharya:  
Dr. Saradish Roy:

Will the Minister of Industry be pleased to state:

(a) the quantities of raw jute purchased by the State Trading Corporation and by the Mills this year so far; and

(b) the price of Assam bottom and other varieties in the last week of January, 1964?

The Minister of Industry (Shri Kanungo): (a) Mill purchases during July 1963 February 1964—61 lakhs bales (approximately).

Purchases by S.T.C.—0.283 lakh bales.

(b) A statement is laid on the Table of the House:

**Statement**

Price of Bottom grade jute in different places :—

(Rs. per Quintal)

Date	W. Bengal Cuttack	Assam Nowgong	Bihar Purnea	Orissa Danpur
27-1-64	Market	Closed	..	..
28-1-64	79 04	73 68	64 94	73 68
29-1-64	79 04	73 68	64 94	73 68
30-1-64	79 04	73 68	64 94	73 68
31-1-64	79 04	73 68	64 94	73 68

**Iron Ore in Punjab**

1142. { Shri Ram Harkh Yadav:  
Shri Hem Raj:

Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether it is a fact that Government propose to enter into contract with the Kuljian Corporation in the U.S.A. to explore the possibilities of recovery of Iron Ore in the Rampura and Kulu districts of Punjab; and

(b) if so, the details thereof and Government's contribution towards the project?

The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam): (a) No, Sir.

(b) Does not arise.

**Cement Factory in Mirzapur**

1143. { Shri Ram Harkh Yadav:  
Shri Vishwa Nath Pandey:

Will the Minister of Industry be pleased to state:

(a) whether Government propose to set up a new cement factory in Mirzapur District in U.P.;

(b) if so, the estimated cost of the project:

(c) the contribution of the Central Government towards the project; and

(d) when it is expected to be ready?

**The Minister of Industry (Shri Kanungo):** (a) The Government of Uttar Pradesh propose to set up a new cement factory at Chopan, Mirzapur District, Uttar Pradesh.

(b) The cost of the project is estimated to be about Rs. 6 crores.

(c) Financial assistance extended by the Central Government in the shape of Miscellaneous Development Loan to the State Government is *inter alia* used for financing industrial schemes like this.

(d) The cement factory is expected to be commissioned in 1966-67.

#### Baby Food Production

**1144. Shri Man Sinh P. Patel:** Will the Minister of Industry be pleased to state:

(a) whether Government are considering to increase the capacity of baby food production in the Third Five Year Plan; and

(b) if so, the policy of Government to give fresh licences for it?

**The Minister of Industry (Shri Kanungo):** (a) Yes.

(b) The question is under consideration.

#### Khadi Spinners

**1145. Shrimati Laxmi Bai:** Will the Minister of Industry be pleased to state:

(a) whether there is any scheme to provide subsidy and house-building loans to Khadi spinners; and

(b) if so, the percentage of beneficiaries to the total number of spinners?

**The Minister of Industry (Shri Kanungo):** (a) The Khadi and Village Industries Commission has a scheme for subsidising the distribution of Traditional and Ambar Charkhas, but

there is no proposal for giving house-building loans to the spinners.

(b) Information is being collected and will be placed on the Table of the House in due course.

#### Automobile Targets

**1146.** { Shri Harish Chandra Mathur;  
Shri Man Sinh P. Patel:

Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether Government have revised the targets of automobile manufacture during the Third Plan; and

(b) if so, the details and justification therefor?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) No.

(b) Does not arise.

#### Export of Ceramics

**1147. Shri Ram Harkh Yadav:** Will the Minister of International Trade be pleased to state:

(a) whether it is a fact that Indian ceramics command good market in Africa, North and South America, Australia and the Middle East; and

(b) if so, the measures adopted to step up the production of and the trade in the commodity?

**The Minister of Industry (Shri Kanungo):** (a) The demand for Indian Ceramics in these countries is at present not much.

(b) Additional capacity has been licensed in all the fields of Ceramics under the Industries (Development and Regulation) Act so as to step up production.

With a view to stimulating exports of Ceramics, an incentive by way of import of raw materials is allowed up to 20 per cent. of FOB export value in respect of exports of Ceramics under the Export Promotion Scheme for Chemicals and Allied Products. In respect of 'Glazed Tiles' the incentive is 40 per cent of the FOB export value.

### Law on Hire purchase

1148. **Shri Yashpal Singh:** Will the Minister of Law be pleased to state:

(a) whether Government propose to enact a law on hire-purchase system as recommended by the Law Commission in one of the reports; and

(b) if so, how long it will take for introducing the Bill?

**The Deputy Minister in the Ministry of Law (Shri Bibudhendra Misra):**

(a) The matter is under the consideration of the Government.

(b) The Bill will be introduced as soon as a final decision is taken in the matter.

### Pig Iron for Punjab

1149. **Shri D. C. Sharma:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether it is a fact that there is still much difficulty in getting pig iron for small industries in Punjab;

(b) if so, the steps taken to increase the supply of pig iron; and

(c) the quantity of pig iron imported during the current year so far?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) to (c). Yes, Sir. There is an all round shortage of pig iron for industries not only in Punjab State but in other States also. The total availability of pig iron in 1963-64 would be about 1.2 million tonnes against the estimated demand of over two million tonnes. It has, therefore, been possible to meet only a part of the demand of all States. While steps are being taken to augment supply by raising indigenous production and arranging imports of pig iron, whatever quantity is available is being distributed among all the States in an equitable manner. It has not been possible to import any pig iron during 1963-64 though efforts are being made to import it during 1964-65.

### Cement Production in Fourth Plan

1150. **Shri D. C. Sharma:** Will the Minister of Industry be pleased to state:

(a) whether the cement production target has been fixed for the Fourth Five Year Plan; and

(b) if so, the target allocated to the public sector and private sector separately?

**The Minister of Industry (Shri Kanungo):** (a) No, Sir.

(b) Does not arise.

### Export of Handicrafts

1151. **Shrimati Maimoona Sultan:** Will the Minister of International Trade be pleased to state:

(a) whether the Handlooms and Handicrafts Exports Corporation and the All India Handicrafts Board have a scheme for standardising the quality of handicrafts meant for export; and

(b) if so, the details thereof?

**The Minister of Industry (Shri Kanungo):** (a) and (b). The Handicrafts and Handlooms Exports Corporation has formulated a scheme for supply of brass billets in standard composition for ensuring export of standard quality brass artware. It has set up a Common Facility Centre at Moradabad with a view to supplying the basic raw materials in standard composition of 60 to 40 of copper and zinc metals. The centre also undertakes pre-shipment inspection of brass artware.

The Technical Committee on Quality Control of the All India Handicrafts Board has evolved standards for several handicrafts items meant for export.

### Vidyalayas for Khadi and Village Industries Commission Officers

1152. { **Shri Kapur Singh:**  
**Shri Yashpal Singh:**

Will the Minister of Industry be pleased to state:

(a) the Vidyalayas for Extension Officers (Industries) still maintained by the Khadi and Village Industries Commission, Bombay and where they are located;

(b) whether such a Vidyalaya is functioning at Rajendranagar, Hydera-

bad for about 25 Extension Officer Trainees only, with no one from Andhra Pradesh; and

(c) the expenditure on each of the existing Vidyalayas?

**The Minister of Industry (Shri Kanungo):** (a) Four:

- (1) Nilokheri (Punjab),
- (2) Rajendranagar (Andhra Pradesh),
- (3) Wardha (Maharashtra),
- (4) Kailuppati (Madras).

(b) In the Vidyalaya at Rajendranagar, 47 Extension Officers (Industries) are undergoing training at present. The Government of Andhra Pradesh did not depute any person for training in this course.

(c) Details are being collected and will be laid on the Table of the House in due course.

#### **Andhra Pradesh Khadi and Village Industries Board**

1153. { Shri Kapur Singh:  
Shri Yashpal Singh:

Will the Minister of Industry be pleased to state:

(a) whether it is a fact that the Andhra Pradesh Khadi and Village Industries Board, Hyderabad has been unable to recover loan arrears to the tune of some lakhs of rupees and yet enables the defaulters to secure further loans;

(b) whether the accounts of such Boards remain unaudited for years together; and

(c) if so, the action Government propose to take in the matter?

**The Minister of Industry (Shri Kanungo):** (a) Yes, Sir; to the extent of Rs. 18.68 lakhs.

(b) No, Sir.

(c) Does not arise.

#### **Badli Industrial Estate**

1154. **Shri Yashpal Singh:** Will the Minister of Industry be pleased to state:

(a) whether various industrial units located in different parts of Delhi which were allotted sheds in Badli Industrial Estate, have transferred their machinery to the Badli Industrial Estate;

(b) whether they have since been provided with necessary facilities, i.e., electric power, water for starting production; and

(c) if not, the reasons for delay?

**The Minister of Industry (Shri Kanungo):** (a) Five out of the seven industrial units, which were allotted sheds in Badli, have shifted their machinery completely or partly to the Estate.

(b) The cases recommended by the Delhi Administration for the grant of electric power are being attended to by the Delhi Electric Supply Undertaking, who have issued necessary instructions to provide connections immediately. A Pumping Station for the supply of water in the Estate has been set up and is ready to be commissioned.

(c) Does not arise.

#### **Air-conditioning Industry**

1155. **Shri P. C. Borooah:** Will the Minister of Industry be pleased to state:

(a) whether his attention has been drawn to a recent statement of the President of the Air Conditioning and Refrigeration Council of India saying that the air-conditioning industry in the country is facing a serious crisis owing to shortage of raw material;

(b) if so, the extent to which the industry is suffering from this shortage; and

(c) the steps being taken to improve the condition?

**The Minister of Industry (Shri Kanungo):** (a) Yes, Sir.

(b) In view of foreign exchange difficulties the allocation of free foreign exchange for raw materials/components from October, 1962—March, 1963 onwards was reduced by 50 per cent.

(c) Efforts are being made to encourage the establishment of industries so that the dependence on imported components is reduced. Sealed units and controls for Domestic Refrigerators are being produced in the country and production of sealed units for Room Air-conditioners is likely to be established by one of the licensed units by the end of this year.

The main components and raw material, required to be imported for water coolers and air-conditioning and refrigeration machinery are compressors, controls, relays, pipes and fittings and refrigerants. Three industrial units, which are in production of compressors in a small way, are likely to step up their production soon. A few more schemes are likely to mature for production by the end of this year as their import applications for capital goods have since been cleared.

#### **Iron Ore Deposits in Maharashtra**

**1156. Shri Vishwa Nath Pandey:** Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether it is a fact that a big deposit of iron ore has been found in Chanda District (Maharashtra); and

(b) if so, the details thereof?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) The existence of sizeable deposits of iron ore has been known for some time. These have been investigated by the Geological Survey of India in recent years for assessment of reserves. Some work is being done in the area by the Government of Maharashtra who claim to have located new deposits in this District. However, as the investiga-

tions have not concluded as yet, they are unable to furnish any detailed information regarding the same.

(b) Deposits of iron ore with over 60 per cent iron content occur at the following places:—

**Lohara.**—Reserves are estimated at 21 million tonnes with 69.21 per cent iron and with very low values of phosphorus, sulphur and titanium.

**Asola.**—Reserves are estimated at 406,000 tonnes with 69.99 per cent iron and 3.89 per cent silica.

**Dewalgaon.**—Reserves are estimated at 230,000 tonnes with 61.2 to 67.76 per cent iron and 1.5 to 11.04 per cent Silica.

**Pipalgaon.**—Reserves are estimated at 294,000 tonnes with 71.05 per cent iron, 4.5 per cent silica and traces of sulphur and phosphorus.

**Puser.**—Reserves are estimated at 268,000 tonnes with 63.33 to 66.94 per cent iron, 0.83 to 2.71 per cent silica and 0.31 to 0.22 per cent phosphorus.

#### **Production of Woollen and Khadi Cloth in A.P.**

**1157. Shri E. Madhusudan Rao:** Will the Minister of Industry be pleased to state:

(a) the total amount of Woollen and Khadi cloth produced in Andhra Pradesh during 1963-64;

(b) the cost thereof; and

(c) the grant given to Andhra Pradesh Khadi Board during the above period?

**The Minister of Industry (Shri Kanungo):** (a) The production of Woollen Khadi and cotton Khadi, up to 30th September, 1963, amounted to 7.62 lakhs sq. metres and 28.5 lakh sq. metres respectively.

(b) Woollen Khadi Rs. 25.31 lakhs and Cotton Khadi Rs. 76.41 lakhs.

(c) Rs. 6.67 lakhs up to 21st December, 1963.

**Export-Import Advisory Council Meeting**

1158. { Shri Ram Harkh Yadav:  
Shri P. C. Borooah:

Will the Minister of **International Trade** be pleased to state:

(a) the matters discussed at the meeting of the Export-Import Advisory Council held on the 26th February, 1964;

(b) the main observations and recommendations made at the meeting; and

(c) the decisions taken and the action being taken in the light of those observations?

**The Minister of Industry (Shri Kanungo):** (a) The various suggestions received from the members for consideration at the meeting of the Export-Import Advisory Council held on 26th February, 1964 were included in Agenda Papers, a copy of which has already been placed in the Library.

(b) There was a general discussion on problems relating to import and export policy and procedure with special reference to export promotion. A copy of the proceedings of the Council will be placed in the library as soon as ready.

(c) The functions of the Council are purely advisory and no decisions are taken at its meeting. However action is being taken with reference to the various suggestions made by the members.

**Import of Photographic Papers**

1159. { Dr. Saradish Roy:  
Shri Dinen Bhattacharya:  
Dr. Ranen Sen:

Will the Minister of **Industry** be pleased to state:

(a) the value and amount of uncoated photographic paper imported from abroad during the last one year, country-wise; and

(b) the prices of the same in India?

**The Minister of Industry (Shri Kanungo):** (a) and (b). The Honourable Members are apparently referring to the photographic base papers which are being imported on actual user licence by the manufacturers of photo printing paper in the different parts of the country. The figures relating to the actual import during last year and the prices at which these were imported are being ascertained from the companies concerned and will be placed on the Table of the House.

**Newsprint Factory in Uttar Pradesh**

1160. { Shri Ramachandra Ulaka:  
Shri Dhuleshwar Meena:

Will the Minister of **Industry** be pleased to refer to the reply given to Unstarred Question No. 804 on the 29th November, 1963 and state:

(a) whether the revised proposal for setting up a newsprint factory in Uttar Pradesh has been examined; and

(b) if so, the result thereof?

**The Minister of Industry (Shri Kanungo):** (a) and (b). The proposals are still under consideration.

**Supply Missions Abroad**

1161. { Shri Ramachandra Ulaka:  
Shri Dhuleshwar Meena:

Will the Minister of **Supply** be pleased to refer to the reply given to Unstarred Question No. 1232 on the 6th December, 1963 and state:

(a) whether any decision has since been taken to open two new supply missions in Moscow and Dusseldorf; and

(b) if so, the details thereof?

**The Deputy Minister in the Department of Supply (Shri Jaganatha**

## Table

**Rao:** (a) The question of opening an Inspection Cell in Dusseldorf is still under consideration. The proposal to open a similar Cell in Eastern Europe has been dropped.

(b) Does not arise.

दिल्ली राज्य केन्द्रीय सहकारी स्टोर द्वारा  
आयात

११६२-  
 { श्री प्रकाशवीर शास्त्री :  
 श्री कछवाय :  
 श्री रामेश्वरानन्द :

क्या अन्तर्राष्ट्रीय व्यापार मंत्री यह बताने की कृपा करेंगे कि

(क) क्या दिल्ली राज्य केन्द्रीय सहकारी स्टोर को विदेशों से कुछ वस्तुओं का आयात करने का लाइसेंस दिया गया है; और

(ख) यदि हाँ, तो जब से लाइसेंस दिया गया है, तब से उसने हर साल कितनी-कितनी मात्रा में किन-किन वस्तुओं का आयात किया है ?

उद्योग मंत्री (श्री कानूनगो) : (क) जी, हाँ ।

(ख) प्रत्येक लाइसेंस द्वारा किये गये वास्तविक आयात के आकड़े नहीं गिने जाते हैं, किन्तु दिल्ली राज्य केन्द्रीय सहकारी स्टोर को जो लाइसेंस दिये गये हैं उनकी वस्तुओं तथा मूल्य का एक विस्तृत विवरण सभा पटल पर रखा गया है । [पुस्तकालय में रखा गया । देखिये संख्या एल टी—२५२७/६४]

### Management and Control of Companies

**1163. Shrimati Sabodrabhal Rai:** Will the Minister of Industry be pleased to state:

(a) the number of companies taken over by the Union Government for management and control under the Industries (Development and Regulations) Act, 1951, and the period for

which taken over since the promulgation of the said Act; and

(b) the number of companies restored to their share-holders during this period?

**The Minister of Industry (Shri Kanungo):** (a) and (b). A statement is laid on the Table of the House [Placed in Library. See No. LT-2528/64].

12-07 hrs.

### RELEASE OF MEMBER

**Mr. Speaker:** I have to inform the House that I have received the following telegram, dated the 12th March, 1964, from the Superintendent, Sub-jail, Muvattupuzha, Kerala:—

"Shri A. K. Gopalan, Member, Lok Sabha, released from sub-jail, Muvattupuzha at 12-20 hours. under orders of acquittal of remanding court."

3846-47.

### PAPERS LAID ON THE TABLE

**COLLIERY CONTROL (AMENDMENT) ORDER, REPORT OF COMPTROLLER AND AUDITOR GENERAL ON COAL BOARD AND ANNUAL REPORT OF N.C.D.C.**

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** I beg to lay on the Table a copy each of the following papers:

- (i) The Colliery Control (Amendment) Order, 1963 published in Notification No. G.S.R. 19 dated the 4th January, 1964, under sub-section (6) of section 3 of the Essential Commodities Act, 1955. [Placed in Library. See No. LT-2518/64].
- (ii) Report of the Comptroller and Auditor General on the Accounts of the Coal Board for the year 1962-63, under sub-section (2) of section 12 of the Coal Mines (Conservation

and Safety) Act, 1952 [Placed in Library. See No. LT-2519/64].

(iii) (a) Annual Report of the National Coal Development Corporation Limited, Ranchi, for the year 1962-63 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon, under sub-section (1) of section 619A of the Companies Act, 1956.

(b) Review by the Government on the working of the above Corporation. [Placed in Library. See No. LT-2520/64].

**RUBBER (AMENDMENT) RULES, ANNUAL REPORTS OF RUBBER BOARD, ANNUAL REPORT OF S.T.C. AND REVIEW BY GOVERNMENT**

**The Minister of International Trade (Shri Manubhai Shah):** I beg to lay on the Table a copy each of the following papers:—

(i) The Rubber (Amendment) Rules, 1964 published in Notification No. G.S.R. 290 dated the 29th February, 1964 under sub-section (3) of section 25 of the Rubber Act, 1947. [Placed in Library. See No. LT-2521/64].

(ii) Annual Reports of the Rubber Board for the years 1961-62 and 1962-63. [Placed in Library. See No. LT-2522/64].

(iii) (a) Annual Report of the State Trading Corporation of India Limited, New Delhi, for the year 1962-63, along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon, under sub-section (1) of section 619A of the Companies Act, 1956.

(b) Review by the Government on the working of the above Corporation.

[Placed in Library. See No. LT-2523/64].

**ANNUAL REPORT OF N.S.I.C. AND REVIEW BY GOVERNMENT**

**Shri Manubhai Shah:** On behalf of Shri Kanungo, I beg to lay on the Table a copy each of the following papers:

(i) Annual Report of the National Small Industries Corporation Limited, New Delhi, for the year 1962-63 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon, under sub-section (1) of section 619A of the Companies Act, 1956. [Placed in Library. See No. LT-2524/64].

(ii) Review by the Government on the working of the above Corporation. [Placed in Library. See No. LT-2523/64].

12.09 hrs.

**COMMITTEE ON ABSENCE OF MEMBERS**

**EIGHTH REPORT**

**Shri Khadilkar (Khed):** Sir, I beg to present the Eighth Report of the Committee on Absence of Members from the Sitzings of the House.

**ESTIMATES COMMITTEE**

**FORTY-SIXTH REPORT**

**Shri A. C. Guha (Barasat):** Sir, I beg to present the Forty-sixth Report of the Estimates Committee on the Ministry of International Trade—Tea Board, Calcutta.



## PRESENTATION OF PETITION

**Shri Sivamurthi Swamy (Koppal):** Sir, I beg to present a petition signed by two petitioners regarding establishment of sugar factories by co-operative societies.

There is another petition also that I have received signed by 4800 persons in this connection. May I request that that may be referred to the Petitions Committee?

प्रत्यक्ष सहोदय : माननीय सदस्य बैठ जायं ।

12.10 hrs.

## BUSINESS OF THE HOUSE

**The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha):** With your permission, Sir, I rise to announce that Government Business in this House during the week commencing 16th March will consist of:—

- (1) Further discussion and voting on the Demands for Grants relating to the Ministry of Petroleum and Chemicals.
- (2) Discussing and voting on the Demands for Grants relating to the Ministries of:—

Information and Broadcasting  
International Trade  
Labour and Employment  
Defence  
Transport  
Law.

**Mr. Speaker:** The Minister of International Trade has written to me thus:

"As the Conference of Commonwealth Trade Ministers is to be held on 19th morning and I have to leave on the 17th midnight, with the concurrence of the hon. Minister of Parliamentary Affairs and Information and Broadcasting, may I request the

permission of the hon. House and your permission to bring up the Demands of my Ministry a little earlier, in the time scheduled for the Demands of the Ministry of Information and Broadcasting?"

**Shri Hari Vishnu Kamath: (Hoshangabad):** Sir, on a point of clarification with regard to the statement....

**Mr. Speaker:** Has this permission been granted? I hope hon. Members do not have any objection to this.

**Several hon. Members:** No.

**Mr. Speaker:** So, that permission is granted. Now, what does Shri Kamath want to say?

**Shri Hari Vishnu Kamath:** If I heard him aright, Sir, the Minister of Parliamentary Affairs has included the Demands relating to the Ministry of Defence for discussion next week. You had been pleased to direct, Sir, over two or three weeks ago, that the reports of ministries should be presented at least a week before the Demands come up in the House. Now, sented at least a week before the Demands relating to the Ministry of Defence will be coming up for discussion next Friday, I believe, at the latest, and today is Friday. It is a very important Ministry, and a difficult Ministry too to deal with. So far we have had no report at all. I am constrained to say that the ministries show scant regard for your advice and directives and also, I am sorry to say, for the House. I do not know what the remedy for this situation is.

**Mr. Speaker:** There are remedies and the hon. Member knows them.

**Shri Hari Vishnu Kamath:** The other issue is what I raised last week. You were pleased to ask at that time whether the House of Commons provides any guidance in this matter. I then said that I would look it up.

Since then I have delved a little into the *Hansard* and some other cognate publications and obtained some helpful material. Before I proceed to that.....

**Mr. Speaker:** He will kindly bring that to me, we will sit down together and discuss.

**Shri Hari Vishnu Kamath:** It was raised in the House and then you asked me to get this.

**Mr. Speaker:** If I feel that there is need for it to be raised in the House, I will ask him to do so.

**Shri Satya Narayan Sinha:** I would like to inform the hon. Member and this House also that the Defence Ministry's report is being circulated to hon. Members today.

12.13 hrs.

#### DEMANDS FOR GRANTS—Contd.

##### MINISTRY OF PETROLEUM AND CHEMICALS

**Mr. Speaker:** The House will now take up discussion and voting on the Demands for Grants under the control of the Ministry of Petroleum and Chemicals for which 5 hours have been allotted.

Hon. Members desirous of moving their cut motions may send their slips to the Table within 15 minutes indicating which of the cut motions they would like to move.

##### DEMAND NO. 77—MINISTRY OF PETRO- LEUM AND CHEMICALS

**Mr. Speaker:** Motion moved:

"That a sum not exceeding Rs. 16,18,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March 1965, in respect of 'Ministry of Petroleum and Chemicals'."

##### DEMAND NO. 78—OTHER REVENUE EXPENDITURE OF THE MINISTRY OF PETROLEUM AND CHEMICALS

**Mr. Speaker:** Motion moved:

"That a sum not exceeding Rs. 87,17,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March 1965, in respect of 'Other Revenue Expenditure of the Ministry of Petroleum and Chemicals'."

##### DEMAND NO. 135—CAPITAL OUTLAY OF THE MINISTRY OF PETROLEUM AND CHEMICALS

**Mr. Speaker:** Motion moved:

"That a sum not exceeding Rs. 47,23,96,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1965, in respect of 'Capital Outlay of the Ministry of Petroleum and Chemicals'."

**Dr. Ranen Sen** (Calcutta East): Sir, we are discussing the Demands for Grants relating to a very important Ministry. Before entering into the discussion, I want to ask one question to the Government of India. I want to know why certain other subjects like Orientology, Muslim Wakfs etc., are tagged on to this Ministry which is to perform certain important functions on which depends the future of our country? These subjects have nothing to do with petroleum or chemicals. Therefore, I do not find any reason why these subjects should be attached to this Ministry.

Having said this, I will mainly concentrate on the policy matters related to the work of Ministry. The Government of India has to its credit certain achievements in this respect. During the British days the

[Dr. Ranen Sen]

foreign oil companies used to fleece the country. They used to dictate prices. They used to keep India at ransom taking advantage of the dependence of India on the Britishers. They continued this for a pretty long time. Then, after independence, even the Government of India was compelled to come to an agreement with these foreign firms—Burmah Shell, ESSO and Caltex.

**Mr. Speaker:** The hon. Member may kindly resume his seat. I might just request the hon. Members, those hon. Members who are desirous of moving their cut motions, to send in the number of cut motions they want to move to the Table within 15 minutes and I will treat them as moved.

**Dr. Ranen Sen:** They were compelled to enter into refinery agreements with these firms. Those agreements were foisted on India because those agreements went against the interest of India. Gradually, the Government of India came to realise that India must have its own independent oil policy. The Damle Committee made certain suggestions in this respect in its report, which were accepted by the Government of India, although the foreign oil companies tried in several ways to sabotage enquiries that were conducted by the Damle Committee. The Government of India embarked on the correct path. It started the IOC. It established the Indian Refineries Limited and the Oil India Limited. Even though those companies have started functioning, there are sceptics amongst ourselves who did not appreciate the value of these organisations or who did not appreciate the necessity of an independent industrial policy in respect of oil.

Today the policy that has been pursued by the Government of India in this respect has been vindicated. Indian Oil Company has not only

functioned effectively but this year it has amassed a profit of nearly Rs. 60 lakhs. It has saved Rs. 7.28 crores in foreign exchange by making rupee payment to the Soviet Union, which is supplying crude oil to India. This activity of the Government of India has been wholeheartedly supported by the Soviet Union, Rumania and some other Socialist countries. Thanks to their support, we are today on par with many advanced countries. They are going to help India not only in respect of petroleum but also in respect of petro-chemical and other industries.

Today India takes a different route, a different path from that followed during the British days. The work that has been started by the O&NGC some time back has been commendable. It has found out oil as well as natural gas deposits in many parts of India, notably Gujarat. In certain parts of India, the Government of India had handed over the prospecting to Stanvac, particularly in West Bengal. In the eastern part of India the O&NGC have started prospecting and exploration of natural gas and oil. These are good signs for the industrial development of India, because petroleum and petrochemicals are going to play a very important role in the future development of India.

Despite these achievements, for which due credit has to be given to the Government of India, there are certain weaknesses which are already manifested in the oil policy of the Government of India and it will be a dereliction of duty on my part if I do not point them out today. Some time back, Burmah-Shell, ESSO and Caltex have been permitted to expand their refinery capacity. Foreign collaboration in the State sector has been sought in the Cochin refinery. ESSO is collaborating in the lubricant plant; so much so that

this is nothing but a departure from the industrial policy resolution that we had adopted in 1956. This has gladdened the hearts of big business in India as well as the hearts of foreign private capital. This is what the *Eastern Economist* writes on this subject:

"The Cochin refinery opens a new land-mark in the history of Indian oil industry."

This is nothing but appeasement of foreign private capital in oil industry. This sign was manifested last year when the Cochin refinery agreement was arrived at. This year also when Shri T. T. Krishnamachari made a policy statement in regard to the participation of foreign private and indigenous capital, the foreign journals acclaimed that statement and the *London Economist* wrote:

"If Mr. T. T. Krishnamachari succeeds in carrying through the policy he has enunciated, major oil companies looking for outlets for their surplus will on their part be too willing to expand operation in India."

I think, today there is a definite departure from the independent oil policy that the Government of India was following during the last six or seven years. Not only that, there is a definite attempt at departing from the Industrial Policy Resolution which enjoined upon the Government of India to take the oil industry into its own fold and to make it a State sector industry. We find that all along the line there is a tendency to appease the foreign capital and the big business in India.

I shall cite certain examples in this regard. Knowing fully well that these foreign companies are no friends of ours—even as late as a few years back they wanted to blackmail India into submission and wanted to dictate certain terms to India; this is known to every one—even then we find that the Government of India is tak-

ing to a policy which is more in the interest of foreign and indigenous private capital than the national interest, the interest of India.

Now, a question may be raised that when we require oil, to meet our requirements we have to go in for collaboration with foreign capital and all that. My answer would be that for the time being we may be able to get enough oil but that will ruin our independent oil industry and ultimately these foreign private companies will hold India to ransom, dictate their terms and have India in their grip.

Once upon a time, not very long ago, Shri Jawaharlal Nehru in his *Glimpses of World History* had written that these oil companies were called oil imperialism throughout the world. This he had written a few years back. I want to remind the Government of India, the Oil Ministry, about that important statement made by Shri Jawaharlal Nehru, now our Prime Minister, in the *Glimpses of World History*.

In regard to petro-chemicals also, which is a very new industry in India and which opens up a new vista for the industrial development of India, collaboration has already started. The Mafatlal Group has been given one licence and in Bombay foreign private capital is being invited to start a petro-chemical complex as also in Gujarat. There will be three more petro-chemical complexes and I am afraid, if this policy is pursued by the Government of India, the whole of the petro-chemical industry will be in the grip of the foreigners if they collaborate in this respect because they, being very powerful, will be able to control the industry not to the interest of India but to their own interest.

In regard to fertilisers also the Government of India of late have started giving way to private capital, both foreign and indigenous.

[Dr. Ranen Sen]

In regard to the chemical industry I have to say a few words. The chemical industry has been a happy hunting ground for foreign private capital. In the year 1948 there were Rs. 8 crores of foreign capital in this industry; in 1960 this Rs. 8 crores increased to Rs. 38 crores. This is all foreign investment in the chemical industry. The number of new mixed companies would be 168 in three years alone from 1958 to 1961. The policy pursued by the Government of India in this respect is very dangerous. The chemical industry forms a very important part of our industrial development. The slogan of the big business has so long been: take less loans but higher foreign capital. It seems the Government of India have succumbed to this slogan. Even in respect of State sector, we found that collaboration started with foreign capital. Marck Sharp & Dohme (International) are collaborating with Hindustan Antibiotics and one of the conditions is that the production secrets will not be given to the Indian hands. This is one of the terms. Let our Minister repudiate it in the statement that he may make. But this is what I gather from the newspapers.

**Mr. Speaker:** Wherefrom did he get it?

**Dr. Ranen Sen:** From newspapers. Most of this information is culled out from newspapers, magazines and other things.

**Mr. Speaker:** Then, surely it is a secret stipulation.

**Dr. Ranen Sen:** I do not know whether it was a secret stipulation or it was known everybody.

**Shri Hari Vishnu Kamath (Hoshangabad):** The Mahalanobis Committee's Report leaked out very nicely.

**Dr. Ranen Sen:** In Gomia Explosive Factory, it is also stated that 80 per cent of the capital belongs to Imperial Chemical Industries, the only British concern and a very big business concern in the international trade. There are some of the very bad signs, dangerous signs, which have started due to the policy of the Government of India under the Ministry of Petroleum and Chemicals. Therefore, what I want to state is this that it is high time the Government of India take cognizance of this danger, face the situation boldly and try to stand on an independent oil policy. There have been certain offers. Certain gentlemen do not want to hear the praises of Soviet Union, Rumania and other countries. They are giving disinterested help. They are still giving and they will probably give still more. But it is not only Soviet Union but there are other countries—this information is also got from newspapers—Asian countries, who are prepared to help us, for example, Kuwait and Iran. Both these Governments have sent their delegations to India, had talks with our Minister, Mr. Kabir and the best terms have been given by Kuwait. I do not know whether the Government is going to accept those terms. They are even prepared to participate as minority partners in petro-chemical industry. They are prepared to give to India the right of exploring and prospecting in Kuwait. They are even prepared to supply crude oil at a very cheap rate participate in building up Madras Refinery and the distribution will be wholly in the hands of the Indian Oil Company. They do not want any share of the distribution. Let us accept this offer of handsome cooperation from these Asian countries. In the political field, we often speak about the Afro-Asian solidarity and India is committed to that Afro-Asian solidarity idea. Let us have economic Afro-Asian solidarity in this field. That will be advantageous to the interests of India and to those

countries also. I expect a definite statement from the Minister in this respect as to what is happening in this regard, that is, in regard to our negotiations with Kuwait or Iran. Since it is a very important thing which is happening the hon. Minister should make a statement on this.

Then, I want to refer to the synthetic rubber industry. Some of these industries are being handed over to foreign companies like Duncan Brothers, PJB etc. Besides, there is another private sector synthetic rubber plant which has got the licence to produce 15,000 tons of synthetic rubber. According to the Government of India's regulations, these synthetic rubber producers are entitled to import an equal quantity of natural rubber from outside. The natural rubber from outside is cheaper than the synthetic rubber produced in India and even natural rubber produced in India. As a result of the import of natural rubber from outside, the price of natural rubber produced in India would go down because it cannot stand competition with the other rubber. Ultimately, this will affect the rubber industry in India. I am told that all this is being done by the Ministry of International Trade without consulting the Ministry of Petroleum and Chemicals. It seems that there is no co-ordination between them. If there had been some co-ordination, these things would not have happened. Even the Rubber Board was not consulted when these things went on. We would submit that at least the Rubber Board should be consulted, and the Government of India should not take such steps as would affect the indigenous rubber industry or other industry.

While criticising the policies which are being pursued by the Government of India, I do not for a moment suggest that the policy which Government have been following for so long is wrong. On the contrary, I would say

that it is the correct policy which they have been following. It is because there has been some departure that I am constrained to make this criticism.

Finally, I would like to make clear one thing about the participation of foreign equity capital. It is known to everybody, and it is known to almost all the Afro-Asian countries today that the foreign private capital which comes from these imperialist countries ultimately does no good to those countries. This kind of economic penetration ultimately results in some sort of economic and political domination, direct or indirect, on those countries. It is high time that the Government of India take a lesson from modern history and take a stand which would ultimately help the national oil industry in this country.

I want to point out another factor in this respect, and that is in regard to the total output from the refinery that we are going to have by the end of the Third Plan. Today, as it stands, after the expansion of Burmah Shells, Caltex, Essos etc., the total output is a little greater than what the State sector is producing. At the end of the Third Plan, even after we have the Koyali refinery etc., because there is collaboration between foreign private capital and the Government of India organisation, the total outputs from these refineries, private sector as well as State sector ones—'private sector' means foreign capital private sector—would be almost equal. That means that it will take a long time for the Government of India to come first in the race between the foreign capital and the State sector. Unless the Government of India take a correct line from today and take a lesson from modern history, it will take a long time.

I would say that the way to self-sufficiency in oil industry or in petrochemical industry in India is through three things. The first is our own

[Dr. Ranen Sen]

effort, as is being done by the ONGC and the IOC. The second is fraternal help from the Soviet Union, Rumania and other countries. The third is collaboration with these Asian countries. Let us stand on these three pillars and try to squeeze out these foreign oil companies and ultimately nationalise them. I know Shri Ranga would not like this. But I want to ask: if a small country like Ceylon can do it, if a small country like Burma can do it, if Indonesia can do it, why not India which has greater resources, which is a much bigger country? Therefore, I bring it before this House. It is time for Government to nationalise this industry, squeeze out foreign capital from this industry nationalise the oil industry and embark on a correct and independent oil policy that will guarantee the future of India, the future economic development and prosperity of India.

**Shri P. H. Bheel** (Dohad): Mr. Speaker, Sir, I come from the State, which was formerly a part of the former bilingual State of Bombay. But after the formation of the new State of Gujarat, the tempo of development has not very much increased. The past developmental backlog, in the field of power, transport, irrigation, agriculture and other spheres of industry still continues. This backlog is so heavy that in spite of some efforts, my State has not achieved the requisite momentum in the direction of self-sustaining economy so far.

Sir, there are various impediments in our way, but I will presently examine only those which fall within the purview of the Hon. Minister, whose Demands we are discussing now.

At the outset, I take up the Petro-chemical industries. A Refinery with a refining capacity of 2 million tons of oil per annum with prospects of expansion upto 3 million tons is being set up in the State and the work of construction of the Refinery is proceeding according to schedule and it

may be ready for production in about a year's time. There is no definite indication, however, of the policy proposed to be adopted in regard to the petro-chemical industries to be developed in this area. Dr. Henney, the World renowned French expert has in his report submitted to the Government of India in regard to the development of petro-chemical complexes in the country emphatically stressed the need for the establishment of such complexes as early as possible. According to him the failure to build petro-chemical industries will result in an yearly import bill amounting to about Rs. 51 crores in 1965-66 and about Rs. 150 crores in 1970-71. This alone is sufficient to necessitate immediate action on the question of establishment of petro-chemical industries. It is absolutely necessary not only to finalise but to keep ready the petro-chemical complex much ahead of the date on which the Refinery goes into production and the by-products become available. It is, therefore, highly essential to establish a special agency to co-ordinate and synchronise the plans of establishing petro-chemical complexes in the country in general and the Koyali refinery area in particular so that no time is wasted when the refinery starts operation and raw materials for Petro-chemicals are readily available.

Unfortunately, no clear indication is yet available to the prospective industrialists interested in the development of petro-chemical industries as regards the chemical and other properties of the oil and gas, or the types of by-products likely to be available from the refinery, continuity of supply and the prices at which such products are likely to be made available. It is absolutely necessary to clarify these matters and to adopt a long-term policy in the interests not only of the better and more economic utilisation of the by-products of the refinery, but also to enable the prospective industrialists to plan in time for the establishment of such industries where these could be utilised.

The dispute over the fixing of gas price is very much agitating the mind of our people. Much heat has been generated over the behaviour of ONGC in this connection. It comes as a rude shock to us when we are told that our people will have to pay as much as Rs. 90 to Rs. 100 per 1,000 cubic meters of natural gas to ONGC for the gas produced from the oil fields of Gujarat.

Mr. coal starved, high-cost-economy State, which had some satisfaction from the discovery of gas, was completely disappointed by this attitude of ONGC.

To compare with prices in other States, for instance, Oil India Ltd. charges Rs. 9 per 1,000 cubic metres for Nahorkatiya gas in Assam, while the ONGC asks Rs. 80 to Rs. 100 in Gujarat. The fact that the ONGC has no control over Oil India's policies does not explain away the unconscionable disparity. Again, the ONGC demands Rs. 100 for Ankleshwar associated gas supplied to industries in Baroda, Rs. 90 from the Gujarat Fertiliser Company and Rs. 80 for Cambay gas supplied to the Gujarat Electricity Board. These prices cannot but give a rude jolt to consumers who had hoped that the cost of generating electricity and that of fuel can be substantially reduced with the discovery of oil and gas within the State itself.

Various persons and organisations in the State have objected to the high level of prices. The basic contention has been that the State and its industries should be enabled to secure fuel at cheap cost. The State has all along suffered from one major handicap in its programme of industrialisation, viz. the high cost and irregular supply of coal. The high railway freight more than doubles the pit-head price of coal. Absence of any big hydro-electric projects made cost of electricity quite high.

It was hoped that the cost of generating electricity and that of fuel

for industries would considerably drop with the discovery of oil and gas in the State. The prices now fixed by the ONGC have given a rude jolt to these hopes. Can ONGC take any satisfaction in its work when people start describing it as a nineteenth century monopolist?

I think it is pertinent to point out that the benefits of natural resources found in a particular region are usually allowed to be enjoyed by the industries located thereabout. It is disconcerting to note that Gujarat has been deprived of this natural advantage in the matter of fixing the prices of gas to which it is legitimately entitled. The objective of the Central Government of stimulating regional development can be achieved more readily if a uniform policy were to be adopted in regard to the benefits that may be allowed to accrue to each State in respect of its natural resources.

There is no justification for a policy that varies in its application in respect of one commodity from State to State and from one natural resource to another resource, i.e., one policy for coal and hydro-electric power and another for oil and gas. In view of the need for accelerating the industrial development in Gujarat State and stimulating tempo in this region, it is strongly urged that gas be made available to the industries etc., of Gujarat at a price of coal prevailing at the pithead so as to ensure competitive capacity of the industries of this region.

I quote here what Dr. Henney of the French Petroleum Institute in one of his speeches stated about the reasonable price of gas. According to him, it may be 50 nP. per 1,000 cubic feet. It is also reported that the ONGC too had considered and also discussed the guaranteed supply at the price of 50 nP. for 1,000 cubic feet with the various major consumers of gas in Gujarat and the officials of the State Government.



[Shri P. H. Bheel]

It is hoped that the Government of India as well as the Arbitrator appointed by them to deal with this question will take these factors into account so as to enable the State to wipe off the backlog of development and achieve the pace of growth attained by other States by fixing the price of gas at a reasonable level, keeping in view pithead costs of natural fuels.

I understand that by the end of October, 1963, 122 million cubic meters of gas had been burnt up at Ankleshwar. The value of this gas at the proposed value of Rs. 100 per 1,000 cubic metres is about Rs. 1.25 crores. This amounted to 20 per cent of the Oil and Natural Gas Commission's total earnings from the sale of crude oil, which amounted to Rs. 6.92 crores. If the ONGC can avoid such gross national loss, the question of conflict between the Gujarat Government and the Central Government over the fixing of price would not arise. Why not try to economise and thus help the State economy and also strengthen the Central Exchequer?

This is all, I can say in conclusion: let us be wise and not shift the blame and responsibilities.

**Mr. Speaker:** I have allowed the speech to be read because it was the maiden speech of the hon. Member, but if there are any other hon. Members who have yet to make their maiden speech and they want to read it, it should not be long. It should be very concise, because otherwise everybody, the Members as well as the visitors, loses interest in that. We do not have a sense of reality in the debate, and it will develop into some kind of seminar. Therefore, I would request hon. Members that if there is a maiden speech, it should be very brief and concise, so that interest in the debate can be kept up.

**Shri Oza (Surendranagar):** We are discussing the Demands of a Ministry, which, in my humble opinion, has to play a very important, vital and strategic role in the future industrial development of this country.

Unlike the previous speaker from the Communist group, I request the Ministry not to be inflicted with any obsessions or inhibitions, and I would urge them to go ahead with the exploitation of our natural resources to the last degree, consistently with our industrial policy resolution, as rapidly as possible. It is said that in future our oil companies will suffer from some competition from foreign concerns who will hold us to ransom. I am not afraid of such a possibility at all, because this is a sovereign country, and the Government is strong enough to tackle problems as and when they arise. Out of such fear, not to allow the present development and to drain away whatever little foreign exchange we have got, I think, will not be a wise policy.

I am glad that the Ministry is in the hands of two energetic Ministers, and I am sure they will do the needful in the matter. We know that a country's progress is measured by the type of fuel it uses: whether it was cow dung or wood or some other developed commodity.

**Shri Hari Vishnu Kamath:** I am sorry to interrupt, Sir, but there is not even half the quorum though it is not yet 1 o'clock. It is an important Ministry and there are not even twenty Members in the House!

**Mr. Speaker:** Let the Bell be rung—now there is quorum.

**Shri Oza:** I was referring to the standards by which a country's progress in industrial development is measured. Taking that standard we are at the lowest rung of the ladder in the world. For historical reasons,

it is so. Now that we are going ahead with our oil exploration. I am sure that we will find our proper place.

I am glad that our technicians of the ONGC are doing very good work, wonderful work but I have a feeling that the work is getting diffused. I think we should do it more intensively and in a more concentrated manner. Not that I belong to Gujarat and so I plead for concentrated work in that region. It is now a well known fact that Gujarat is almost floating on oil. But over a number of years we see that the work goes on very slowly, not as expeditiously as possible. I am afraid that we are not tapping the industrial resources of the country as we should. The report says that at 4-5 places the work is going on. With what result? We do not know, the result of drilling operations near Kalol which is the proposed capital site of Gujarat, or in other places. We hear there are rich possibilities in the little Rann of Kutch. In Kutch also I think we are not reaping the benefits that we should because of the diffusion. I request the hon. Minister to concentrate on the fields where there is some certainty that it will at least repay the money and labour that we spend and also see that the other areas are free for other purposes. Today, for instance, the capital site at Ahmedabad in Gujarat—there, we are hesitant about pushing ahead with the capital project because we do not know where oil will be found and to what extent. I request the hon. Minister to go ahead with this programme more intensely and in a more concentrated manner.

The previous speaker referred to the oil prices and the price of gas. We are told that the price of gas in Assam is more or less a 'throwaway' price. There is no purchaser and so they are just realising Rs. 7-9 or whatever it may be. In Gujarat it is not the case. The matter has been referred to arbitration by Dr. V. K. R. V. 2442 (Ai) LSD—4.

Rao without going into details, I wish only to say that it should not be distress price in Gujarat. Gujarat is far away removed from the coal fields; coal reaches Gujarat after a very long haulage; it becomes costly; industries could not thrive; they are languishing for want of the right type of coal or the desired quantity of coal. So, it does not mean that ONGC should insist upon having distress price from the industrialists of Gujarat. After all, whatever industries develop in Gujarat, it would be for the larger interests of the country and no hindrance which is not legitimate should be put in the overall development of any part of the country. The matter is under arbitration and I shall not speak about it more.

This Ministry is also entrusted with chemical industries. Chemical industry has shown remarkable progress over the past few years. In June 1962, the average index of production for chemicals and chemical products was about 184 (base year 1956). As against this, the general index of industrial output stood at 150. In June, 1963, the figure for chemical production went up to 219, while the overall index touched the point of 159, seasonally adjusted. The basic industrial chemicals as also inorganic chemicals made marked progress, the indices for them in June 1963 being about 398 and 503 respectively. I congratulate the Ministry on this rapid strides in the development of our chemical industry. We should not be complacent about it because the foreign exchange that this industry earns year by year goes up. I think we should tap all our resources and encourage all our entrepreneurs to see that the chemical industry grows fast and we are able to export as much as possible to fulfil our foreign exchange needs.

This brings me to the question of petro-chemical industries to which the hon. previous speaker referred. There

[Shri Oza]

is practically no petro-chemical industry existing earlier; it is a new industry, almost; it started about 40 years back. It is said that 50 per cent of the new industries that have come up in the United States during the last fifty years are of this nature: today they play a vital role in the new technology. We should also have a perspective planning from now on for our petro-chemical industry.

We should not lag far behind. It is true that we are having steel mills and cement factories and we are laying the base for rapid industrialisation of this country. It is all necessary, but I am afraid if we concentrate only on this aspect of industrial development, our development will become obsolete in times to come. So, we have also to emphasise the development in this sphere also, namely, chemical industries and petro-chemical industries in particular.

13.00 hrs.

The Ministry is not unaware of the important aspects of this subject, and as early as 1961, the Ministry had appointed one committee under the chairmanship of Mr. Kane, the Industrial Adviser. That committee went into all the details and all the prospects of this petro-chemical industry and has given its findings to the Ministry in 1961. This committee has fixed tentative targets for the production of several items such as organic chemicals, plastics, synthetics and such other things like carbon black and nylon used in plastics. These targets are to be fulfilled both in quantity and in value by the year 1966. Unfortunately, we have only got two years left before the third Five Year Plan comes to an end, and yet, what do we see? I am afraid we have not made any headway in this respect. Maybe there are some reasons, I do not know. But I think the Ministry should have been more alert and should not have allowed time to pass.

Then, we have invited the help of the French Petroleum Institute, headed by Dr. Henney, which was referred to by the previous speaker. That expert also made very nice suggestions. For example, we know that the Gujarat refinery is to be of the capacity of three million tonnes in the first phase. It has been fixed. The first part of it will be over by the end of 1964, that is, this year. The second phase will be over by May-June, 1965, and the third phase will be over by December, 1966. The first phase is going to be over after one year. With all humility, I may ask this question: what have they done so that they will be able to utilise all the by-products that will come after the refinery goes into commission by the end of this year, after nine months or so? The report tells us that a letter of indent was issued on 16th December, 1963, to the National Organic Chemical Industries Limited, Bombay, for the establishment of a naphtha cracker in Bombay with an annual maximum cracking capacity of 2.25 lakhs tonnes of naphtha and for the manufacture of polyethylene, etc. I am very happy to learn this, because unless we have got this cracking capacity, not much headway can be made. Dr. Henney had said that a cracking capacity of 1.25 lakh tons would be enough at the beginning, but I am glad that the Ministry has done advanced thinking and has decided to put up a plant with a capacity of 2.25 lakh tons. It is a good thing because in course of time the capacity will have to be expanded so that we may not be lagging behind. But what about the creation of what they call the petro-chemical complex in Gujarat? Still, they are in a very preliminary stage. The report tells us that this project will be implemented in four phases; negotiations are in progress with potential foreign collaborators for participation in this complex. I do not know which of them will be effective. There are so many potential foreign collaborators abroad, and I think this is rather a sad thing. I request the Minister to

be very vigilant about it and finalise these negotiations with whomsoever they want to do it.

As was pointed out by the previous speaker, there is entrepreneurship in Gujarat. There is capital; there is knowhow and there is also the initiative and the drive. The people are looking forward to utilise all the by-products of the refineries. But the Ministry is not at all helpful. They say that it is going to be in the public sector. I am not quarrelling with it. But under the pretext of doing everything in the public sector, let us not delay things. Now that this plant will come up with a cracking capacity of 2:25 lakh tons, it is essential to put up the petro-chemical industry as the expert says. The plant will come up and I think we should not lag behind, and with every other phase of the refinery, we should go ahead with our petro-chemical industry also and plan in advance, so that nothing comes in the way of this country which badly needs to save foreign exchange. Dr. Henney has said that this country should spend Rs. 500 crores over the next eight years on petro-chemical industry. If it is not going to do so, looking to the industrial development and the character of the development in this country, it is no good. It shall have to bear the burden of Rs. 140 crores in 1971. It will be a very bad day when we have to foot such a heavy bill so far as the foreign exchange is concerned. Instead of earning foreign exchange and starting other chemical industries, because of want of drive or initiative or because of some negotiations which are protracted and not put an end to as early as possible, this country which wants to save its foreign exchange should not be put to the dismal fate of having to spend Rs. 140 crores on petro-chemical products. So, I request the hon. Minister to finalise these negotiations as early as possible so that our petro-chemical industries develop very fast.

As I said, this Ministry is concerned with very important and strategic

developmental activities of this country. I am sure that in times to come everything will get obsolete but not this type of industry which is going to replace so many traditional things like traditional fibre, traditional wool and so many other things. Only chemicals will fulfil the rising tempo of consumer demands. I wish the Ministry godspeed, and as I said in the beginning, it is in the hands of two young, energetic people. I am sure that without suffering from any obsession or any inhibition, it will go ahead so that it will be possible to exploit all our natural resources to the greatest extent.

**Shri Liladhar Kotaki (Nowgong):** Mr. Speaker, Sir, I rise to support the Demands of the Ministry. At the outset, I must congratulate the various organisations dealing with the production of petroleum and chemicals which are so vitally needed both for development and defence. With the reorganisation of the Ministry, I have every hope that the process of exploiting our resources will be further accelerated to cope with the growing demand in the country for these vital items.

Before I make certain observations, I would like to draw the attention of the Ministry to the Annual Report which does not give complete information and at places does not give any information at all. But the note in the Demands is more informative than the report. I will refer to paragraph 6 dealing with production. There no mention has been made regarding the gas in the Assam oilfields. Then again in paragraph 10, regarding the technical training institutes, the last sentence says that so far 80 trainees of the Cambay institute have been trained for appointment as rigmen. I think mention should also have been made of the other two institutes—at Barauni and Sibsagar.

Coming to paragraphs 25 and 26, dealing with the pipelines, the pipeline

[Shri Liladhar Kotoki]

from Gauhati to Siliguri is not mentioned there. Where the Barauni pipeline will go is also not mentioned in the report. But in the note we find all this information. I do not want to refer more to this aspect of the question, but I do hope that in future reports, fuller information will be given.

The progress so far made for the utilisation of the natural gas of Ankleshwar and the Assam oilfields has been rather slow. Wastage of this gas should be stopped as quickly as possible. So far as Gauhati is concerned, I do not find any reason why a small plant for the utilisation of the gas for domestic purposes could not have been set up and the gas utilised. I feel very sad when I find the gas in the refinery being burnt. I will request the Ministry to expedite the setting up of a gas plant at Gauhati.

13.12 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

Diesel and kerosene are very important items. The demand for both these items is growing. So, the production of these items should be accelerated. So far as Gauhati refinery is concerned, from the report I find—and I also know personally—that there were some initial mistakes so far as the kerosene plant was concerned and it delayed production for four months. There was again trouble for water-supply. The report says that the teething trouble may be said to be over. In future, all possible care should be taken so that these defects will not delay such vital undertakings.

When the proposal for the Gauhati refinery was first discussed, we suggested that instead of a crude oil pipeline, product pipeline should be taken up and that was then turned down.

Now product pipeline has been accepted. So, my suggestion is that the Gauhati refinery should be expanded to the maximum capacity expeditiously. The product pipeline has already been constructed from Gauhati to Siliguri. If necessary it may be extended to other consuming areas.

Even the expansion of the Gauhati refinery may be limited for various reasons. When that stage comes, I will suggest a second refinery to be set up at Silghat. I mention Silghat because it was at first selected by the expert committee and land was acquired. Some preliminary steps were also taken but, somehow, the site was shifted to Gauhati. I am glad that at least we have got a refinery at Gauhati and as I have already pleaded, its capacity should be expanded to the maximum. I do suggest that we should have a second refinery at Silghat because even the needs of the eastern region for full development and defence will require a very large quantity of petroleum and other products which the expanded Gauhati Refinery alone will not be able to meet. Now that you have taken up the product pipeline, there will be no difficulty to supply the surplus that will be produced in the refineries in Assam to other consuming areas.

There is a feeling in Assam that in private sector industries, local people do not have any sense of participation. That feeling has somehow been directed to the public sector institutions also. For some time, the Chairman of the Indian Refineries was Shri Dev Kanta Barua who was a Member of this House once and now the Education Minister in Assam. I am mentioning this only to show that there will be no dearth of suitable and competent persons from Assam to hold positions of all India importance of this nature. That applies to Gujarat also. My point is that suitable persons should be represented in the

boards of management and also in Selection Committees of public sector industries or enterprises, so that the people in those localities may have a sense of participation in them.

Coming to employment, there is again a feeling that the people in these localities do not get adequate representation. I have a concrete suggestion to make in this direction. So far as Grade III and Grade IV employees are concerned, there will be no dearth of local people, if necessary with some training, being given. So far as Grade II employees are concerned, preference should be given if suitable candidates are available locally.

Regarding training institutes, I have already referred to the lapse in the report. There also care has to be taken to see that the people of the locality get preference in these institutes and they are trained, so that they can be taken over in the public sector or elsewhere after they are properly trained. This lack of training is the real difficulty felt by the Ministry itself and that is mentioned in the report. I am glad that these training institutes have been established and I would suggest that their capacity should be enlarged, so that the gap that we have in the technical personnel may be filled up without delay.

The last point I would like to deal with is about the petro-chemical industries. In the Demands for Grants, it is mentioned at page 21:

"The natural gas produced will be utilised as industrial fuel/raw material in the petro-chemical industries and as a domestic fuel."

That refers to the oilfields of Assam. I am glad that a step has already been taken to establish a petro-chemical unit in Gujarat. I want to know whether any step has been taken for establishing a petro-chemical industry in Assam and if so, what is the progress about those steps. If not, may I

request the Ministry to engage their attention to establish this most important industry in Assam.

With these observations, I support the Demands for Grants of this Ministry.

**Mr. Deputy-Speaker:** According to intimation since received from Members, the following cut motions are desired to be moved relating to the Demands under the Ministry of Petroleum and Chemicals: Cut motions Nos. 1 to 10. Hon. Members may move them.

**Shri Sivamurthi Swamy (Koppal):** I beg to move:

"That the demand under the head 'Ministry of Petroleum and Chemicals' be reduced by Rs. 100."

[Need to supply petrol and other fuel oils to run agricultural machinery. (1).]

**Shri A. V. Raghavan (Badagara):** I beg to move:

(i) "That the demand under the head 'Ministry of Petroleum and Chemicals' be reduced to Re. 1."

[Issue of licences to develop synthetic rubber without reference to the Rubber Board. (2).]

(ii) "That the demand under the head 'Ministry of Petroleum and Chemicals' be reduced to Re. 1."

[Policy regarding issue of licences to import natural rubber. (3).]

**Dr. M. S. Aney (Nagpur):** I beg to move:

(i) "That the demand under the head 'Ministry of Petroleum and Chemicals' be reduced by Rs. 100."

[Establishment of Refineries. (4).]

(ii) "That the demand under the head other revenue expenditure of the 'Ministry of Petroleum and Chemicals' be reduced by Rs. 100."

[Policy at progress of the revision of gazetteers. (5)]

**Shri A. V. Raghavan:** I beg to move:

"That the demand under the head 'Other Revenue Expenditure of the Ministry of Petroleum and Chemicals' be reduced by Rs. 100."

[Need to supply petrol through the Indian Oil Company pumps in Kerala. (6)]

**Shri R. Barua (Jorhat):** I beg to move:

(i) "That the demand under the head 'Capital Outlay of the Ministry of Petroleum and Chemicals' be reduced by Rs. 100."

[Need to tackle the problem of aromex for Noonmati Refinery. (7)]

(ii) "That the demand under the head 'Capital Outlay of the Ministry of Petroleum and Chemicals' be reduced by Rs. 100."

[Need to tackle the problem of aromex (Iomex) deposit of Noonmati Refinery. (8)]

(iii) "That the demand under the head 'Capital Outlay of the Ministry of Petroleum and Chemicals' be reduced by Rs. 100."

[Need to ensure efficient working of Noonmati Refinery. (9)]

**Shri A. V. Raghavan:** I beg to move:

That the demand under the head 'Capital Outlay of the Ministry of Petroleum and Chemicals' be reduced by Rs. 100."

[Need to expedite the work connected with the oil refinery at Cochin. (10)]

**Shri R. Barua:** Mr. Deputy-Speaker, Sir, at the outset, I must welcome Shri Kabir to this Ministry. I hope with his administrative experience he will enthuse and infuse

some amount of purposefulness in this important Ministry.

Petroleum is a very important strategic material both for effective defence purposes and for industrial economy, and in the world today it occupies a very strategic position. Therefore, it calls for a certain amount of care, caution and purposefulness, as I have already indicated.

In America, we know, the oil magnates have an important say in the matter of framing certain policies of the State and they also play an important role in international politics. The Middle-East countries even today are suffering due to this oil problem. True it is that they have enough of oil, but when it is controlled by or interfered by these foreign companies of a very high standing and having very extensive paraphernalia, naturally, they influence the policies of those countries.

Therefore, in our case, we must see where we stand today. During the last 12 years, it must be said to the credit of the Ministry, the oil policy was guided in a very careful way. During the last six years, naturally, we have made ample progress. Our refining capacity was only 0.4 million tons and it has been raised to 8.50 million tons. It is really a great achievement. Measures were also taken and are being taken to establish new refineries and go in for further production in crude oil as well as in other sectors.

From the report we find that sufficient stress has been given on exploration for crude oil. It is also said that we are going to extend our activities to the whole of India. But while saying so we must be conscious about our own limitations. This is a very sophisticated problem. Therefore, it requires very expert know-how, in which we have very limited resources. Again, we want a large number of technical people to

go into this exploration aspect. Thirdly, it involves serious risks. It is a speculative business. Therefore, if we want to do it, naturally, we shall have to seek international collaboration. Unless we get that it will be futile and infantile to jump into a very ambitious programme of exploration of oil.

That again, brings us back to the question of collaboration with foreign capital. My suggestion in this respect will be, before we go in for extensive collaboration we must find out whether we can intensify our activities instead of going in for speculative business and, at the same time, creating political complications. I do not suffer from any exnophobia, nor do I say that no foreign collaboration should be invited. What I mean to say is, if international collaborators are invited to join the exploration business, naturally, they will not come in simply to throw their money without getting any profit out of that. They will naturally need some sort of equity participation in the future industries to be set up. Therefore, this being a very delicate matter, I hope the Ministry will look into it very carefully before they go in for any collaboration.

With regard to our needs, it is said that we are going to produce sufficient petroleum by 1970-71. Our annual production, according to the report, will be to the tune of 30 million tons. That is a good statement to be made. But the question is, what should we do? Should we straightaway invite foreign capital participation or should we proceed rather cautiously to achieve that target. It may be argued from the side of the Ministry that we are spending about Rs. 57 crores—round about that—by way of foreign exchange in importing petroleum and petroleum products. Therefore, if we want to save our foreign exchange, naturally, we shall have to go ahead with the production programme.

This, again, comes in conflict with the future political perspective of the

country. We should not forget that during the last Chinese invasion they had to stop coming to India not because they were not fully fortified but because for fuel supply they had to depend on Russia and when they found it was not possible they had to cry a halt. Therefore, all these implications are there.

Coming to the question of production, I submit that more intensive activities are necessary so far as Barauni and Gahauti refineries are concerned. They are far behind schedule. Gauhati refinery came up long after the scheduled time. Barauni refinery is also far behind schedule. It also reminds me that even in the case of Gauhati there was no perspective planning. Even after it had gone into stream, it had to be stopped because of water scarcity. Water was sought to be pumped from the Brahmaputra and there was no investigation nor any vigilance to detect whether the silting process was going on gradually for years together. Suddenly when it stopped in the month of November there was a report that Brahmaputra shifted its course suddenly and therefore there was water scarcity. I am afraid I cannot agree with this view as disclosed in the report. The silting business was going on there for years together. There was no vigilance on the part of the management concerned. The result was that the entire plant stopped working for days and months involving a huge loss to the country. Even today, I have seen, nothing is being done to have a modern system of self-circulating water supply. Unless that is done, I am afraid the same trouble will land this plant into serious loss.

In the case of kerosene production, I have seen that the iomex deposit there is creating a headache for all. If it continues like this, production of white kerosene will again have to be stopped. After so much of experience and so much of planning I do not understand why these important factors were not taken note of and



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why there was lack of perspective planning. I hope the present Minister will look into the matter and see that these defects are not only removed from the Gauhati refinery but, also, they are not repeated either in Barauni or in other refineries.

Coming to the management, it is my feeling that people who are in charge of the management are not enthused or infused by a sense of responsibility and a sense of patriotism. There should be some amount of patriotism in these people so that they feel this is a national property and if it fails the nation fails. I hope the present Minister will look into it and see that the right type of people are placed in charge of these refineries so that they can not only run the refineries well but they can infuse a sense of discipline and patriotism amongst their subordinates also.

So far as the Gauhati products are concerned, I have seen from a paper that in the agreement with regard to the sale of products to foreign concerns there are certain loopholes. They have got a production manual and personally I am not conversant with the details of the clauses but I think this is a matter which should be very thoroughly and carefully looked into by experts whether these loopholes can be plugged so that if actually we are losing and going to lose some money in future, that may be saved.

Coming to the petro-chemical complex, we have not so far been vigilant about the importance of this industry. It is very encouraging that the present Minister is taking the right step in going ahead with the petro-chemical aspect of the question. As has already been stated by some of the previous speakers, the petro-chemical industry is going to play a very important role in our industrial economy in the years to come. That is very true. Dr. Henney in his report says that in 1962-63 our import

bill on petro-chemicals was Rs. 40 crores and it will go up to Rs. 140 crores five years hence. He has suggested the establishment of five petro-chemical complexes—Gujarat, Bombay, South India, Barauni and Calcutta. Out of these five Gujarat and Bombay have already been taken in hand by the Ministry. It is really very good that petro-chemical industries will be started in these two places. Though it will involve an expenditure of about Rs. 262 crores I hope they will be started in the other places also very soon.

I attach more importance to petro-chemicals than exploration because exploration is more speculative whereas petro-chemicals is not. It is going to give us a return very soon after its establishment. Therefore, instead of having extensive exploration, let us have more of petro-chemical industries. Of course, I am not saying that we should neglect exploration; it should also proceed in an intensive way, but more profitable investment will be in petro-chemicals.

In this connection, I would like to know why in Naharkatiya the carbon black and synthetic rubber plant have not been established so far. It may be that there is some difference of opinion with the State Government or it may be that there is shortage of gas or gas is going to be diverted elsewhere. In any case, the gas which is produced in Naharkatiya should be properly used. If they cannot establish a carbon black or synthetic rubber plant, let there be some industry which can profitably utilise the gas for productive purposes.

With regard to participation of foreign capital, I find that the Kuwait Government is anxious to have minority participation for the establishment of petro-chemical industries. I hope some negotiations are going on. The House would be very much interested to know the result of those negotiations and how the Government is going to proceed with the Kuwait Government in the matter of such industries in those sectors which I have already mentioned.

With regard to fertiliser, we are yet far behind our requirement. It is very encouraging that Nangal is giving a very good record of work. We must congratulate the management of Nangal Fertilisers for the good work they have done. But, on the other hand, the Sindhri fertiliser has shown signs of cracking. The Minister should take very serious notice of it and see how these symptoms of fatigue can be removed in future. Since we are going to have more fertiliser plants, both in the public and private sector, it is time that we make a proper assessment of our capacity, requirements and how the existing defects can possibly be removed.

Having said this much about the establishment of petro-chemical industries, I should like to submit that proper assessment of the employment potential of such industries should be made much ahead of their establishment. In those regions where these industries or plants are to be put up, there should be training facilities much ahead of the establishment of such industries. Because, when you establish some such industries some skilled hands are necessary for running such industries. If there is no training programme in different skills and trades much in advance, the local people are bound to be dejected and it creates a vicious circle and some kind of discontentment. Politically speaking, we cannot afford to have such discontentment at this stage of our country's economy and political position. Therefore, the Ministry will do well to make an assessment years ahead of the employment potential and then make arrangements for proper training so that as soon as the plant comes into operation the local hands can be utilised in different trades of the industry. I hope the Ministry will examine this question and make arrangements accordingly. I find from the report that some training facilities are provided in different parts. All the same, they are not sufficient to meet the needs of the people. So, the only way of effective-

ly counteracting the discontentment of the local people is to have proper training facilities in suitable places where these industries are to come up.

**Shri L. N. Bhanja Deo (Keonjhar):** Mr. Deputy-Speaker, Sir, I must congratulate the O&NGC for having located oil fields in Gujarat and for doing similar work in other parts of the country too. But I am not very happy about the progress of work in other areas, specially in Assam. That is why now the search for oil in that area has been given to Messrs. Ruddis, an industrial mining association of Yugoslavia. After the exploration in that area was done to some extent by the Russians. I do not understand why the Ministry did not want to utilise the talents of Oil India Limited, who are also working in that area, especially when in that concern the Government of India and the Burma Oil Company have 50:50 shares. It is also mentioned in the Report that Oil India is doing exploration work in Assam in about 510 sq. miles of area and its activities in that region have been very satisfactory.

Apart from this, their drilling speed and efficiency is supposed to be one of the best in the world. I will, therefore, suggest to the hon. Minister as to why we should not utilise the local talent available there to speed up our activities there. I suggest this because I am very doubtful whether this Yugoslav company will be successful where the Russians have failed before.

In this context I would mention that it is very necessary that we speed up the search for oil not only in that area but in other areas also. I say this because though the Middle East countries want to give us crude oil in which we are deficient for refining purposes, as has already been mentioned by different speakers—specially I will refer to hon. Member, Dr. Sen from Bengal, who initiated the debate—the other countries want to give us oil at cheap rate for refining, probably they do so with certain ulterior motive in the end like what we are facing with re-

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gard to the Russian finished products. They gave it to us at a very attractive price in the beginning but now they want certainly to raise the freight charges; thereby what little concession we got at the outset is going to be taken away in another manner, by a backdoor method. So, our Ministry should be very vigilant and see that similar tricks are not played upon us by other countries, whether they are from Asia or from other parts of the world, who try to give us attractive terms in the beginning but who try to boost up the price later. There is already a great controversy about the posting of price in the Persian Gulf area and the oil interests there are already demanding that the price should be put up in those regions.

It is now realised that the consumption of petrol products will be about 16 million tons by 1966 and over 30 million tons by the end of the Fourth Plan period. Unless indigenous oil to that extent is discovered in the country we will always be dependent on the crude supplies from other countries. The setting up of oil refineries will assume greater importance as in Cochin.

The Cochin refinery agreement has been cited as a model agreement and probably that pattern is going to be followed in the Ministry when we set up the refineries at Madras and at Haldia. I am happy that two more refineries will be coming up in the country, but at the same time we should not be very complacent and happy about this model agreement. If we go into the rigidity of the pattern of this agreement which I will now try to put before this House, it is for our consideration whether by actually getting a 51 per cent share and controlling the interest of the company by the rigid pattern of this agreement we are not being deprived actually of certain benefits which probably we would have got if we had even a 50 per cent share just like Oil India.

Though this refinery is set up with 49 per cent capital of the participants

and our interests are 51 per cent, the agreement is not very flexible because it is based on the consumption of middle distillates for which probably there is a greater demand in the country because it is a less developed country and in a developing economy there is bound to be lesser need for middle distillates. But when we have a generating economy our pattern will have changed. It has to be considered whether this refinery could then be adjusted to meet our other requirements of the products that will be in more demand in the country at that time. I say this because it is not always possible to change the pattern of the refinery unless it is based on the most modern concepts and has automatic plants and is flexible so as to be suitable for adjustment of those plants to our developing economy in times to come.

Then, while signing this contract we straightaway signed an agreement with Messrs Philip and Company for purchase of material worth over Rs. 13 crores from that country. As I have stated before, these plants are changing according to the pattern of the development of countries where the petrol by-products are required according to the advanced requirements of the country. In this context I will submit that we hear that in America they are scrapping the uneconomic units. My fear is—I will not be surprised—that one of such units after being repainted may be passed on to us as a new unit to meet our requirements. I hope, the Ministry will be very watchful to this aspect of the question.

The management clauses are so rigid that they leave the affairs in the hands of the Managing Director, who is the nominee of Messrs Philips, for ten years or until all loans are repaid whichever is later. The Managing Director will be virtually controlling the policy and the governance of the Company and in spite of our owning 51 per cent shares we will have very little say in the

matter. I would be very happy to know from the hon. Minister whether this aspect has also been gone into by the Ministry.

Besides this, in the agreement we have assured them of a 6 per cent margin of refining profits on a barrel of crude oil with no guarantee that the cost of production will be such as to ensure a sale price within the ceiling fixed by the Damle Committee. If it exceeds that, then what the Damle Committee has proposed for the country will be practically offset when the prices go beyond what is guaranteed to them by our agreement for refined crude oil.

Moreover, an area has been earmarked for them for the sale of their products. It has also been assured to them that in time to come that may be extended if their whole requirement is not disposed of in that area. I hope, the hon. Minister will examine as to what will be the fate of the products that come out of the refinery at Madras when ultimately that refinery comes into full production if their area is extended. That aspect also has to be examined and, I think, we should not always be too happy and complacent or excited about the agreement that has been entered into in setting up the Cochin Refinery. No doubt, the Ministry did it with the best of interests and to extract greater benefits for our country and the Government. But in the changing pattern, it has also to be examined whether that has to be adhered to while we set up the refineries at Haldia and Madras or it has to be altered to meet our national policies and requirements.

In that context, I would like to bring out another aspect regarding the assurance given in that agreement about the repatriation of the profits which have been guaranteed by the I.D.A. and what will happen ultimately. At a particular time when we are more in need of foreign exchange they may want to repatriate their whole capital during that period of time, so we will have practically no control over the

matter and we cannot effectively stop the accruing profits being taken over by them since they are guaranteed by the I.D.A. So, that aspect also has to be examined carefully.

Having said that, I would like to mention certain things for the consideration of the Ministry regarding the strengthening of the O.N.G.C. which has been doing very good work indeed since it has been set up. But at the same time, I would urge the Minister to say whether the time has not come to examine whether we should have autonomous regional organisations under the policy control of the O.N.G.C. at Delhi as we are doing with the Hindustan Steel where we have set up the steel plants in the public sector. Ultimately the policy and other matters are controlled by the Hindustan Steel, but the regional plants have got certain autonomous powers to go ahead with the work. So, I want to know whether a similar pattern should not be followed to strengthen the hand of the O.N.G.C. so that they could do more effective work in respect of transport and research for oil and research.

I must congratulate the Ministry for what the Oil Ministry has been doing and I am very happy that this petro-chemical industry also has been now tagged on to this Ministry. The petro-chemical industry for some time to come is going to play a very leading role in the development of the under-developed countries and I am very happy that this has now been attached to this Ministry.

Before concluding, I will just draw the attention of the hon. Minister to the setting up of a fertiliser plant in Orissa for which a proposal has come to the Government and it is going to be done through the media of coke and coal industry so that they will have low shaft furnace in Talchar which area is very rich in coal and not only that will encourage the putting up of a low shaft furnace in that area but the by-products will be utilised, such as, urea for fertiliser and other distillates for which there will be great demand

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when the port of Paradip is developed fully so that we cannot only meet the necessities of those particular areas but also export them to the South-East Asian countries and other parts of the world.

Having said all that, I am very happy that this Ministry is now under the charge of the hon. Minister who is known to be free from any inhibition and he will do all that is required for the integrated development of the country, whether it be private or public sector so far it is for the good of the country as a whole.

**Mr. Deputy Speaker:** Shri Alagesan.

**The Minister of State in the Ministry of Petroleum and Chemicals (Shri Alagesan):** I thought I would be called a little later.

**Mr. Deputy Speaker:** Shri Maniyangadan.

**Shri Maniyangadan (Kottayam):** Mr. Deputy-Speaker, Sir, I am glad to support the Demands for Grants of this Ministry. This is a new Ministry as far as the present set up is concerned and I hope that this Ministry of Petroleum and Chemicals will discharge its functions entrusted to it with credit and to the good of the country.

Now, with regard to the research for oil, several hon. Members have made several suggestions. I do not want to go into all those matters. It was recently reported that in certain areas of India there is oil available. I am particularly referring to the information that I am told has been conveyed by the Government of Kerala to this Ministry regarding the availability of oil in the sea-bed from Warkala to Cochin. Some preliminary investigations have been made. But my information is that no serious note has yet been taken of this matter. I would request the Ministry to take serious note of this and do some research in that area.

Regarding this petro-chemical industry, I only want to refer to one

aspect which was already referred to by my hon. friend from West Bengal and that is regarding synthetic rubber. In this connection, I am afraid, the figures given by the Ministry in its Annual Report are not fully correct. They say:

"About 50 per cent of the total requirements of natural rubber is at present being met from indigenous production from the plantations in South India."

According to the figures available from other quarters, namely, the Ministry of International Trade and also from the Rubber Board, the indigenous production meets much more than 50 per cent of the requirements of today. According to the figures available from the Rubber Board, in 1963-64 the total production of natural rubber in the country was 41,000 tons, while the consumption in rubber goods manufacturing industries comes to only 59,000 tons. Of course, there are other varieties of rubber which we have to import also. I am not referring to that. I am only referring to the natural rubber. Then again, the Planning Commission had set up a committee to assess the requirements of natural rubber in India by the end of the Third Plan. According to them, it was 1 lakh tons and I am told this Ministry has assessed the requirements at 1,41,000 tons. I am referring to these figures because I am afraid this Ministry feels or is under the impression that much more natural rubber is needed in the country than what is actually required. I am not against licences being granted to producers of synthetic rubber. But I would point out that natural rubber is produced mainly in South India and there too mainly in Kerala. About 94 per cent of the total production of natural rubber is in Kerala, and the economic set-up in that State will be completely shattered if that plantation industry is put to trouble. It is a matter concerning not just one or two individuals. Of course, it may con-

cern a few large planters, but I should like to bring to the notice of the Ministry that there are more than 66,000 small holdings in rubber and about 600 in plantations. So, it is a question vitally affecting more than 66,000 families, and in addition there are the people employed in them also, whose number will come to about a lakh. So, this question has to be considered in that context.

#### 14.00 hrs.

The question whether we shall be able to produce as much natural rubber as is required for our country is a matter that has to be gone into. I have no objection to that matter being gone into, but what I would submit is that it must be done in an objective way. The Working Group of the Planning Commission and this Ministry have arrived at different figures. I do not know how that has happened. Anyhow, from the figures now available we find that in 1963-64, the total consumption of rubber is only about 80,000 tons. By the end of the Third Plan, it may go up to one lakh tons. I am sure it will never go up to 1.41 lakh tons. As regards the production of natural rubber, the target fixed by the Planning Commission is 45,000 tons. By the end of 1963-64 we have exceeded the target fixed for that period, and our production is now about 41,000 tons. There is no reason to think that the production of natural rubber will not be going up as expected.

In this connection, I may also point out that the total plantation area under rubber is 3,61,142 acres out of which by the end of 1962-63, the total area tapped is only about 20,700 odd acres. So, we find that every year more and more areas are coming under tapping. There are other activities also undertaken by the Rubber Board for developing this plantation industry. The subsidy system for replanting is now working. All these will definitely increase the production of natural rubber. Moreover, the Rubber Board has after some investigation come to the con-

clusion that during the Fourth Plan period, at least a lakh of acres more could be brought under rubber plantation.

Taking all these matters into consideration, we must assess what exactly will be the quantity of natural rubber that is required in India, and then only further licences should be issued. During the Third Plan period, at first a licence was issued to a factory for production of 20,000 tons. Subsequently, sanction was accorded for expanding that factory to produce 30,000 tons, and I am told that now they are thinking of producing 15,000 tons. We find that the price of the synthetic rubber produced in that factory, namely, Messrs. Synthetics and Chemicals, which has been issued the licence, when compared with the price of natural rubber available in India and that of synthetic rubber which we used to import, is too high.

I am also told that the capital cost has gone up to Rs. 18 crores in this company. It is a matter that has to be looked into how the cost has gone up so high. They had technical collaboration from foreign countries also. In spite of that, the sum of Rs. 18 crores, according to me and according to persons who know better, is too much. This is a highly inflated figure. I am told that their idea is to see that by deducting depreciation allowance, by about ten years they may be able to write off about 80 per cent of the total capital. I want that this aspect also should be gone into by the Ministry.

Even now, some natural rubber is being imported for our needs. The system hitherto was that the quantity needed by each manufacturer was assessed by the Rubber Board and then licences were issued to each manufacturer specifying the quantity which he could import. Recently, the Rubber Board, by a resolution, practically unanimously have requested the Government that this system must be changed and that the issue of licences to manufacturers directly by Government must be stopped. The

[Shri Maniyanagan]

Rubber Board or the STC may import the required quantity of rubber and then it may be distributed to the manufacturers to the extent required by them. The reason is this. The price of imported rubber is very low when compared with that of indigenous rubber. So, every manufacturer who has more influence will get a licence for more quantity, so much so that the natural rubber that is produced in the country will not get a reasonable price. Now, I am told that Government have decided that if anybody wants to import natural rubber from outside, he must purchase an equal quantity of rubber out of the synthetic rubber produced in India. The price of synthetic rubber is about Rs. 4.40, while that of the imported rubber is Rs. 2.32. In order to help this particular concern, Government have now asked the manufacturers of rubber products to purchase from this concern at this high cost, and only if they do so, they will be given import licence for importing an equal quantity of rubber at a very low cost. The result of this would be that the producer of rubber here or the plantation industry here would find that their rubber would not be purchased by these manufacturers. I submit that this sort of concession to big concerns is not in accordance with the policy which the Government of India have announced.

I may submit that I am not against private manufacturers; I am not against the private sector, and I have no objection to granting licences to them. But we find that here is a matter where there is no co-ordination. One aspect is under the Ministry of Petroleum and Chemicals, another is under the Ministry of International Trade and a third is under the Ministry of Industry. So, I would submit that when these matters are being looked into, the Ministry of Petroleum and Chemicals, about which alone I can speak just now, must have some idea from the other Ministries also as to what they are doing. I may also submit that

the Rubber Board is a statutory body which has been created for the purpose of development of rubber and for the purpose of looking after the interests of manufacturers as well as the plantation industry. My submission is that the opinion of the Rubber Board must be taken before anything is done in this regard. They are not now being consulted. That must be done and a co-ordinated policy must be followed in order not to destroy the interests of thousands of small holders in the country.

**Dr. M. S. Aney:** I have moved two cut motions to two Demands of this Ministry, Nos. 77 and 78, and I shall speak on both of them in a general way.

I regard this Ministry's work as of special importance at this juncture in our country and I wish to express my appreciation of the work already done by the Ministry in this direction. The discovery of oil in India was a very important landmark in our economic development. One of the chief objectives of the present Government is to strive for the industrial prosperity of the country and bring it up to a higher state of efficiency. One of the major needs for this industrial development is the easy availability of oil. From that point of view, the discovery of oil in Assam and Gujarat made by the Ministry after long efforts is a matter on which we must congratulate it.

Before I discuss something about the refineries, I want to make a general observation on another point. This Ministry deals not only with technical matters like petroleum and chemicals but also with matters like the International Congress of Orientalists, Wakfs, History of the freedom movement, publication of gazetteers and so on. These are different subjects which do not seem to me to be alike to each other in a natural way.

It has been a matter of surprise for a Sanskrit writer that Panini who was a great grammarian has brought

together in the sutra *shiva, yuwa* and *maghava*:

“इव ब्रुवमधोन मतदिता”

Shwanam means dog; Yuvanam is youth and Maghavanam Indra. Panini has combined all these three heterogenous things. And the poet says:

“इवान् यवानम् मघवान् माह”

Three different and entirely dissimilar things in the universe have been brought together in one and the same aphorism.

Something like that has been achieved by the Government of India by bringing together within the purview of this Ministry all these heterogenous matters. But I am glad it is under the charge of a person who is not only a scholar in one subject but a person of versatile brilliance and I am sure that under his leadership he can do something to bring all these things together to serve a useful common purpose.

I turn now to the question of the refineries. Many of my hon. friends who spoke have given information about it. But I wish to point out this, that after having discovered oil, it was necessary for Government to make some efforts for starting refineries also with pipelines for carrying the crude oil from the oil wells to the place of the refineries. I find there are five or six refineries here—Gauhati, Barauni, Gujarat and Cochin; and two are in contemplation, one at Haldia and the other at Madras. The refineries at Madras and Haldia which are envisaged will have a total capacity of 5 million tons. But I would like to know what shall be our ultimate requirement.

There are also private refineries. Burmah-Shell, Esso and Caltex have been allowed to start their own refineries; on certain conditions, they are permitted to increase their throughput upto 3.75, 2.5 and 1.05 million tonnes per annum respectively.

What I want to know is what shall be the ultimate requirement of our country, when our industries will be in full swing, and whether the efforts that have been made, both by Government and by private efforts, will enable us to be self-sufficient in the matter of our oil requirements. Because this is one of the things which is very essential for our economy.

While considering this matter, there is another factor. Though it may be necessary for us to have foreign collaboration, what should be the relation of these foreign collaborators with the Indian Government? Will it be only a kind of collaboration for oil production or will there be certain terms and conditions incorporated in the collaboration agreements which will in any way encroach upon our sovereign rights and will create difficulties for us or will enable them to have a stranglehold on our economy? This is a point which I believe the Minister will consider. I say this because I find it mentioned that the Burmah-Shell and Esso group of companies have offered to terminate the refinery agreements and to operate the refineries under ordinary industrial licences if Government give them certain safeguards. The proposed safeguards are under discussion. If it be not against public policy for the hon. Minister to have discussion of the ‘safeguard’ these concerns should have? I would like him to say, how has he been trying to safeguard the sovereignty of India in collaborating with these foreign companies? This is a point that has to be clarified.

I do not want to speak about other matters, namely, chemicals and so on, because other hon. Members have already touched on them. But I take up the other point in which I feel the same interest as the hon. Minister himself. The first is as regards the recent Congress of Orientalists. Here I have got nothing to say against what has been done. I



[Dr. M. S. Aney]

join with him in saying that it was a good success. Some of the criticisms which have appeared outside emanated out of want of proper information of the kind of work that was done there. It was certainly a very great thing that about 500-600 foreign experts came to India and had been able to establish contracts with workers in the same line in this country. It was a matter of great joy for us to find scholars from distant countries taking a keen interest in Indology, in ancient Indian culture and our past achievements; some of them have been able to show more results than what some of our own men have been able to show.

Another thing that struck me as somewhat sad is that our men take an interest in only local questions of Indian culture, and very few of them are able to take up those big questions which are of universal application. However, that was one thing which was a matter to be noted by those who are working in the field of Indian research. From that point of view, the conference has served to broaden the outlook of workers in this country also.

Then, I come to the second point, and that is about the revision of the Indian Gazetteer. Whatever may be said about the British Government,—and I have got very little of good to say—as a humble student of history I am free to confess that much good spadework had been done by them to enable Indian students and scholars to have a proper historic perspective of our past glory. Among the works they have done, I regard the four volumes of the Gazetteer as laying down the very basis of the historic work they have done for India. That India of the British days is no more. Those who made that Gazetteer had ruled India in a particular way, and India had progressed in some ways. They have gone. Not only that. With their departure from India, gone is the old India as it was. India no longer connotes the same geographi-

cal area as it did in those old days. Today India means India of old minus West Pakistan on the one side and minus East Pakistan on the other side. So, we have to revise those old Gazetteers from that point of view.

There is another thing. In the 60 or 70 years since they were published, a lot of new information has come in and new changes have also occurred, all of which have to be properly incorporated and described in our books. I therefore want my hon. friend who is a great student of history and Indian culture, and I may say of world culture, to give particular attention to this and edit these things.

The work then was done by a great Indian administrator of old days, Mr. Hunter, whose name will be remembered by all those who are students of history. I want my hon. friend, the Minister, to give this work to a person with a proper Indian outlook, who has a sufficiently broad view, who can face the truth whether it is palatable or unpalatable to him. I want a frank man of that type to edit these Gazetteers.

I know a committee was appointed—I do not know the names of the gentlemen constituting it—and the two books which have been published by them in the name of Indian history may be good in their own way, but from the strictly historical point of view, we do not find sufficient justice done to the Indian view in writing those books. That is the general opinion, not only of a lay man like myself but of those who have made a study of history and a life study of it. Bearing this fact in mind, I want him not to go the fashionable way in selecting men for a committee of this kind, or to appoint a big man to be the head of it, but to appoint a man who has really made a study of Indian history and has got what is called a genuine Indian outlook, without being under

to anybody else outside. I would request him to find out a scholar of that kind to be the general editor of this work.

I make this suggestion because you are in charge of district gazeteers also. I do not know whether the district gazeteers that have been published in the different States at present, written in the vernacular languages, are being supervised by the body here or not. I have seen and read some of the district gazeteers published in Bombay Presidency. I do not want to say anything against anybody, but I must say that not sufficient care has been taken to see that historic truth, faithful historic truth, is kept therein. A good deal of political bias of one kind or another has entered into the writing of these books, and some of the chapters, particularly in the Gazetteer of the District of Kolhapur, I was horrified to read. Reference was made in that book to the struggle for Indian independence and the part played by Kolhapur State in those days. I do not know whether the Government of India and this Ministry have any responsibility in that matter. If they have, and if they are going to publish district gazeteers, then it is necessary for them to see that no district gazeteer is published by any State unless it has been previously submitted for examination by the Central body which has to do similar work for the whole country, because the books published by the Government from two different places should show a common view before the people of India, and they should not go against each other. That care has to be taken. It is for this reason that I have made a reference to this question of gazeteers.

I shall close my observations with this important remark. This is a department, on the proper working of which depends our smooth economic progress hereafter. The ability that

has been shown is commendable, but much more will have to be done by this department in order to help accelerate the progress of India towards its goal, and I hope that will be done. I once more thank the department for what it has already achieved and give my support to the Demands.

श्री रामसेवक यादव (बाराबंकी) :  
उपाध्यक्ष महोदय, मेरा एक निवेदन है आप से। देश के कोने कोने से लाखों आदमी महंगाई, भूख और अकाल से पीड़ित इस सदन के सामने एकत्र हैं। मेरा निवेदन है कि आप इस सदन को स्थगित कर दें और माननीय सदस्य और सदन के नेता उनके दुःख को सुनें। यह अकाल, भूख और महंगाई का प्रश्न है और बहुत महत्वपूर्ण है।

उपाध्यक्ष महोदय : आप बैठिए।

श्री रामसेवक यादव : \*\*

उपाध्यक्ष महोदय : कोई निवेदन न करें आप बैठिए।

This will not form part of the record.

श्री रामसेवक यादव : \*\*

श्री किशन पटनायक (सम्बलपुर) :  
अभी तो कोरम भी नहीं है।

Mr. Deputy-Speaker: In the middle of the debate, no Members can get up like this and go on. He has to give notice and raise any point if he wants to. Otherwise, he cannot raise it. The quorum bell is being rung. There is no question of another speech.

श्री रामसेवक यादव : जब तक कोरम नहीं है मैं आपसे निवेदन किये देता हूँ। मेरा निवेदन सुन लें। \*\*

\*\*Not recorded.

श्री रामसेवक यादव : उपाध्यक्ष महोदय, मैं आप से बड़ा विनम्र निवेदन करना चाह रहा हूँ . . . .

Mr. Deputy-Speaker: I am very sorry that the hon. Member goes on like this.

श्री रामसेवक यादव : श्रीमन्, यह एक बड़ा महत्वपूर्ण प्रश्न है और मैं आप से निवेदन करूंगा कि इस तरह के महत्वपूर्ण प्रश्न पर विचार करने के लिये आज सदन को स्थगित करें छोटे छोटे सवालों को लेकर सदन स्थगित हुआ है फिर यह तो . . .

उपाध्यक्ष महोदय : ऐसे नहीं होता है ।

श्री रामसेवक यादव : मेरा निवेदन है कि आप मेरी पूरी बात सुन लें . . .

उपाध्यक्ष महोदय : आर्डर । आर्डर

श्री रामसेवक यादव : मेरी बात तो सुन लें

Mr. Deputy-Speaker: I am not going to allow like that. Please sit down. I will have to take very serious action if the hon. Member does not sit down.

श्री रामसेवक यादव : मेरा निवेदन तो सुन लें । अब इस से ज्यादा कोई गम्भीर बात नहीं है . . (इंटरप्शंस)

श्री बागड़ी (हिसार) : हंस लो जितना हंसा जाय लेकिन याद रखो कि जिस तरह से भगत सिंह को फांसी देने वालों का आज मुंह काला कर रहे हैं उसी तरह से . . (इंटरप्शंस)

उपाध्यक्ष महोदय : आर्डर, आर्डर ।

श्री रामसेवक यादव : \*\*

Mr. Deputy-Speaker: Order, order. I have been requesting the hon. Member not to raise points like this. In spite of the direction of the Chair he is disobeying it. These remarks will not form part of the record.

श्री रामसेवक यादव : उपाध्यक्ष महोदय, मुझे इस से बहस नहीं कि यह रेकार्ड में रहे या न रहे लेकिन यह एक महत्वपूर्ण सवाल है . . .

Mr. Deputy-Speaker: I ask the hon. Member to leave the House. You are disturbing the proceedings of the House. (Interruption). I am very sorry. I ask the hon. Member to go out of the House.

श्री रामसेवक यादव : चूंकि आप ने मुझे बाहर चले जाने का आदेश दिया है इसलिए मैं दुःख के साथ आप के इस आदेश का पालन करते हुए सदन छोड़ रहा हूँ लेकिन यह माद रहे कि देश की भूखी और गरीब जनता आप की इस तरह की उपेक्षा और बेवफाई के रुख को कभी भी माफ नहीं करेगी ।

Shri Ram Sewak Yadav then left the House

Shri Ravindra Varma: (Thiruvella): Am I to understand, Sir, that you have named the hon. Member?

Mr. Deputy-Speaker: Yes.

Shri Kishen Pattanayak: On a point of order.

Mr. Deputy-Speaker: No point of order.

श्री किशन पटनायक : मेरा एक प्वाइंट ऑफ आर्डर है और वह यह कि आप ने जो निर्देश दिया है कि यह तमाम डिमिशन हाउस की प्रोसीडिंग्स में से निकाल दिया जाये तो उसके पहले तो कोरम की बात उठाई

बई थी इसलिए जब कोरम को आप ने पूरा नहीं किया तब यह प्रोसीडिंग्स कैसे चल रही थी ?

**Mr. Deputy-Speaker:** Now there is quorum. There is no point of order.

**श्री किशन पटनायक :** इसके प्रोटैस्ट में मैं भा सदन से वाकआऊट करता हूँ ।

*Shri Kishen Pattnayak then left the House*

**श्री बागड़ी :** अरे तालियां बजाने वालों और खुश होने वालो यह मत भूलना कि जिस तरह से बाहर इबिद का मुंह काला कर रहे हैं उसी तरह से जब तुम्हारा मुंह काला किया जायेगा तब तुम को पता चलेगा । देखी और भूख से पीड़ित जनता तुम्हारा भी मुंह काला करेगी ।

*Shri Bagri then left the House.*

**Mr. Deputy-Speaker:** Order, order. **Shri Alagesan.**

**Shri Alagesan:** Mr. Deputy-Speaker, I should thank the hon. Members who participated in the debate and made very valuable and constructive suggestions. I should especially thank the last speaker, I mean the last speaker who participated in the debate, the Grand Old Man of the House, Dr. M. S. Aney, for having done us the signal honour of participating in this debate and making very valuable suggestions.

On the previous two occasions, during the discussion on Budget demands, I told the House something of the poetry of river and power. In the beginning of the current year I thought I would have to deal with the same theme. As the year proceeded, the situation changed, and I thought I would have to unfold the epic of oil and coal to the House. But, as the year advanced, there was a further change in the situation, and as a result, it is my privilege today to tell the House something of the Romance of chemicals and petrochemicals.

It is rather difficult to define the chemical industry. Perhaps it may be easier to define it in a negative way. All non-engineering industries may be generally called chemical industries. There are more than 10,000 different chemicals manufactured by the chemical industry. A few large-scale chemicals that are fundamental to the chemical industry are: ammonia, sulphuric acid, nitric acid, benzene, phenol, phosphates, etc.

The chemical industry does not always manufacture the end-products of consumer use. It manufactures what are called intermediates. Because of this, the chemical industry as such is little known to the public. But the articles produced by it go more into everyday use than those of any other industry. If you will permit me, I shall liken it to God. Though everything springs from God and He permeates each and everything, still He is not so very obvious or visible. This may be the case with the chemical industry also.

The products of the chemical industry which are raw materials for other end-products may be end-products in themselves and have direct uses. Another interesting feature is that these uses may be very different from one another.

The chemical industry produces everything from products of household use to things like fertilisers, explosives, conventional fuels and rocket propellents. The productive system in the modern world is so interconnected that it will be very difficult to find any manufactured article which does not depend in one way or another upon the chemical industry.

The importance of the chemical industry may be realised when we see how the value of production in the chemical-industry sector has been going up since 1959. It was about Rs. 225 crores in 1959; in 1960 it was

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about Rs. 272 crores; in 1961 it was estimated at Rs. 326 crores; in 1962 it was estimated at Rs. 365 crores; and in 1963 the estimate is round about Rs. 450 crores. That shows how this industry has been making rapid progress—I mean the chemical industry as a whole, all the industries that are clubbed under that.

Coming to the petrochemical industry, the story of its growth, though recent, is fascinating. And that fact has been very much realised by all the hon. Members who took part in the debate. The very potential nature of this industry for the whole economy of the country has been very well put forward by the speakers that preceded me. The production of petrochemicals in the world grew rapidly only after 1940, that is in the time of the Second World War. In America, though it began a little earlier, it is two decades old. In Europe it is barely a decade old. In Japan it is said to have begun in 1957. But it looks as though the future belongs to it. It is prolific in its offspring. So far, 2500 of them have been counted. It threatens to multiply further. The main products are plastics, nylon fibres, fertilisers, pesticides, synthetic rubber—about which I will have to say something later—medicine and drugs, etc. They are trying to make even proteins, that is food, out of petrochemical. There seems to be nothing which cannot be made out of petrochemicals. It can veritably be called the modern Kamadhenu.

**Shri C. K. Bhattacharyya (Raiganj):** That is exactly what Dr. Aney said:

“इवां यवान मघवानमाहु”

You have brought together everything.

**Shri Alagesan:** It fits in exactly for the petrochemical industry. In taking hold of such an industry and laying

the foundations for its growth in our country, we are doing something which is in tune with modern scientific and technological advance made in the world today. It is on a par with our entering the field of the use of atomic energy for power production.

In our country we began to think of the petro-chemical industry only four years ago. It is realised now that plastics and other petrochemicals take their place alongside with other basic industries as steel, chemicals, oil, etc. and it is no longer possible for a developing country like ours to do without an indigenous petrochemical industry. If it is understood that the annual import bill on petrochemicals will be Rs. 51 crores in 1965-66 and will rise to about Rs. 140 crores by about 1970-71, the importance of the petrochemical industry will be obvious. If we do not have one, we will have to spend so much foreign exchange on petrochemicals. One hon. Member was cautioning us that we will be caught in the meshes of foreign capital if we invite foreign collaboration to advance this industry, to establish and to take it further in the country. I can tell the hon. Member that this is one of the industries for which the know-how is very scarce in the world. It is not that everybody could help us and aid us in building the newest of new industries. We have to go in for foreign collaboration. At the same time, there is no question of our putting any shackles on our freedom of action. This has been made clear by the Finance Minister when he said that we, that is, the Government and the public sector undertakings will have majority participation. We will see to it that we retain control in our hands. Certainly we have to concede minority participation; in the field of petrochemicals there is no other alternative but to go in for foreign collaboration if we have the interest of the country at heart.

There were two committees, the Kane Committee and the Henny Committee, which went into the question of development of petrochemical industry. Here, I pay my tribute to the work of these two committees and both to Dr. Kane and Dr. Henny of the French Petroleum Institute, who is a well known world petroleum chemist and who headed a committee and gave us a blueprint on which we could proceed. Dr. Henny has suggested in his report that there should be five petro-chemical complexes in the country: in Bombay, Gujarat, South India, Barauni and Haldia. In Bombay two naphtha crackers of a total of 2.5 lakh tons a year costing Rs. 64 crores is to be established in two stages. In Gujarat it will be one naphtha cracker of 1.6 lakh tons a year and hydrocracker of 1.4 lakh tons a year and in addition aromatic extraction also, costing roughly Rs. 75 crores. This is to be done in four stages. In South India it is a naphtha cracker of 1.7 lakh tons a year in two stages costing about Rs. 66 crores. In Barauni there will be no naphtha cracker but only aromatics extraction; the cost would be about Rs. 5 crores; it will be in one stage. The Haldia complex will be in two stages costing Rs. 52 crores with a naphtha cracker of 2.25 lakh tons a year. This shows the colossal preparation needed for development in the future years. The Henny report is a very detailed and comprehensive study consisting of eight volumes. Currently a working group is going through all these. It is necessary to come to grips with practical problems now and get foreign collaboration. We have to negotiate with them. However much some of the friends on the other side may dislike foreign collaboration or capital, there is no remedy. Already two private companies have been licensed in the Bombay region and another has been issued a letter of intent. This is for establishing a two lakh tons naphtha cracker and also for the manufacture of products like pallythe-

lene etc.. Hon. Members wanted that we should go with greater speed. This is a very new field and we have to proceed with caution; we cannot afford to make mistakes. Yet, we are taking every step to proceed in this direction as speedily as possible. I am myself not satisfied with the progress made. I feel that a very valuable year has been lost. But I assure the House that we will do all that is necessary in this direction and see that the first complex in Gujarat is established as speedily as possible. A decision in principle has been taken and the details, how much foreign capital, how much Indian capital, etc. are under discussion. At present proposals for establishing a benzene toluene extraction unit as the first phase of the Gujarat petro-chemical complex are under examination of Government. The total cost of the unit will be about Rs. 1.58 crores. Contracts for this unit are expected to be concluded within a month's time.

The Finance Minister in his budget speech made the following observations:

"It is of the utmost importance for our economy that enterprises in the public sector should not only make profits, but should make good profits. By that I mean that they should give a good dividend to the Exchequer and yet be able to build up reserves to finance their own future expansion.... When the State begins to provide power and transport, when it owns steel plants, fertilizer plants and machine-building plants, it must make sizable profits out of them, build reserves, amortise loans and provide adequately for depreciation of assets and their replacement, so that the public sector can expand without adding unduly to the tax burden."

These healthy criteria had been laid down by the Finance Minister. If we should have a healthy and sound industrial economy, there is no other

[Shri Alagesan]

way except to follow these criteria. Broadly, these have been agreed to by the House. One or two voices were raised against these. My hon. friend Shri Azad, whom I do not find here now but one need not expect him to be here because he did not participate in this debate, criticised these . . . (Interruptions.) He is a sincere advocate of the public sector and a relentless advocate . . .

**Shri D. C. Sharma** (Gurdaspur): Do not use the word 'relentless'.

**Shri Alagesan:** . . . of the public sector. I submit to him and those who think with him that even in the interest of the public sector, it will not be good not to make profits, not to increase the efficiency of public undertakings. The rule he wants to lay down will get a bad name for the public sector undertakings. The public sector, hon. Members know, has many enemies and they lie in ambush and would like to pounce upon it, they are too ready and too willing to pick holes and find fault and get a bad name to the public sector. Give the dog a bad name and hang it.

**Shri D. C. Sharma:** This dog will bite them.

**Shri Alagesan:** I felt that Mr. Azad was playing into their hands by opposing this yardstick for the public sector. As one who is in charge of several important and vital public sector undertakings, I entirely agree with the Finance Minister and would like to follow what he has laid down. There are various public sector undertakings in charge of this Ministry: Fertiliser factories, Pimpri anti-biotics factory, DDT factory, etc. All these have been making sizeable profits and have been putting by sizeable reserves in order to finance their own expansion schemes. Just now, I shall detail how that has been done. The Sindri fertiliser factory which is the first to go into production in the year 1952-53 may be taken

up first. The financial results of the working of this unit for the years beginning from 1952-53 and ending with 1963-64, that is, for a period of 12 years, are as follows: the gross profit made by the factory before depreciation and interest on loans comes to Rs. 44.42 crores. The amount set apart as depreciation reserve comes to Rs. 27.08 crores, interest paid, Rs. 3.56 crores and dividend paid, Rs. 4.64 crores. Other reserves come to Rs. 6.66 crores.

The Nangal fertiliser unit went into production only in the year 1961-62. Some hon. Members paid tributes to the working of the Nangal fertiliser unit. It is very right and very correct to say that the factory has been doing very well during its very short existence from its inception. The working of this unit for the past three years shows the following financial results: gross profit before depreciation and payment of interest, Rs. 10.07 crores; amount put in the depreciation reserve, Rs. 6.13 crores; interest paid, Rs. 0.97 crores, and other reserves, Rs. 3.10 crores. In other words, the resources internally created by these two units and available with the Fertiliser Corporation for purposes of expansion come to nearly Rs. 43 crores. If we take into account that the subscribed capital was only Rs. 41.63 crores as on 31-3-1963 and is expected to be Rs. 48 crores as on 31-3-1964, it will be realised that the generation of internal resources by these two units has been quite satisfactory.

These reserves were used to finance expansion projects at Sindri itself to the tune of nearly Rs. 15 crores and towards expenditure on Nangal and Trombay projects to the tune of nearly Rs. 10 crores. So, the profits made by Sindri were also used to finance the new fertiliser projects at Nangal and Trombay.

I would like the Houses to remember that apart from this, an amount of Rs. 2 crores was spent on the planning

and development division of the Fertiliser Corporation of India, which is becoming a very important tool in our hands for designing purposes, for construction purposes, etc. So, that is what these two units have broadly done.

I would like to say a word here about the retention prices that have been given. I know that there has been a demand for the reduction in the fertiliser price. That is true, but somebody else should foot the bill. The general exchequer should foot the bill and not the units themselves. Actually, we are being underpaid; while our cost of production has gone up, we are being underpaid. The present retention prices of the Sindri unit are based upon a study of the cost structure carried out by the Tariff Commission in 1959. Since then, the cost of raw materials like coal—I can give the figures but I do not want to tire the house—gypsum, etc., has gone up. The Chief Cost Accounts Officer of the Government of India has carried out a detailed cost examination, as a result of which the retention prices are expected to go up at least to some extent, if not to the extent recommended by the Corporation. I have taken this into account in calculating the financial results of the last two years because the prices are expected to be revised from 1-4-1962.

Coming to fertiliser production, I would like to confess that we are far from realising the targets laid down in the third Plan. According to the third Plan, the installed capacity has to be one million tons, and the production eight lakh tons in terms of nitrogen. We have already licensed or approved 14 lakh tons; the licences issued come to a capacity of 14 lakh tons. As at present envisaged, the installed capacity may be in the region of six lakh tons and production about four lakh tons only by the end of the Third Plan. This is to be contributed both by the public sector and the private sector units.

I should like to say here that the performance of the private sector in this very vital field has not been up to the mark. The House may remember that there was a very loud demand from the private sector that they should be allowed to participate in the manufacture of fertilisers. And in response to the demands of the private industry in this country, it has been agreed that they should be issued various licences, but the performance has been very unsatisfactory. I do not want to put it more than that. Out of seven units licensed in the private sector, absolutely no progress has been made in four. Three others are coming up rather tardily. In fact, Corba had to be taken up by the public sector because the private party who got the licence surrendered it. I do not mean this as a criticism of the private sector.

Now, this is in the current year the production in terms of nitrogen is estimated at 2.6 lakh tons of which the public sector will produce 2.3 lakh tons that is, nearly 88 per cent, and the private sector only 30,000 tons. Let us note what is happening in the public sector units. The Sindri fertiliser factory which was the first factory in the public sector, is producing about 3,05,000 tons out of a targeted production of 3,33,000 tons, and its production of double salt and also urea is not up to the mark. They fall below the targeted capacity. The difficulty in attaining full production may be pointed out but it will take time.

Briefly, I may say that there are two ammonia plants. One had been installed long ago, and the other is a new plant. In the old plant, we produce even more than the rated capacity. It is expected to produce 96,000 tons of ammonia whereas the production is now more than one lakh tons. But the quality of the gypsum that we are getting is deteriorating day by day. It was planned and designed for a purity of gypsum of 93 per cent. The gypsum used to be brought was in



[Shri Alagesan]

Pakistan. Later on, we had to depend on Rajasthan gypsum. My hon. friend Shri Harish Chandra Mathur is looking at me. The quality is deteriorating day by day. We started with 83 and now it is so, less than 80 per cent. Again, instead of 1.5 tons of gypsum per ton of ammonia, we have now to use 1.9 tons. You can imagine when we have to carry all this gypsum over a thousand miles, what freight charges we have to incur and what amount we have to bring. This is the difficulty with reference to the old ammonia plant. The only way to remedy the situation is to get out of this gypsum process and take to what is called the direct acid neutralisation process or direct contact process. This requires sulphuric acid to the tune of about 950 tons per day.

**Shri Harish Chandra Mathur:** (Jalore): All your problems will be solved if you locate the industry near the place where gypsum is available, in Rajasthan itself. (*Interruption*).

**Shri Alagesan:** It is very easy to be wise after the event.

**Shri Harish Chandra Mathur:** We have been asking for it earlier.

**Dr. L. M. Singhvi:** (Jodhpur): It is almost a personal conversation. Let the hon. Minister speak aloud.

**Mr. Deputy-Speaker:** The hon. Minister is likely to take more time. I suppose. We have to take up non-official business.

**Shri Alagesan:** I think I should be allowed a few more minutes, so that I may finish now.

**Mr. Deputy-Speaker:** How much time?

**Shri Alagesan:** I shall finish within ten minutes.

**Mr. Deputy-Speaker:** You may take two or three minutes.

**Shri Alagesan:** Ten minutes.

**Mr. Deputy-Speaker:** Then you may continue the next day.

**Shri Alagesan:** I can finish in less than that time.

**Mr. Deputy-Speaker:** The next day, Monday.

**Shri Alagesan:** I shall finish within five minutes, because my senior colleague will be speaking on that day. (*Interruption*)

**Mr. Deputy-Speaker:** Does the House agree to give him a little more time now?

**Some Hon. Members:** Yes.

**Mr. Deputy-Speaker:** All right I will give you five minutes.

**Shri Alagesan:** So we have to take to this direct contact process, which will mean putting up a sulphuric acid plant, which the Pyrite and Chemical Development Company Limited at Sindri proposes to do. The amount of capital cost will not be more than Rs 25 lakhs. The second ammonia plant is in trouble and it is that plant which is not able to produce its rated capacity which is about 63,000 tonnes. The reasons why it is not able to produce more than 40,000 tonnes are two-fold: one is lack of enough reserve and spare equipment and the other, the more important, is the non-availability of all the 10 million cubic feet of coke oven gas, which is the basic raw material for production of ammonia. If I get Rs. 7 lakhs of foreign exchange to get some spares, etc., I can produce Rs. 50 lakhs worth of fertiliser, which I am not able to do now. We are trying hard to get this foreign exchange. In order to get the full benefit of the coke oven gas, we have to instal two more lean gas generators. There are at present four lean gas generators. But the lean gas produced out of these is not enough. If we succeeded in finding foreign exchange and putting up two more additional lean gas generators and if the coke

oven gas is utilised for the production of ammonia, we will attain the full production of 160,000 tonnes.

15.00 hrs.

As I said, the Nangal Unit is doing very well. It is expected that it will even exceed the targeted capacity of production this year.

Regarding the Rourkela Fertiliser Factory, I should admit that it is a very sad example of bad planning. It was planned that that should be the biggest factory in terms of production of nitrogen. An hon. Member from Orissa was pleading for another fertilised factory in Orissa. I would like to tell him that the Rourkela factory in Orissa is the biggest fertiliser plant in terms of nitrogen, but even so, we are not able to get the needed coke oven gas for running all the four streams. We are not getting gas even to run one full stream. Even if the volume of gas is there, the hydrogen content is not there. So, we are not able to get even 25 per cent in that. I personally went into this question. I wanted to see that more gas is made available. Certain arrangements were made. A promise was made that it will be done, but unfortunately, it has not been done. The only remedy for this is to instal a naphtha reforming unit, so that the necessary gas is produced either by naphtha or by the present coke oven gas arrangements and we may be able to run all the four streams and produce fertilisers to the tune of nearly half a million tons.

I will say a word about the working of the Pimpri unit of the Hundustan Antibiotics limited. It has been doing very well. Somebody said the collaborators did not pass on the secret.

**Shri D. C. Sharma:** It is doing splendidly.

**Shri Alagesan:** As the senior hon. Member, Shri D. C. Sharma,

puts it, it is doing very splendidly. The research department at Pimpri has also developed two anti-fungal antibiotics, Hamycin and Dermostatin, which have proved to be effective in treating fungus infection. There is a demand for this even from foreign countries and they are prepared to pay royalty also. A unit for producing these antibiotics on a commercial scale is also being established. This factory from out of its own internal resources financed its expansion. Starting from a capacity of 9 MMU of penicillin in 1956-57, today its capacity is 60 MMU and it is going to be taken up to 84 MMU. In this factory, from its own resources, a new streptomycin plant of 40 to 45 tonnes capacity per annum is being put up and that is also going to be expanded to 80 to 90 tonnes.

**Mr. Deputy-Speaker:** He may leave the rest to his senior colleague.

**Shri Alagesan:** Thank you, Sir.

15.05 hrs.

## COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

### THIRTY-SIXTH REPORT

**Shri Hem Raj (Kangra):** Sir, I beg to move:

"That this House agrees with the Thirty-sixth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 9th March, 1964."

**Mr. Deputy-Speaker:** The question is:

"That this House agrees with the Thirty-six Report of the Committee on private Members' Bills and Resolutions presented to the House on the 9th March, 1964."

*The motion was adopted.*

# CONSTITUTION (AMENDMENT) BILL

(Amendment of Articles 80 and 171)  
by Shri C. K. Bhattacharyya.

**Shri C. K. Bhattacharyya** (Raiganj): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

**Mr. Deputy-Speaker:** The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

**Shri C. K. Bhattacharyya:** I introduce the Bill.

# LAND ACQUISITION (AMENDMENT) BILL\*

(Amendment of Sections 3, 11 etc.) by Shri Subodh Hansda.

**Shri Subodh Hansda** (Jhargram): I beg to move for leave to introduce a Bill further to amend the Land Acquisition Act, 1894.

**Mr. Deputy-Speaker:** The question is:

"That leave be granted to introduce a Bill further to amend the Land Acquisition Act, 1894."

*The motion was adopted.*

**Shri Subodh Hansda:** I introduce the Bill.

# ADVOCATES (AMENDMENT) BILL\*

(Amendment of Section 24) by Shri Chandrabhan Singh.

**Shri Chandrabhan Singh** (Bilaspur): Sir, I beg to move for leave to introduce a Bill further to amend the Advocates Act, 1961.

**Mr. Deputy-Speaker:** The question is:

"That leave be granted to introduce a Bill further to amend the Advocates Act, 1961."

*The motion was adopted.*

**Shri Chandrabhan Singh:** I introduce the Bill.

**Mr. Deputy-Speaker:** Shri Abdul Ghani Goni is not here.

15.08 hrs.

# GOVERNMENT SERVANTS (BAN ON SERVICE AFTER RETIREMENT) BILL—Contd.

by Shri R. G. Dubey

**Mr. Deputy-Speaker:** The House will now take up further consideration of the following motion moved by Shri R. G. Dubey on the 29th February, 1964:—

"That the Bill to enforce ban on employees of the Government of India from entering into service in private undertakings after their retirement be taken into consideration."

**Shri R. G. Dubey** may continue his speech.

**Shri R. G. Dubey** (Bijapur North): Sir, my Bill is a very simple Bill with a very simple object in view. I do not think it is necessary for me

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Extraordinary Pt. II, Section 2, dated

to make a very long speech to convince the House about the necessity underlying this Bill. However, for the benefit of hon. Members, I would like to read the relative portions of this Bill.

Clause 2(a) says:

"Government servant means an employee belonging to the Central Government whose monthly emoluments exceed rupees three hundred."

Clause 3 says:

"No Government servant shall on retirement from Government service, enter into service in any private undertaking for a period of four years:

Provided that after the expiry of the said period of four years, Government may accord permission to a Government servant to enter into service in a private undertaking after ensuring that...

there are some stipulations laid down.

I am told even under the existing All India Service Rules, there are certain restrictions on a Government servant joining a private undertaking. For example, without the prior permission of the Government, he can join any private service for a period of two years. It is not clear whether during that period of two years, permission could be granted or not. However, you would agree with me, Sir, that the present provision is very much inadequate, in so far as it has defeated the purpose. That is why I have suggested this. The other day I had a discussion with a senior colleague, an hon. Member from the South. He suggested that this limit of Rs. 300 might be raised. I have no objection as a matter of consideration.

There was another suggestion that there may be technical personnel

such as mechanical engineers, electrical engineers, etc. That is different. I believe long ago, Mr. S. Bhaduria, who was a Member of the Second Lok Sabha, had introduced a similar resolution with a similar purpose in view. The then Minister of State, the late Mr. Datar, gave a reply and that resolution was rejected by the House. But I think that the purpose holds good even now. The Government of India, under Nandaji, is trying to root out corruption from administration and also what we call nepotism. I make a difference between favouritism and nepotism. In order to meet the challenge of the circumstances it is necessary.

As you know, here in Delhi there is a kind of monopolisation of the central services by some of the senior ICS people. In the good old days there was a practice that after five years of service they used to go back to their parent States and serve there. Nowadays nobody leaves Delhi, including the politicians. Everybody comes to Delhi and Delhi has a great charm for each and every person, and it is much more so in the case of the government servants. They are here for 10 years and 15 years. They build a kind of empire in services. They say that the department of commerce and industry belongs to this State, the department of Finance belongs to that State and so on. This feature has also come in, unfortunately, which is not a desirable thing in the administration. By remaining like this, certain conditions are created and, naturally, these people are in a position to influence the administration for personal ends.

It is not desirable to quote anybody and take their names. But I believe that the affairs of Bird and Company are under enquiry now. I am told that one of the top men from the Railways joined Bird and Company. Now you see Bird and Company has come into the picture in connection with some enquiry. Similarly, there

[Shri R. G. Dube]

are other senior persons who have joined other companies. While I was in Calcutta I was told that in the Income-tax Department very senior officers like Commissioners and Assistant Commissioners are made to resign after which they join private firms on fabulous salaries such as Rs. 8,000, Rs. 10,000 and so on a month. Obviously, the intention of such firms could be to enlist the services of these people so that they can serve as liaison officers, they can maintain touch with the departments and corrupt the administration from within and without. There are the export and import departments, the licensing departments and others where this is done.

I know this is a very difficult problem. But we have to take care to see that technical personnel such as electrical engineers—I do not mean that civil engineers because there is no dearth of civil engineers should be exempted—scientists and others do not go and join the private sector after retirement. There is another difficulty also. A friend of ours pointed out another difficulty in the course of our talk. He said that a person who was dismissed from service has joined the Birla firm drawing a fat salary. When the Government cannot do anything in his case, why do you want to punish honest government servants who join private service, he asked. But the time has come to put a stop to this kind of thing, to see that such kind of things do not persist. At least for a period of four years they should not be allowed to join any private undertaking. As a matter of fact, they should not be allowed to join any private undertaking. But in case it is felt that the country needs the services of experienced persons in different categories, then I would say we have a growing public sector where, if they are really good people, they can be absorbed after retirement. In case they are no good, they are use-

less, I do not think the private sector also would like to have such useless persons.

Sir, we have a socialist objective. We want to remove corruption. We want to remove red-tapism. We want to do so many things. How are we going to achieve all that unless the services are purified and placed on a sound basis? With that end in view I have proposed that at least for a period of four years government servants should not be allowed to join the private sector after retirement. After a period of four years, subject to certain conditions being fulfilled, they may be allowed to join.

This is the purpose of my Bill. I hope the hon. Minister and the hon. Members of this House will appreciate the motive with which I have placed this Bill for consideration before the House. I hope the House will consider it and take a suitable decision.

With these few words, Sir, I move that the Bill may be taken into consideration.

**Mr. Deputy-Speaker:** Motion moved:

"That the Bill to enforce ban on employees of the Government of India from entering into service in private undertakings after their retirement, be taken into consideration."

The time allotted is one hour. Hon. Members may confine their remarks to five minutes each.

**Dr. Ranen Sen** (Calcutta East): Mr. Deputy-Speaker, Sir, I support the Bill moved by Shri Dubey. I was expecting that a proper Bill would be moved by the Government in which not only the ex-servants of the Central Government but also the ex-servants of the State Governments

would be banned from joining the private sector after retirement. We are speaking so much about fighting corruption and nepotism. It is a common experience, in Delhi, in the different States and everywhere, that many of the government servants, particularly the higher-ups, after retirement are taken on jobs offered by the private companies.

What happens is this. I know of one gentleman who was in charge of the Special Police Establishment of the Government of India. Just after retirement he joined the Hindustan Motor Company of the Birlas as Chief Security Officer. What happens in industrial courts is, the companies try to influence the judges by showing them the allurements of employment in their companies after retirement. It often happens that the judges of certain industrial courts after retirement join private companies as legal advisers. Therefore, one can understand that judgments given by those judges of industrial courts and other courts are naturally given in favour of private companies, who appear before the tribunals or labour courts, in the hope that they will get a job in those very companies after retirement. In such cases, these persons who are employed in government service before they join private companies after retirement, earn a lot of money even while serving the Central Government or State Government and they do it clandestinely.

I know of another example. There was a European gentleman who was the Chief Presidency Magistrate of Calcutta. After retirement he joined the Tatas. Then there was another Indian gentleman who was also the Chief Presidency Magistrate. After retirement he also joined the Tatas. Both these gentlemen joined Tatas on a salary of Rs. 5000 a month. In this way there is corruption inside the services. In this way, the private companies are able to pull the strings inside the services and they are able to influence the administrative services

and thereby influence the government policies to some extent.

This is a common experience. Therefore, I think everybody in this House should support Shri Dubey's Bill even though it falls far short of the actual demands of the situation.

**Shri Hari Vishnu Kamath** (Hoshangabad): He will withdraw.

**Dr. Ranen Sen:** I know he will withdraw it ultimately. But I congratulate him for bringing forward such a Bill and making such a good speech in this House. At least that should have an impact inside the country, because, personally, myself and many other friends who are connected with public activities have been feeling the necessity of such a measure to be taken by the Government of India. Unfortunately, the Government remains blind to these things and only speaks of fighting corruption and nepotism. Therefore, Sir, I support this Bill wholeheartedly though it falls far short of the demands of the situation.

**Shri Ranga** (Chittoor): **Mr. Deputy-Speaker,** this Bill embodies in it a general demand that we used to make when the British were here. At that time we were occupying these opposition benches in this House as the Congress Party. Then we used to make this demand. Now, it has again become the privilege of the Opposition to make the same demand. Unfortunately, on this occasion my hon. friend, Shri Dubey, who has continued to be within the Congress Party itself, has come to sponsor this Bill, and I wish to congratulate him.

**Shri Hari Vishnu Kamath:** Temporarily.

**Shri Ranga:** Even though temporarily, whatever it is. Till now we have been voicing only this particular danger. Now that he has given some shape to it in this Bill, is this evil confined only

[Shri Ranga]

to retired officials? What happens to the, not retired but dismissed or discarded Ministers, as it often happens here? We get very powerful Ministers here, they leave their offices, just go back to the party and into contact with the big people in their party. Is it not possible for them to use their influence, past, present and future, in order to improve the fortunes of that party? This is a very great danger, a new danger that has arisen. It has happened now. In the case of a number of States, some Chief Ministers had to resign and some had to retire and they afterwards took very important positions in the party hierarchy.

**Mr. Deputy-Speaker:** We are only concerned with Government servants in this Bill.

**Shri Ranga:** Yes, Sir. But I am concerned with both. I am drawing the attention of the House to another evil, which is not very different from this. So, let me develop my point. I have got only ten minutes.

**Mr. Deputy-Speaker:** Only five minutes.

**Shri Ranga:** We would have no objection if the ex-Chief Ministers, like the ex-Chief Minister of Gujarat, are sent out as Ambassadors or transformed as Governors, because then they cannot influence people in support of their party inside the State.

**Mr. Deputy-Speaker:** We are not concerned with the general administration here. Please confine your observations to the scope of the Bill. Do not go beyond the Bill.

**Shri Ranga:** I am making a very relevant point. So, you should help me.

**Mr. Deputy-Speaker:** An experienced parliamentarian like him should be very relevant.

**Shri Ranga:** That is what I am trying to do. If they go out of the administrative purview, the administrative ambit, then there would not be any danger. If an ex-Minister goes as Governor, there is no harm. If an ex-Chief Minister goes as Ambassador, there is no harm. But if an ex-Chief Minister or ex-Minister occupies very important positions in the hierarchy of the ruling party, it is likely to cause nearly as much trouble, the same kind of trouble, as would be caused when retired Government officers become important officers of private concerns. Therefore, I would like the House to pay some attention to these two evils, one evil which has already been recognised by everyone as an evil, the other one which is coming up as an evil, which is taking very definite shape now as evil in view of the special developments that have taken place ever since we have become free, and especially because the same party has been fortunate enough to remain in power for such a long time.

**Shri Hari Vishnu Kamath:** Unfortunately for the country.

**Shri Ranga:** But fortunately for them, anyhow. Therefore, it is high time that we pay some attention to these two evils.

Why do we take objection to the officers being engaged by private entrepreneurs? Because we are afraid that the distinction that there should be, the difference that there should be between the officers who take decisions in Government and the officers of the private concerns is likely to be dismissed, the distinction is likely to be slurred over, so much so that one is able to help the other, one is able to influence the other, one is able to coerce the other, with the result that Government cannot be distinguished from the private concerns and their management.

The same is the evil that has arisen now. We want to put an end to these two evils. Whether the period should be two years or four years is another

matter. Earlier, we had said that it should not be less than two years. Now, my hon. friend says that it should be four years. It is a good thing, because now they are retiring at the age of 58. For four years they would be outside private employment. By that time they would be 62. Thereafter, if the private sector wishes to take advantage of their services and their experience, they may be well come to do so. In the meanwhile, such of the Joint Secretaries and Deputy Secretaries who had worked under these officers while they were Secretaries would have either retired or risen so high in the official hierarchy that they could not be expected to be influenced by these retired officers.

Therefore, there are very cogent reasons why the object of this Bill should be accepted by the Government and there are equally cogent reasons why Government should also give some attention to the new evil that has arisen as a result of their entertaining the services of their retired Ministers in the services of their own party hierarchy.

15.25 hrs.

[SHRI KHADILKAR in the Chair]

Shri A. S. Alva (Mangalore): Mr. Deputy-Speaker, Sir, I whole-heartedly support the Bill. It is absolutely necessary that Government servants who retire should be debarred from accepting any employment in private undertakings at least for the period specified in this Bill. Of course, we have now got a rule under which, unless the Government permits, no Government servant is allowed to take any service in the private sector for two years after retirement. But when we see the lists, some of the persons who are employed in private undertakings, especially the number of ICS and IAS officers who join the private concerns immediately after retirement are too many. We have even got instances where they retire pre-

maturely and take up service in private employment. Especially during these days when we are more concerned about nepotism, favouritism and corruption and when we are trying our best to combat them in Government service and keep it pure, we must see that Government servants are not tempted by fabulous salaries after retirement or by other baits to resign a little earlier and take up jobs in the private sector. We have got instances where action is contemplated against some Government officers and they resign and take up some employment in the private sector on a higher salary.

As the mover of the Bill has himself stated, those who are drawing emoluments up to Rs. 300 should be exempted from the purview of this Bill. Because, in the case of such officers, their pension after retirement will be very much less, may be Rs. 100 or 150 and it would be practically impossible for them to carry on with their pension. I will even go to the extent of saying that Government servants who get a salary of Rs. 1,000 or less should be exempted from the rule which debars Government servants from taking up private employment immediately after retirement.

Now the agents or liaison officers of the big undertakings go to the various Ministries and meet the Secretaries, Deputy Secretaries and Under Secretaries, to expedite the issue or grant of licences and permits. Since the licences and permits have to be routed through these officers, these liaison officers come into contact with these officers. Now, if the liaison officers make the Government officials understand that a good job will be provided to them immediately after retirement, it is but natural to expect that at least in a certain percentage of cases the officials will be tempted to show favours to those concerns. So, it will be in the interest of the officers themselves that this Bill is passed so that they will free from such blame from in public. After four years from the



[Shri A. S. Alva]

date of retirement, either the private undertakings will not care to employ them, or if they are still keen to employ them because they can do their job well and they are serviceable after four years, their influence over the present Government officials will not be there and so there cannot be any objection to such retired officials being employed by the private sector after such period.

If we impose a condition that retired officials can take up private employment provided Government permits them, that will amount to showing favours to certain officials and that will invite a lot of comment and criticism on the Government itself while using their discretion.

The reference by Shri Ranga of Ministers who are out of office and then getting jobs is not relevant. After all, the private sector will not care to employ Ministers who have ceased to be as such. Often they lose their importance as soon as they leave their posts. They will not have much influence and the private undertakings will not care to employ them because they have not much use for such people.

As the principle underlying this Bill is good, I feel that the Government should certainly accept it. Of course, it may be that some changes are necessary. In that case, while agreeing with the principle underlying this Bill, I am sure Government will bring forward a Bill of their own. With these words, I whole-heartedly support the Bill.

**Dr. L. M' Singhvi (Jodhpur):** Mr. Chairman, Sir, in a situation in which our bureaucratic procedures are cracking and our machinery of government seems to be creaking it does appear that we are confronted with the general presumption of guilt unless an officer or a public man is able to prove

himself innocent. It is in this context that we have to view this Bill which is before us and to which I am unable to accord unreserved support. I say this because I feel that we are discussing this whole matter without having all the facts before us, without even having a proper assessment before us, without having all the answers that we must have before us before we accept the principle of four years to elapse before a retired public servant can accept a position in the private sector.

The basic principle underlying this Bill is, as a matter of fact, already accepted in our bureaucratic machine inasmuch as at present there is a rule of two years which period must elapse before a retired public servant can seek employment in the private sector and that too with the sanction and the approval of the Central Government.

The main difficulty that comes in in accepting this four-year limit is the fact that civil servants, after their retirement, face an economic situation which is not very encouraging. There is at least a large number of civil servants who, after their retirement, face circumstances of poverty. In our professedly socialist state we find that the civil servant, after retirement, finds it difficult to make the two ends meet. That is a situation which has never been squarely faced by the Government and unless that situation is faced it is very impractical to try to put on our statute book and to enact legislation which would put further curbs on the possibility of our retired civil servants seeking employment in the private sector.

I should like to know from the Minister as to how often such permission is asked, in what salary groups, how often is this permission refused, in what particular business houses have these persons seeking permission.

taken up employment and whether on any objective assessment it is reasonable and fair to suggest that the employment that was offered to them was mainly on account of the possible influence they may have on the administrative machinery and not because of the intrinsic merit and talent which the particular retired official may have.

After all, in a socialist state in which the ambit of civil service is increasing every day, in a socialist state in which with every stride of progress we have a larger number of people within the general rubric of civil service, it is not right that we should ignore the basic facts of their economic situation at the time of retirement. In the situation of inflation, in the situation of high prices, in the tremendous pressure that social demands exert on their lives, it is only right that at least a class of employees who might be considered well paid from our standards but who have to face the struggle for life after their retirement, when as a matter of fact they should be able to look forward to rest, relaxation, some sort of work of their own at their houses and some sort of leisure—that is not the situation—should be excluded from the embargo.

I understand that even in England there is no such ban on civil servants joining private sector after their retirement. As a matter of fact, in certain cases they are encouraged to accept employment in the private sector. After all, the private sector is accepted as a legitimate sector of our economy and if the suspicion, which may be at the root of the present embargo on civil servants accepting employment immediately on their retirement, is not present in a particular case, there seems to be no well founded reason why a retired civil servant should be excluded from exploring the possibility of making a little money in order to meet his various social obligations after retirement.

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The present rule of two years should not only be above actual misdeeds but should be above suspicion. That is an accepted principle of good public administration. It is necessary equally to safeguard this principle in our administrative machinery, by excluding the possibility of highly placed civil servants. Particularly from taking up service in the private sector immediately on their retirement thus facilitating their walk-over, so to say, from the Central Secretariat in some private business house; but, at the same time, we must realise that unless we are able to confer a fuller measure of relief to the pensioners, unless we are able to put the pensioner beyond the pale of want and penury with which his life, after retirement, is beset to-day, we have no legitimate reason and conscionable cause to plead for a further embargo on his taking up employment in the private sector. I very much hope that in the situation of the growing public sector and socialism in this country we will show a greater awareness of social justice to our pensioners. Once we have done that we would have qualified to consider this matter. As at present, I do not think it is right to further extend the limit of two years which is at present in operation for a retired civil servant for accepting a job.

**Shri Oza (Surendranagar):** Mr. Chairman, Sir, Professor Ranga, who does not happen to be here, has as usual projected politics into this simple Bill which my hon. friend, Shri Dubey, has brought forward. He is always obsessed with that. He said that ex-Minister exploit their past positions for putting their party in a

[Shri Oza]

better position or for party ends. I wonder, when the Swatantra Party has also in its ranks an ex-Governor General and ex-Ministers, to what extent he has been able to exploit their past position. I am sure, he will say on second thoughts that it has done no good.

I appreciate the sentiments that have prompted the hon. Mover of this Bill to bring it forward; but, I am afraid, this is going to be infructuous. In the ultimate analysis, I think, this is nothing else but a sort of a crisis of character. Why is this Bill brought forward? Why had we to put a ban of two years for ex-civil servants to join any private service? Firstly, it is because we doubt or there is a misapprehension, a *bona-fide* one, that while they are in service some business magnates put forth some temptation by saying, "If you favour us in a particular way, after you retire, we will accommodate you."

The second apprehension is that those who are actually in service at that particular time are such people that they will be influenced by their ex-bosses. I think, this is not always true but let us suppose that it is true. I have a case in mind. I know one ex-civil servant who was not an employee of a very big business house but who was only charging some honorarium. He was having some perquisites free of charge and he was giving services absolutely in good faith. I have no doubt about his honesty and integrity. But such a legislation, to my mind is going to be infructuous. I think the best way is to make the services immune from such outside influences. I do not know to what extent the ex-bosses are in a position to influence the various departments in which their employers may have to deal with. The mischief to my mind, is not so big as we make out to be. By putting this on the statute book we are creating all sorts of difficulties. There would be no respect for that law and there will be so many

loopholes by which it will be circumvented. So, while agreeing with his sentiments, I think, this legislation on the statute book will be absolutely ineffective.

Then, my hon. friend opposite said that those who retire are sometimes poor and are not able to make both ends meet. I cannot agree with that argument. That is not the consideration which should prompt in rejecting this Bill. The ex-Government servants who draw very meagre pensions are never requisitioned by big business houses. Only those who are at the top and who have some influence are wanted and the pensions that they draw are not such that this House should have any pity on them as to what they will do to meet their family commitments and other requirements. The services of the Government servants whose pensions might be inadequate to meet all their requirements are not required by big business houses. Only those who are at the top are required and their pensions are also on a high scale. I do not think that should be the argument. I think the whole thing is that the Government should be very vigilant to see that the services are not influenced by ex-bosses.

**Dr. L. M. Singhvi:** This Bill puts an embargo on every retired civil servant.

**Shri Oza:** The poor people are not wanted by big businessmen.

**Dr. L. M. Singhvi:** This Bill will also prevent them from working.

**Shri Oza:** Such people will be very few.

In conclusion, I say, in spite of the sympathy with the present Bill that my friend has brought, because I think it will be infructuous and because that is not a correct solution, I will not be able to support the Bill.

**Shri Gauri Shankar Kakkar** (Fatehpur): Mr. Chairman, Sir, I rise to support this Bill, but I have to make certain observations as to how far it is just and proper to put this check only in the case of civil servants when according to our Constitution there is no check in regard to public men. There is a Bill sponsored by Mr. Kamath which is coming up today. It cannot be taken as a general rule that all civil servants who retire are corrupt or they indulge in corruption once they are employed in private sector. During these days of financial stringency, there is a limit for putting any sort of such check in the case of civil servants. I submit that when in regard to public men there is no limit, there is no restriction with regard to age or with regard to having any office at any time, naturally it would be most unjust if we come forward to touch only one class, that is, civil servants without touching another class that is, all public men who belong to a certain ruling party or group and can acquire certain privileges and can influence others. So, I wish to submit that the Government should come forward with a comprehensive Bill. I am not going to agree with what Mr. Ranga has said. These public men cannot be included as they are at present. But my submission is that there should be a sort of a common code of conduct or rule for all. Any person belonging to any political party should be debarred from getting any sort of employment. That can be dealt with in that manner. Naturally, I quite agree that there are a number of civil servants who after their retirement get very alluring employment in the private sector on account of their old association or on account of their old influence with them. They are instrumental in this corruption and in getting an opportunity to help the private sector to have undue income and earning. I know the instances where private sector people are offering huge employments to retired income-tax commissioners and income-tax officers and by accepting such employments,

they are able to save income-tax worth crores of rupees which the private sector people have to pay. They are instrumental in this sort of corruption and in that manner the corruption is spreading. But, Sir, how far will it be justified to come forward and condemn outright only one particular class of civil servants without touching other public men? We are also tempted to get such employment and to indulge in such corruption. The Bill, as it stands, provides a period of two years and my submission is that it requires a minute and strict scrutiny in the case of highly placed public servants who are tempted to join the private sector. There is no necessity of enhancing the period from two years to four years. I quite agree with Mr. Dubey that it is a source of corruption. It is really a source of corruption but you cannot put in curb only in regard to one group ignoring and giving lift to other groups. I think, the Bill, as it stands, requires strict scrutiny to see that there is no such corruption. The Government should come forward with a comprehensive Bill and keep in view the highly placed civil servants as well as public men who have been occupying high offices. There should be a check on all these classes from being tempted to join the private sector and to increase corruption. This is the most proper time, when our hon. Home Minister has taken a vow that he will root out corruption, that he should explore all these sources and should come forward with a comprehensive Bill to root out corruption by not allowing highly placed Government servants as well as the public men to indulge in such corrupt practices.

**श्री ओंकार लाल बेरवा (कोटा) :**

सभापति महोदय, यह जो बिल आया है, उसका वैसे तो मैं समर्थन करता हूँ। अगर यह कुछ साल पहले आया होता तो जितने हमारे स्टुडेंट्स हैं, जितने नौजवान हैं, जो कि बेकार फिर रहे हैं। उनको शायद जगहें मिल जातीं।

[श्री आंकार ल ल बेरम]

साथ ही साथ में इतना कह देना चाहता हूँ कि पेंशनार्थी को पेंशन इतनी दी जाये कि उनका गुजर बसर हो सके और उनको उतनी हो फैसिलिटीज दी जानी चाहिये जितनी उनको तब मिलती हैं जब वे नौकरी में होते हैं। अगर ऐसा किया गया तो उसके दिल में एक भावना पैदा होगी कि अगर मैं नौकरी से हट गया हूँ, मैं रिटायर हो गया हूँ तो कोई बात नहीं है, मुझे पेंशन तो माफ़ मिल रही है, मुझे वे सुविधायें तो मिल रही हैं जो मुझे तब मिलती थीं जब मैं सर्विस में था। लेकिन अगर आपने उनको इतनी फैसिलिटीज नहीं दी तो वे बेचारे कहीं के भी नहीं रहेंगे। उन पर भी एक दायित्व है जिसे आपको ध्यान में रखना है। उनको सोचना चाहिये कि अगर उन्होंने ५५ बरस को उम्र तक या ५० बरस की उम्र तक सर्विस कर ली है और अब अगर वे हमारे प्राइवेट सेक्टर के अन्दर जा कर, उस उद्योग का बढ़ा सकते हैं, उन उद्योग का उत्थान कर सकते हैं, उस में अपनी अक्ल लगा सकते हैं, पूरी जिम्मेदारी का परिचय दे सकते हैं तो जो प्राइवेट सेक्टर है, वह अच्छा बन सकता है अगर इस कानून की अच्छी तरह से जांच की जाये तब तो अच्छा होगा वरना ऐसा होगा जैसे कि दिल्ली में हुआ कि एक स्टेशन मास्टर के ५५ साल खत्म हो गये थे, उसका आर्डर पांच दिन के लिये रोक कर उस को ५८ साल में ला कर उनके तीन साल और बढ़ा दिये और कह दिया कि जब तक कोई और आदमी नहीं मिलता है तब तक के लिये उस को भरती कर लिया जाये। इस तरह का कल्याण अगर होगा तो यह होगा कि अगर मच्छ तो अड़े रहेंगे तीर पर और छोटी मछलियां पानी के बाहर आ जायेंगी और मारी जायेंगी। इसलिये आप ने जो रूल्स बनाये हैं वह तो ठीक हैं लेकिन इस में अच्छी तरह जांच होनी चाहिये कि बड़े बड़े अगर मच्छ कहां अड़े न रहें क्योंकि वे हर तरह की खुशामद बरामद कर के, कभी किसी मिनिस्टर

के पास जा कर कभी बड़े अफसरों के पास जा कर किसी न किसी बहाने से नौकरियों में अड़े रहेंगे।

इसलिये यह कानून तो ठीक है लेकिन इस की पूर्णतया जांच होनी चाहिये और उन को उतनी सुविधायें मिलनी चाहियें जितनी कि जो लोग नौकरियों पर होते हैं उन को मिलती हैं। मैं तो यह भी कहूंगा कि जो मिनिस्टर भी ५५ या ६० साल के हो जाते हैं उन की तरफ भी ध्यान रखना चाहिये। उन को भी आप को रिटायर करना चाहिये क्योंकि देश की बागडोर उन्हीं के हाथ में होती है और ५५ या ६० साल के बाद दिमाग धूमने लग जाता है। मैं नम्र निवेदन करना चाहता हूँ कि अगर यह रूल यहां भी चले तो अच्छा है।

**श्री सरजू पाण्डेय (रमड़ा) :** सभापति महोदय, मैं इस बिल का समर्थन करने के लिये खड़ा हुआ हूँ। जैसा कि श्री दुबे ने कहा पहले सदन में इस बात पर बहस हुई थी कि सरकारी कर्मचारियों को व्यक्तिगत नौकरियों और पूंजीगतियों की नौकरियों में नहीं जाना चाहिये। उस समय भी मिनिस्टर साहब ने कोई आश्वासन नहीं दिया था। मैं माननीय मंत्री साहब से इस बात की अपील करूंगा कि वे इसे वापस न लें और कम से कम हाउस की राय जान लें कि दर असल इस सदन के लोगों की क्या राय है।

अगर आप हमारे पुराने शास्त्रों को देखें तो उस में भी यह बात मिलती है कि जब आदमी के तीनपन गुजर जाते हैं तो चौपन में उसे चुप चाप भगवत भजन करने का मौका दिया जाता है। मैं चाहता हूँ कि इन लोगों को भी भगवत भजन करने का मौका दिया जाये। यह मैं इसलिये कहता हूँ कि फर्ज कीजिये कि एक इनकम टैक्स का जानकार

अफसर रिटायर किया जाता है उसके बाद वह किसी पूजीपतियों की कम्पनी में नौकरी कर लेता है, तो चूंकि वह सरकार की सारी चीजों का जानता है इसलिए पूजीपति को इनकम टैक्स से बचा सकता है। मेरे साथी श्री रानेन सेन ने बतलाया कि किस तरह से बड़े बड़े आफिसर्स जा कर सरकार की भीतरी बातों को कम्पनियों में बतलाते हैं और उन को हर तरह से टैक्स आदि से बचाते हैं। टैक्सों के बारे में और दूसरी बातों के बारे में भी उनकी मदद करते हैं। इसलिये मैं समझता हूं कि इसे सिर्फ केन्द्रीय कर्मचारियों पर ही नहीं लागू किया जाये वल्कि राज्य सरकारों को भी केन्द्रीय सरकार की ओर से लिखा जाये या उनका सम्मेलन कर के उन से कहा जाये कि वे अपने यहां भी इस तरह का कानून बनायें। वर्ना अगर सरकारी कर्मचारियों पर इस तरह का प्रतिबन्ध नहीं होगा तो वैसे ही आज लोग हमारे देश के नौकरशाहों के बारे में अच्छा खयाल नहीं रखते, उनका विचार और भी उनके बारे में खराब हो जायेगा। कुछ भाई कहते हैं कि क्यों इस खास क्लास को ही बेईमान समझा जाये। मैं कहना चाहता हूं कि जिस के हाथ में पावर है वह ज्यादा बेईमानी कर सकता है। जिसके हाथ में पावर नहीं है वह आदमी क्या बेईमानी कर सकता है। मैं समझता हूं कि जो प्रजा-तांत्रिक तरीका हम ने अपनाया है उस में सब से अधिक ताकत जो होती है वह सरकारी अधिकारियों के हाथ में होती है। मझ को ऐसा मालूम है कि कभी कभी तो मिनिस्टर बेचारे भी सब बातों को नहीं जानते। मिसाल के तौर पर मैं बतलाऊं कि वायस आफ अमेरिका से समझौता हो जाता है, लेकिन मिनिस्टर साहब को उस का पता नहीं चलता है। वह चुपके से दस्तखत बना देते हैं। बहुत सी इस तरह की बातें रोज हुआ करती हैं। मैंने एक मिनिस्टर साहब से पूछा कि कुछ लोग गिरफ्तार हुए, आप को मालूम नहीं हुआ क्या। उन्होंने कहा कि अन्डर सेन्नेटरी

दस्तखत करा लेते हैं, मंथे सब बातों का इल्म नहीं होता। मैं कहता हूं कि इस देश में जहां नौकरशाही इतनी पावरफुल है . . . .

**Dr. L. M. Singhvi:** That is a ministerial confession which he cannot use outside. That is a confession which is not admissible as evidence.

**श्री सरजू पाण्डेय :** मैं यह चाहूंगा कि मंत्री महोदय खुद अपनी तरफ से एक बिल लावें जिस में इस बात पर प्रतिबन्ध हो कि सरकारी कर्मचारी कहीं पर नौकरी कर सकें। इस में जो कहा गया है कि चार वर्ष के बाद उन्हें आजादी दे दी गई है, तो मैं कहना चाहता हूं कि इतना रुपया कमाकर वह रिटायर होता है तब उस को कब तक यह आजादी दी जाती रहेगी यह मेरी समझ में नहीं आता है। अगर पब्लिक वर्कर करंट होता है तो मौका होते ही पब्लिक ओपीनियन उसे निकाल फेंकती है। अगर वह चुनाव में खड़ा होता है तो गालियां तो सुनता है, कम से कम उस का नाम तो निकल जाता है। लोग चोर चोर कह कर के चिल्लाते हैं। लेकिन नौकरशाही के लोगों को कोई भी कुछ नहीं कह सकता। अगर सदन में कुछ कहा जाये तो टोंका जायेगा कि हम सदन में कुछ न कहें क्योंकि वह लोग सदन में जवाब देने के लिये हाजिर नहीं हैं। हम यहां पर भी उन का कुछ बिगाड़ नहीं सकते।

इसलिये मैं चाहूंगा कि मंत्री महोदय इस बात पर विचार करें और प्रस्तावक महोदय से मैं खास तौर पर कहना चाहूंगा कि वे इस को वापस न लें। कम से कम हिन्दुस्तान की राय जानने के लिये इस बिल को भेजा जाय कि दरअसल देश की जनता क्या कहती है।

इन शब्दों के साथ मैं इस बिल का समर्थन करता हूं और आशा करता हूं कि प्रस्तावक महोदय इसे वापस नहीं लेंगे।

**The Minister of State in the Ministry of Home Affairs (Shri Hathi):** I appreciate the object and the intention of the hon. Mover of this Bill. I also appreciate the sentiments expressed by various Members. I should say that I am thankful to Shri Oza and Dr. L. M. Singhvi for putting forward a point of view which also requires some consideration.

While everybody wants that a clean and pure administration is necessary, every intelligent and sane person would also agree that the people who are serving are not *en bloc* to be stamped as corrupt people. There are good men; there are bad men; and we have to differentiate between the good and the bad. If we put a ban for four years, as the hon. Mover has suggested, in the case of all people, do we thereby take it for granted that all the officers who are serving are corrupt and that after leaving service they will try to enter private sector, and having entered there or got employment there they will try to influence the other officers in Government? If we take that for granted, what is the guarantee that while they are already in service, they are not corrupt? Therefore, it is, as Shri Oza has pointed out, a question of the crisis of character. But that does not mean that we should not take steps to minimise the chances of corruption. While I say that we should not stamp everybody as corrupt, we should not also be complacent and sit helpless without trying to stop or plug the loopholes. One of the ways or rather the way between both the extremes should be to consider each case on merits, and grant permission in suitable cases and not grant permission in cases where the officer has chances of coming in contact with a commercial body or a firm or where an engineer had chances of obliging a contractor and so on. These are the cases where a scrutiny has to be made. But it may be that even then there may be cases which may not

come to knowledge, and they may get employment in the private sector.

**Shri Ranga:** Knowing full well that Gen. Kaul was not suitable here, Government have sent him out, and given him permission to obtain employment on a salary of about Rs. 7000 p.m.

**Shri Hathi:** Therefore, each case will have to be decided on merits. But there is also another point of view.

So far as this Bill is concerned, as is seen in the Bill itself and as the hon. Mover himself has said, the Bill as it is is not perfect in many ways. The principle is all right. But so far as the provisions go, they require radical changes. For example, a salary of Rs. 300 is fixed as the ceiling; above that nobody should be allowed to accept any employment in the private sector. All the Members who have spoken have generally spoken of the top people—secretaries, joint secretaries and others. Nobody has talked of people drawing Rs. 500 and Rs. 600. What are they going to do?

**Shri R. G. Dubey (Bijapur North):** I have made that clear.

**Shri Hathi:** He has made it clear.

16.00 hrs.

The second point is: shall we debar everybody? The hon. Mover has made that also clear. He does not want to debar technical or engineering people. But as the definition goes, the wording is something different and it is very much defective in the sense that private service means anything other than government service. What about some public corporation or public sector undertaking or university or other organisation? I do not think he wants they should be debarred from accepting employment there.

At present, the position is—two years generally, the period during which a retired class I officer cannot accept service except with permission. Some hon. Member referred to income tax officers. In their case, that Act provides that they cannot appear before a tribunal etc. for three years after retirement. So we have two years and three years. Prof. Ranga thinks that four years should be the period. Three years is between two and four.

Even then, as the House knows, we had appointed a committee called the Santhanam Committee, Prevention of Corruption Committee. It examined this question in detail and made recommendations. I would assure the House that these recommendations are being looked into by Government very carefully, and all that is necessary will be done.

As I have explained Government's view in this matter, I hope the hon. Mover would withdraw the Bill.

**Dr. Ranen Sen:** Do not withdraw the Bill.

**Shri R. G. Dubey:** I am happy that the hon. Minister has pointed out that Government will review the position in the context of the Santhanam Committee's recommendations. However, I could not agree with the reasoning he put forward in certain respects.

I did not mean to say that all government officials were corrupt. That is not the proposition. My point is whether we should not create conditions in which there is no scope for indulging in corrupt practices.

So far as the language of the Bill is concerned, possibly there is much to be done. My only intention was to focus attention on this very important aspect. In view of the fact that the hon. Minister has stated that Government would review the position in the light of the Report of the

Santhanam Committee and in the light of the situation in the country, I beg leave of this House to withdraw the Bill.

**Shri Hari Vishnu Kamath:** On a point of clarification. If I heard the Minister aright, he said that Government is in favour of some restriction being imposed on the upper echelons or upper income groups of Central Government servants and they might consider the feasibility of doing that. Is Government considering the desirability of enforcing or imposing a similar ban on Ministers who have, unfortunately, been beaten at the polls that for two or three years—just as government servants who have retired cannot enter private service without the permission of the Government—they should not be permitted to enter private service, because they can bring to bear even more influence than what government servants could do.

**Shri Tyagi (Dehra Dun):** But they do not receive any pension.

**Shri Hari Vishnu Kamath:** That may be. But here it is a question of the influence they can wield. Is Government considering this matter?

**Shri Hathi:** I thought I was replying to the present Bill which relates to restriction on employment of government officials who are retired and not Ministers.

**Shri Tyagi:** The idea would no doubt be very much welcome, if Ministers are given pension.

**Mr. Chairman:** Has the hon. Mover the leave of the House to withdraw his Bill?

**Some Hon. Members:** No.

**Mr. Chairman:** The question is:

"That leave be granted to Shri R. G. Dubey to withdraw the Bill to enforce ban on employees



[Mr. Chairman]

of the Government of India from entering into service in private undertakings after their retirement."

*The motion was adopted.*

**Shri R. G. Dubey:** I withdraw the Bill.

16.07 hrs.

# COMMISSIONS OF INQUIRY (AMENDMENT) BILL

(Amendment of section 8)  
by **Shri D. C. Sharma.**

**Shri D. C. Sharma:** (Gurdaspur):  
I beg to move:

"That the Bill further to amend the Commissions of Inquiry Act, 1952, be taken into consideration".

Knowing fully well what the fate of these Bills is, knowing full well that Ministers come to this House with their minds previously made up and knowing full well that they never come to this House with an open mind, I still think that this privilege which has been given by democracy to private Members should be practised as much as possible. A day may come when Ministers are more enlightened and private Members are more in tune with them. But so far the difficulty is that the Ministers continue to be persons whose mind does not work outside the precincts of the Secretariat and who derive their inspiration from the pigeon-holes of the Secretariat in which some of the old precedents, old practices and old traditions are confined. All the same, I think that I must do my duty according to my lights and the hon. Minister must do his according to the exigencies of his office.

This is a very harmless Bill which even the Law Commission in its 24th Report has in a way supported. This report was brought out in December, 1962, and in this report they have referred even to my Bill, and they have said that I have not done something very outrageous in bringing forward this Bill.

What does this Bill want? This Bill wants firstly that commissions of inquiry should become a regular and normal feature of the democratic functioning of our country. They should not be appointed in rare cases, they should not be resorted to in circumstances which are very, very scandalous, and which are very, very opprobrious, and which are very, very difficult of comprehension by the public.

If we read the report of the Law Commission, we find that a commission of inquiry can be appointed by the Central Government as well as by the State Governments. When I come to the Central Government, I find that the Ministry of Railways appointed four commissions of inquiry. One was to enquire into the causes of the Mehubanagar accident, another was to enquire into the causes of the Ariyalur accident, a third was to enquire into the causes of the Igatpuri accident, and the fourth was to enquire into the causes of the Morvi accident. There have been so many accidents after that, but the Railway Ministry has not been very willing to appoint any commission of inquiry.

The Ministry of Information and Broadcasting appointed the Press Commission, and I believe that if there has been one infructuous commission in this country, it has been this Press Commission, because most of its far-reaching recommendations have been put into cold storage. Perhaps, the new Minister of Information and Broadcasting may pull this report out of the pigeonholes of the Ministry and may take some action on it.

The Ministry of Health appointed a commission to enquire into the Kerala and Madras food poisoning cases, as the House knows. I therefore do not want to dilate upon it.

The Ministry of Commerce and Industry, which should be more willing to undertake things of this kind, appointed a commission called the Plantation Enquiry Commission.

The Department of Company Law Administration appointed a commission to investigate into the affairs of the Dalmia Jain group of companies. The report has been there all these days, but nothing has happened.

Then, the State Governments have also appointed some commissions. I think that Kerala leads in this. It is number one so far as the appointment of commissions is concerned, which shows that Kerala has a wide awake public and a Government which cannot remain indifferent to the voice of the public. It appointed a commission to enquire into the rice deal, and another to enquire into the police firing at Chandanathope. Of course, there was much firing in that State at that time. It appointed a commission to enquire into the firing in the Munnar region. It appointed a commission to enquire into the suspected death of Suri in police lock-up in Ernakulam. Then there was Gujarat which has also a good record. It appointed a commission to enquire into the circumstances in which the police resorted to firing on two occasions on 12th July, 1960 at Dohad. There was another commission to inquire into and report on whether the authorities concerned took sufficient measures to avoid or prevent the incidents in which two Miyanas were killed in the court premises; another commission to inquire into and report on the circumstances in which the police resorted to firing on a particular date. Of course, there may be other commissions of enquiry also. In Madhya Pradesh, there was a

commission to inquire into the police firing on 26th August, 1957 at Raipur; another commission for similar incident at Khobi . . .

**Shri Hari Vishnu Kamath** (Hoshangabad): That is right.

**Shri D. C. Sharma:** No commission has been appointed to enquire into any untoward incident in Hoshangabad.

**Shri Hari Vishnu Kamath:** What about Hoshiarpur or Gurdaspur in Punjab?

**Shri D. C. Sharma:** Nothing has happened. Maharashtra also has appointed some commissions. It has a good record, as that of Kerala. Himachal Pradesh has also appointed a commission to enquire into firing near Shri Lakshmi Narayan's temple.

What I was submitting is that the Commission of Inquiry is a safety valve of public opinion. It is a guarantee of the rights of the public against bureaucracy; it is a bulwark of justice on the part of those who sometimes do not meet with the ends of justice very clearly. So, I say that this should be resorted to more often at the Centre and elsewhere as is being done at present in some places. Our Governments shirk their duty from appointing such commissions; it tries to put off issues and it does not want to investigate into those causes which are sometimes very weighty with the public but which become very feeble when they reach the precincts of the Secretariat or the Ministers' bungalows.

16.19 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

In this matter we are not doing something extraordinary. In all the democratic countries . . .

**Shri Hari Vishnu Kamath:** Enumerate them.

**Shri D. C. Sharma:** ....something like that is being done. In Canada and Australia and in other countries it is something like that. But I think there is nothing like this in the USA. But they appoint such Commissions; they are called tribunals. These tribunals go into those cases which come to have some kind of public importance. Our Government also copies the democratic practice of the other democratic countries. It is a good thing. Of course, we copy them with a great deal of common sense, and a great deal of knowledge of our own circumstances. But we do not always go as far as we should go. We are the masters of hesitation when we come to action, and the masters of—I should say—dilly-dallying when we come to take a decision. For instance, there was just now a Bill before the House, and what was the fate of that Bill? The Bill was put-up by a Congress Member; I am also a Congress Member. When the Minister gets up and asks me to withdraw it, I withdraw! The Minister of Parliamentary Affairs is also here. I will be facing fire from two sides and I will not resist it, but the fact of the matter is that there are certain things which are obvious and which are well known and which are not taken into account by the Ministers. This report was published in December, 1962. I charge the Ministry of Home Affairs for not taking action on it all these days. (*Interruption*).

Why has not the Ministry of Home Affairs taken due notice of the report of the Law Commission and amended the Commissions of Inquiry Act in the light of the recommendations made? I want to put this question to the Ministry of Home Affairs. Is it because of the fact that the Home Ministry has been changing hands? Sometimes one Home Minister comes and sometimes another Home Minister comes and goes. Sometimes, the third Home Minister may come. But whether the Home Minister is there or not, the Home Ministry must continue, and I want the

Home Ministry to explain to this House why it has been so tardy in implementing the recommendations of the Law Commission.

I have brought this Bill, and I have made it as innocuous as possible, because in this Parliament I have learnt one thing and it is this: that you should not frighten—

**श्री श्रीकार लाल बरवा (कोटा) :**

उपाध्यक्ष महोदय, क्या इस समय क्वोरम की जरूरत नहीं है ? इस वक्त सदन में प्राइवेट मेम्बरज का बिज़िनेस चल रहा है। क्या ऐसा तो नहीं है कि प्राइवेट मेम्बरज के बिज़िनेस में क्वोरम की जरूरत नहीं है ?

**Mr. Deputy-Speaker:** You have to stop for a while till we get quorum. (*Interruption*). Quorum has been challenged. The bell is being rung.....

Now there is quorum. The hon. Member may continue.

**Shri D. C. Sharma:** I was submitting very humbly that in the first place I want that this Commission of Inquiry should sit in public. It should not be left to the Presiding Officer to decide whether it should sit in camera or in public. It should be made obligatory on the part of the presiding officers that it should be held in public.

Any person who wants to give evidence should be permitted to do so and undue hindrances should not be put in the way. If you compare my suggestions with the recommendations of the Law Commission, you will find that they have also come to almost the same conclusions. They have also given a tentative draft of a Bill. They have given new drafts of sections 3, 4 and 5. They have given a new draft to be named as Section 6A, namely,

“6A. Nothing in this Act shall make it compulsory for any person giving evidence before the

Commission to disclose any secret process of manufacture."

"This is only to safeguard commercial interests. So far as section 8 is concerned, in their new draft, they have said:

"If any stage of the inquiry, the Commission considers it necessary to inquire into the conduct of any person is of opinion that the reputation of any person is likely to be prejudicially affected by the inquiry, the Commission shall give to that person a reasonable opportunity of being heard in the inquiry and producing evidence in his defence."

It is very good. It gives protection to those persons who may be hit hard by this Commission in some way, in a remote way or in a direct way.

Then, they have suggested a new section 8A, namely,

"Where the Commission consists of two or more members, it may act notwithstanding the absence of the Chairman or any other member or any vacancy among its members."

This is done in other cases also. Then, they have also said,

"Every rule made by the Central Government under this section shall be laid, as soon as may be after it is made, before each House of Parliament."

So, here everything is ready-made. The Law Commission has given the draft of a new Bill. The Law Commission thinks that the Commissions of Inquiry Act as passed in 1952 should be amended. It is good so far as it goes; but in the light of changed circumstances, in the light of progressive public opinion, in the light of public opinion becoming more vocal than before, in the light of our journalists becoming more public-spirited than before, we must change this. But nothing has been done by our Ministry of Home Affairs.

I must submit very respectfully that the Ministry of Home Affairs in this Government has become too unwieldy. It has too many ramifications. It has too many things to look after. It has too many public interests to serve. The result is that this Ministry sometimes cannot choose what is to be done first and what is to be done afterwards. I would suggest that the Home Ministry should first of all examine its legislative programme as it has been suggested by the Law Commission or as it has been suggested by other public bodies or as it has been brought to the notice of the Members of this House. I think legislation should be taken in hand by them on a more vigorous basis.

Secondly, I would say that the Home Ministry should see to it that the interests of the country are safeguarded more fully and more actively not only here but also in the States. It is because the Home Ministry also has its finger in the pie of the State. Now, it may not be able to give them orders, it may not be able to order about the States. But surely it can give suggestions to the States. There are so many things happening in the States of which the Central Home Ministry should take some cognizance.

The Home Ministry tries to turn a blind eye on some of the most important matters with which this country is faced.

I would, therefore, suggest, very respectfully, that this Bill should be accepted by the Home Minister. I am very glad Shri Jaisukhlal Hathi has come to the Home Ministry.

Shri Tyagi (Dehra Dun): White elephant!

The Minister of State in the Ministry of Home Affairs (Shri Hathi): Black!

**Shri D. C. Sharma:** He is a very able minister. I do not know what is going to happen to him, because as Shri Nanda goes on changing his Ministry, he also has to go on changing his Ministry and we do not know where he will land himself.

**An Hon. Member:** Home.

**Shri D. C. Sharma:** Anyhow, I know wherever he is he will do justice to his portfolio and his Ministry and I hope he will do justice to this Bill and to me also.

**Mr. Deputy-Speaker:** Motion moved:

"That the Bill further to amend the Commissions of Inquiry Act, 1952, be taken into consideration."

**Dr. L. M. Singhvi (Jodhpur):** Mr. Deputy-Speaker, Sir, I have only some very brief observations to make. But, before I do so, I should like to disclaim the protestations made by the hon. mover about the Bill being harmless or innocuous. There is nothing innocuous either about the progenitor or the progeny in this case. Professor Sharma's capacity and fertility, we all admire. We know that he is an indefatigable private legislator and he has done a great service to us in bringing forward this Bill, although it seeks to amend only a part of the Commissions of Inquiry Act, which needs to be overhauled in a very comprehensive manner than has been attempted either by this Bill, or of which we have any indication in the legislative programme of the Government.

**Shri Hari Vishnu Kamath:** I believe he holds a record in private legislation.

**Dr. L. M. Singhvi:** I think he does. I think he is the most prolific bachelor, so far as Private Members' Bills are concerned, and he has the largest number of Bills to his credit.

**Shri Tyagi:** Still he remains a bachelor.

**Dr. L. M. Singhvi:** Shri Tyagi should be very happy that even bachelors can be prolific.

I want to say that it is very unfortunate that some of the important recommendations of the Law Commission are not implemented expeditiously. After all, the Law Commission is the highest body entrusted with a specific task, and its recommendations should be treated with respect, and that respect can be shown by the Government only by display of expedition in bringing about such legislation as it recommends, or by showing to the House that it is unable to accept the recommendations made by the Law Commission. I am aware that there is no such statutory requirement, requiring the Government to show why they are not in agreement with this or that recommendation of the Law Commission, but I do not think that if the Law Commission's work is to be accorded the place of honour it deserves, there should be such a statutory requirement. At any rate, the Government should with all due despatch bring forth legislation in order to implement the recommendations which they accept. We would, of course, shortly have an indication of the Government's mind in respect of these recommendations, but I should like to say that the delay that has been occasioned in accepting these recommendations, as in case of many other recommendations made by the Law Commission, does not do credit to the administrative machinery entrusted with the task of legislation.

It appears that in our countries, by and large, legislation has not received the kind of attention it deserves. Although ours is a country which lives by democratic legislation, perhaps the best form of legislation, nevertheless, it does seem that the procedures for recommending legislation and for bringing forth

legislation need to be streamlined, need to be oriented towards expedition and towards securing the objectives for which they are meant.

The Commissions of Inquiry Act, as it exists, has been a very valuable piece of legislation in this country and one cannot help paying a tribute to those who conceived it and brought it into operation. But, in order to keep this legislation in conformity with the exigencies of circumstances, with the exigencies of public life, it is very necessary that it is reviewed from time to time, as it has been done by the Law Commission, and that as a result of such review the legislation is recast and amended suitably. I hope that the Minister would be able to promise to this House today that he proposes to bring forward a comprehensive piece of legislation, seeking to amend the Commissions of Inquiry Act in a suitable and comprehensive manner.

I should like to say that it would serve the public interest better if these inquiries are invariably held in public. And the purposes to which this piece of legislation is committed, for which this piece of legislation was brought into existence also require that, by and large, the inquiries should always be made in public.

If ever such an exception has to be made, it should be an exception which is made on most exceptional grounds; even then it would arouse suspicion. It is only right, fair and proper that the principle requiring inquiries under the Act to be public should be accepted by the Government and that the Government should, this afternoon, promise to the House that they would bring forward a comprehensive piece of legislation amending the Commissions of Inquiry Act in a suitable and comprehensive manner.

**Shri Gauri Shankar Kakkar** (Fatehpur): Mr. Deputy-Speaker, Sir, there is no denying the fact that a huge number of Bills and Resolutions are

to the credit of Shri Sharma, but every time when he moves a Bill or a Resolution, I find that he does it in a most halting manner and with a most pessimistic attitude. He foresees the lot of the Bill or the Resolution and sometimes he actually gives expression that he is very much frightened of the sight of the hon. Minister of Parliamentary Affairs or of the hon. Home Minister or of the High Command or whatever it may be.

**Dr. L. M. Singhvi:** He is saturated with experience.

**Shri Gauri Shankar Kakkar:** I should simply say that Shri Sharma should muster courage and in future he should not give vent to such expressions which do not fit on an hon. Member of the calibre of Shri Sharma.

Coming to the Bill, I congratulate Shri Sharma on his coming forward with this attempt. In a codified law or legislation the maxim is that not only should justice be administered but it should be shown that justice is done. Under the present set up of the Commissions of Inquiry Act, whenever any inquiry commission is set up actually the deliberations of that inquiry commission are conducted in a closed room or in a private apartment and there is absolutely no opportunity for those persons who have got grievances or who are aggrieved to have a chance so that justice is done in their cases and their grievances are really removed.

The Home Ministry is the most important ministry in the whole set-up of this Government. All the residuary powers are vested in the Home Ministry. The most important function of the Home Ministry is to see that legislation is done in a proper manner and all the codified laws are framed in such a manner that they actually do justice to the aggrieved and give a chance to the aggrieved to see that justice is being done in their cases.

[Shri Gauri Shankar Kakkar]

I find, as Shri Sharma has quoted, a number of commissions were set up by different ministries of the Government of India; but let me be allowed to say that in most cases where the commissions were set up the whole deliberations were conducted in a closed room, in a private manner, not giving scope to the public or to the aggrieved person to participate or to put up their case or their documents with the result that their reports or findings in most cases were futile and they had not been able to do justice or actually to redress the real grievances. So, I submit, it is high time that the Home Ministry should see that the legislation part, the codified laws are perfect and they are actually framed in such a manner that perfect chance of justice is given to all those who have grievances and who are actually aggrieved. I feel there is no harm if this present amendment as moved by Mr. D. C. Sharma is accepted by the Home Minister. But my only grouse is that when Mr. Sharma himself is so hesitant and halting, what will be the fate of his Bill.

**Shri Hathi:** Mr. Deputy-Speaker, Sir, at the very outset, I may assure Prof. D. C. Sharma that I have no mind to compel him to withdraw the Bill if I cannot convince him and this hon. House. We value the recommendations of the Law Commission and we try to implement those recommendations. It is not that the recommendations of the Law Commission are not being carefully considered. I would, therefore, try to convince this hon. House and then leave it to Prof. Sharma whether the present Bill which he has brought forward is necessary or is not necessary.

My hon. friend has brought forward this Bill which mainly deals with two clauses. One is clause 2, section 8 of the Commissions of In-

quiry Act, 1952 where the words "and deciding whether to sit in public or in private" shall be omitted. This is what his proposal is. Dr. Singhvi, while making his speech, suggested that when the Law Commission had recommended that the inquiry should be in public, why should the Government come forward with a legislation whereby this recommendation should be implemented. I would only suggest that the Law Commission has taken into consideration all the aspects of the case including the present Bill of Prof. D. C. Sharma and I would like to read the relevant paragraph of the recommendations of the Law Commission:

"As regards sittings of the Commission in public or in private, the section leaves the matter to the Commission's discretion. Various suggestions have been made regarding this provision. On the one hand, it is argued that inquiries under the Act should always be held in public, since such inquiries relate to matters of public importance. On the other hand, it is argued that sometimes the inquiry relates to a commercial concern and that the holding of such inquiries in public would be detrimental to the interests of such concerns. Since no uniform rule can be laid down in respect of all inquiries, and the question whether an inquiry or any part thereof should be held in public or in private will depend on the circumstances of each case, we think that the best course would be to retain the existing provision, which leaves the matter to the discretion of the Commission. A Commission would consist of responsible persons, and can be trusted to exercise its discretion in a reasonable manner."

At the foot-note, they have stated.

"See in this connection a Private Member's Bill introduced in the Lok Sabha on 11-5-1962—to amend the Act (Bill No. 15 of 1962) (Shri D. C. Sharma).

**Shri Hari Vishnu Kamath:** On a point of information. Since 1952 when this Act was passed, how many inquiries held under this Act have been held in camera and how many in public? Has the hon. Minister any statistics about that?

**Shri Hathi:** I shall give it when I get it.

Then, my hon. friend Shri D. C. Sharma also referred to the fact that the Law Commission had given a draft in this connection, and he said that in spite of it, the Home Ministry was lazy or lethargic or somewhat unwilling to bring forward an amending Bill. I shall read out the text of that draft clause, and my hon. friend would find that it is exactly the same as is there under the present Act, which reads as under:

"Subject to the provisions contained in this Act and to any rules that may be made in this behalf, the Commission shall have power to regulate its own procedure including the power to fix the places and times of its sittings and to decide whether to sit in public or in private."

This is the draft which the Law Commission have suggested also. Therefore, I would like to submit that it is not that we have rejected the recommendations of the Law Commission. In fact, the Law Commission has come to the conclusion that it is best to leave it to the Commission itself to decide whether it should be public or whether it should be private, and not to lay it down in the Act and say that it should always be in public or that it should always be in private. This is what the Law Commission themselves have recommended. On this point, therefore, I would assure the House that we had no intention of not implementing or not accepting or not considering the recommendations of the Law Commission.

**Dr. L. M. Singhi:** Why not bring forward a comprehensive amendment

as suggested by the Law Commission?

**Shri Hathi:** I have already replied on one point, and on that point, it is not suggested on the recommendation of the Law Commission themselves that the present procedure should be changed.

The second amendment which Shri D. C. Sharma has brought up is to the effect that any person may apply to the commission for appearing before it and giving evidence or any document, that is, that any person who wants should be given an opportunity to do so. I think that he is perfectly justified in saying that that should be so. Under the rules made under section 12, the powers are given. There, we have already made a provision to the effect that the Commission shall, as soon as may be after its appointment, issue a notice to every person who in its opinion should be given an opportunity of being heard in the inquiry to furnish to the commission a statement relating to such matters as may be specified in the notice and also issue a notification to be published in such manner as it may deem fit inviting all persons acquainted with the subject-matter of the inquiry to furnish the commission a statement relating to such matters as may be specified. So, here also, the opportunity is given. But so far as the particular point made out by Shri D. C. Sharma is concerned, it is a valid one, and I accept it, and I would submit that we have made provision under the rules whereby it can be done. These are the two clauses in respect of which Shri D. C. Sharma has brought forward his Bill. So far as the other matters are concerned, we are considering the various recommendations, and I hope that we shall be in a position to bring forward an amending Bill as soon as it is possible and practicable. I would like to make it clear that there is no intention on the part of Government not



[Shri Hathi]

to implement the recommendations of the Law Commission, and if they are not acceptable or it is not practicable or not possible to accept them, as Dr. L. M. Singhvi has said, then nothing debars Government from coming before the House and saying so.

**Dr. L. M. Singhvi:** I am not charging Government with anything except delay and tardiness in this matter.

**Shri Hathi:** I have replied to the point regarding tardiness and I have pointed out already that the present provision as it stands is as suggested in the draft itself. Therefore, I may assure my hon. friend that we shall try to amend the Act as per the recommendations of the Law Commission as soon as it is practicable to do so.

**Shri Hari Vishnu Kamath:** Where is the report of the Law Commission at present, before the Law Ministry or before the Home Ministry?

**Shri Hathi:** I think that it will be before both.

**Shri Hari Vishnu Kamath:** At the moment, where is it?

**Shri Hathi:** He was quoting from the report itself. It is published already.

**Shri Hari Vishnu Kamath:** I mean which Ministry is considering the report at the moment?

**Shri Hathi:** Both the Ministries are considering it.

In view of what I have said, I hope the hon. Member would withdraw the Bill.

**Shri D. C. Sharma:** (Gurdaspur): I think our new Minister of State in the reconstituted Ministry of Home Affairs for trying to convince me, I think he has convinced neither me nor the House.

**Mr. Deputy-Speaker:** But he read from the recommendations of the Law Commission.

**Shri D. C. Sharma:** I believe, if he does not change over to some other Ministry in the meantime, that it will be possible for him to implement the recommendations of the Law Commission as expeditiously as possible. But he has introduced an element of doubt in my mind. He tells me that this is being considered by both the Law Ministry and the Home Ministry. Now, when one Ministry is considering a proposition, the natural consequence is delay. When two are considering the same proposition, the natural consequence is doing nothing. When three Ministries consider the same proposition, the result is endless discussion.

**Shri Hathi:** What he wanted is already there.

**Shri D. C. Sharma:** Since he is in charge of my Bill and has replied to the debate and since he has given the assurance that he will be responsible for implementing the recommendations of the Law Commission, I hope he will not pass the bucket on to somebody else.

**Shri Hari Vishnu Kamath:** Not bucket, but buck.

**Shri D. C. Sharma:** I was talking in terms of that, but he has misunderstood me. I meant that.

I hope he will ensure that the provision that all these proceedings should be made public should be given effect to as early as possible, because this will lead to a cleansing of public life in this country, it will lead to purification of all of us, it will lead to improvement of administration as well as improvement of the morale of the country. I hope this will be done as early as possible.

I would also submit very respectfully that the hon. Minister should

have given some time limit. You, Sir, have been in this Parliament much longer than I have been. But there are two or three words which jar on my ears and the ears of every Member here. What are they? It will be done as soon as possible. It will be done as early as possible, it is under active consideration, it is under consideration. We are tired of listening to these words. These words show the failure of democracy these words point to the tardiness which is implicit in the implementation of democratic principles and democratic practices, especially in the case of those who do not understand what they will lose if democracy goes under. The hon. Minister, a fine person, a fine debator, a fine gentleman, has recourse to the same thing, as early as possible, very soon. When will that soon come? I have seen this gentleman move from one Ministry to the other during the last two years, he has changed three times.

**Mr. Deputy-Speaker:** We are not concerned with that. What is he going to do with his Bill?

**Shri D. C. Sharma:** What prevents us from thinking that he will not change again?

**Shri Hathl:** It is not in my hands.

**Shri D. C. Sharma:** He should have given some definite date for the implementation of this.

There are five minutes, . . .

**Shri Hari Vishnu Kamath:** Ten minutes more.

**Shri D. C. Sharma:** . . . and I want to drive home the point to the mind of the hon. Minister that it is not only at the Centre that we should be watchful of the functioning of the commissions of inquiry, we should also see to it that these commissions of inquiry are appointed whenever there is breakdown of any democratic practice anywhere in the States. If

anything is done which harms the interests of the public, and you find you cannot tackle it by the means which are ordinarily available, you should have recourse to a commission of inquiry.

I find that Himachal Pradesh held an inquiry into something which happened in a temple. I think that is a good precedent.

I find that there was an enquiry held in Kerala about some rice deal.

**Shri Hari Vishnu Kamath:** Nothing in Punjab?

**Shri D. C. Sharma:** That was a fine thing.

I find there were enquiries also into these railway accidents. Now, there are so many railway accidents, and we are now trying to be absolutely callous towards them.

I think these enquiry commissions are thrice blessed. They bless those who hold them, they bless the public, and they bless the Government. And they try to upgrade our services in terms of morale and efficiency. Therefore, I would say that the halting defence which the hon. Minister has given has not made me very happy.

Of course, I agree with my hon. friend Gauri Shankarji, that I have not been very brave and very courageous.

**Shri Hathl:** That is good.

**Shri D. C. Sharma:** I agree with him, but how can you be brave and courageous in the face of such persons, such Ministers? I was at one time as brave as a lion, but now I am a milk-drinking lion, . . .

**Shri Inder J. Malhotra** (Nominated—Jammu and Kashmir): Not the milk of the Delhi Milk Scheme?

**Shri D. C. Sharma:** . . . and therefore, I know what the fate is going to be.

[Shri D. C. Sharma]

Now, the Private Members' Bills day is a day of funerals.

**Shri Inder J. Malhotra:** Whose funeral?

**Shri D. C. Sharma:** And who are responsible for these funerals? Our Ministers. They say that cancer is a great killer, they say that tuberculosis is a great killer, they say that undernourishment is doing a great deal of harm to our country. All these are true. But, Sir, the greatest killers of the private Members' resourcefulness, of their courage, of their brain power, of their hardwork, of their desire to do something by the Government and by the public, the greatest killers are the Ministers who sit there. And, Sir, they are all my friends; they all belong to my party I honour them; I respect them but I cannot help saying that they are the executioners of the private Members' Bills. I am yet to see a Bill which they have accepted or which Resolution they have accepted. Yes, sometimes they accept one Bill—like rain fall in Sahara. I make an appeal to you, Sir, as you are the custodian of our rights and of our Bills also. I appeal to you to ask the Ministers to be a little more charitable and sympathetic to us and to accept our suggestions. If they do so, they will enhance their own prestige and raise the prestige of the Government, and of the House. That will also make the people think that India is a democracy which functions all along the line, where a private Member is as much a part of democracy as the Minister, where Opposition plays as important a part as the ministerial benches. I appeal to you, and through you to the Ministers, because I know you are more responsive to our demands and needs than the Ministers are. These hard hearted Ministers are very good persons; I would like that on Fridays they take a vow in the morning that they will not be so destructive of the Bills of private Members.

Since the Minister wants that I should withdraw the Bill, and if I do not withdraw the Bill, there will be voting and even if I cast my vote for it the other will vote against it, I will withdraw it. But I hope that the hon. Minister of State will continue in this Ministry for another six months at least and will bring forward this Bill in the next session. I hope he will do so. I thank you for giving me an opportunity and also for giving a chance to this gentleman to bring forward a Bill in the next Session.

**Mr. Deputy-Speaker:** Has he the leave of the House to withdraw the Bill?

**Some Hon. Members:** Yes.

*The Bill was, by leave, withdrawn.*

17.10 hrs.

# CONSTITUTION (AMENDMENT) BILL

(Amendment of articles 84 and 173) by Shri H. V. Kamath.

**Mr. Deputy-Speaker:** Mr. Kamath.

**Shri Hari Vishnu Kamath** (Hoshangabad): Sir . . .

**Shri C. K. Bhattacharyya:** Will Mr. Kamath count whether there is quorum.

**Shri Hari Vishnu Kamath:** You can count.

**Mr. Deputy-Speaker** Sir, I rise to move:

"That the Bill further to amend the Constitution of India, be taken into consideration."

**Shri Kapur Singh** (Ludhiana): Sir, I rise on a point of order. There is no quorum.

**Dr. Ranen Sen** (Calcutta-East): Everybody has gone home.

**Mr. Deputy-Speaker:** Let the Bell be rung.....

This is the second time today when the bell had to be rung. Hon. Members will please maintain quorum.

Yes, Shri Kamath, please go on.

**Shri Hari Vishnu Kamath** rose—  
(Interruption).

**Some Hon. Members:** No quorum.

**Mr. Deputy-Speaker:** I am sorry, there is no quorum.

The House is adjourned till 11 a.m. on Monday.

**17.13 hrs.**

*The Lok Sabha then adjourned till Eleven of the Clock on Monday, March 16, 1964/Phalguna 26, 1885 (Saka).*

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