

MR. SPEAKER : The question is :

"That the members of this House do proceed to elect in the manner required by sub-rule (1) of Rule 312B of the Rules of Procedure and Conduct of Business in Lok Sabha, ten members from among themselves to serve as members of the Committee on Public Undertakings for the term beginning on the 1st May, 1969 and ending on the 30th April, 1970."

The motion was adopted.

SHRI G. S. DHILLON : I beg to move :

"That this House do recommend to Rajya Sabha that Rajya Sabha do agree to nominate five members from Rajya Sabha to associate with the Committee on Public Undertakings of the House for the term beginning on the 1st May, 1969 and ending on the 30th April, 1970, and do communicate to this House the names of the members so nominated by Rajya Sabha."

MR. SPEAKER : The question is :

"That this House do recommend to Rajya Sabha that Rajya Sabha do agree to nominate five members from Rajya Sabha to associate with the Committee on Public Undertakings of the House for the term beginning on the 1st May, 1969, and ending on the 30th April, 1970, and do communicate to this House the names of the members so nominated by Rajya Sabha."

The motion was adopted.

12.36 hrs,

DEMANDS FOR GRANTS—Contd.

MINISTRY OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS—Contd.

MR. SPEAKER : As I said earlier, only the Communist Party has not parti-

cipated in this debate till now. After that I shall give a few minutes to Kripalaniji and one or two Congress Members also. Anyway, the time is short and we have only 20 or 25 minutes.

SHRI INDRAJIT GUPTA (Alipore) : The total time allotted is six hours.

MR. SPEAKER : We have about an hour and a half but the Minister takes a little more time than the others ; he has to reply to all of you.

SHRI INDRAJIT GUPTA : I hope he is not indisposed again ; he is not to be seen.

MR. SPEAKER : I think the Minister is replying...(Interruption.) The Minister may come. Shri Indrajit Gupta, Kripalaniji and then on this side Mr. Bhola Nath.

SHRI S. M. BANERJEE (Kanpur) : I rise on a point of order. Shri Ahmed may be present or may not be present ; there is the other Minister. But a serious allegation had been made in the House that the Minister had married a second time. I want to know...(Interruption).

श्री रवि राय (पुरी) : कामन-सिविल-कोड का क्या मतलब है ? मंत्री दोबारा शादी कैसे कर सकता है ।

श्री मधु लिमये (मुंबेर) : इस देश में औरत राज्य कर रही है, महिलाओं का अपमान हो रहा है, महिलायें क्या कर रही हैं ?

श्री हुकम चन्द कछवाय (उज्जैन) : मंत्रियों के लिए छुट्टी है, वह दोबारा शादी कर सकते हैं । 70 साल की उम्र में शादी की है । ... (व्यवधान) ...

MR. SPEAKER : Are we going to stop the work of the House and find out who has married whom ? Is that what we went to do now ?

श्री हुकम चन्द कछवाय : एक पत्नी के होते हुए दूसरी शादी की है । बीमारी का बहाना बनाया गया है । अध्यक्ष महोदय, यह ब महत्व काडे मामला है ।

MR. SPEAKER : Order, order. Will you kindly sit down or go out? There is some limit for this. What is all this? There must be some decency... (*Interruptions*.) Order, order. I shall have to take serious notice. If at all I send out somebody, I do not send for one hour or two hours; it will be for the whole session. Something drastic must be done. I can understand if something pertaining to the House is talked about. Allegations are made and we do not know whether they are true or not but they are just flung on the floor of the House.

I can understand some bazaar rumours somewhere, but not on the floor of this House like this.

SHRI J. B. KRIPALANI (Guna) : May I suggest that this matter be enquired into because the resolution of the Government is that nobody in the administration can marry twice.

MR. SPEAKER : It does not matter, Kripalaniji.

SHRI NATH PAI (Rajapur) : Administration is different from the Ministry?

MR. SPEAKER : Again some members are sending chits saying that they want to ask question. Now, the Minister will begin replying to the debate at 2.15 P.M. and there are three speakers more. If in the name of questions you take another one hour, you are losing the demands and they will be guillotined. We have already lost 2 more demands and in the name of questions another one hour is spent. That means Foreign Affairs will not be taken up to-day. You will be losing. We should be able to take up the External Affairs at 3 P.M. so that one or two members can speak. Mr. Mody wants to speak, Mr. Dwivedy wants to speak. Like that it can be done. Only in this way can we regulate the work.

12.42 hrs.

[MR. DEPUTY—SPEAKER *in the Chair*]

MR. DEPUTY—SPEAKER : Shri Indrajit Gupta.

SHRI INDRAJIT GUPTA : Whatever the reasons may be, I am extremely sorry that the hon. senior Minister is not present. He is expected to reply at 2.15. There are certainly.....Mr. Deputy Speaker, Sir, it seems the House is not in a mood to listen.

MR. DEPUTY—SPEAKER : I do not think we can adjourn at this hour. I will request the hon Member to conclude his speech right now before we adjourn. Very little time is left.

SHRI INDRAJIT GUPTA : Nobody wants to listen. That is the trouble.

MR. DEPUTY—SPEAKER : Shall I call Acharya Kripalaniji? Shri Acharya Kripalani.

SHRI J. B. KRIPALANI (Guna) : Mr. Deputy-Speaker, Sir, I had no intention of speaking upon this Demand, but I have been asked to participate in this Debate. The reason for this is that our industrial policy has not been definitely laid down. If it is laid down, it is not followed. It has been said that we have a mixed economy in which there is a public sector and a private sector. (*Interruption*)

MR. DEPUTY-SPEAKER : May I request hon. Members to keep silent? It is not fair to the Chair nor to this House, to carry on this whispering conversation so loudly.....

SHRI NATH PAI : We want to hear Acharya Kripalani, whatever be the disturbing news.

MR. DEPUTY-SPEAKER : The House should listen to him with rapt attention.

SHRI J. B. KRIPALANI : Sir, even if we have some policy, we do not seem to be following it. We say that ours is a 'mixed economy' which means that there is a public sector, so-called, there is a private sector, and, there is also in the private sector and in the public sector, de-centralised industries, that is, what we used to call before independence, as 'cottage and village industries'.

Now, the Government has never separated these different forms of industries and

[Shri J. B. Kripalani]

they never allowed them to develop in their own way.

If we have a mixed economy, as I had said long before, the first thing for us to do is to separate the spheres of these three economies and let each sphere to proceed and progress in its own way, because, there are conditions of progress in what is called the public sector, which is really a State sector ; and there are conditions on which the private sector of big industries can prosper and there are rules by which the de-centralised sector can prosper. Having now laid down these rules, the Government have left us in a great confusion.

I do not know whether the House knows that I am the Director of an institution that produces *khadi* and its transactions go up to Rs. 5 crores per year. Before independence we said that this industry should be encouraged. And, there was a pledge that every congressman should wear *khadi*. I do not know if any Congressman will inform me whether that 'pledge' is there even now...

AN HON. MEMBER : Yes.

SHRI J. B. KRIPALANI : I am told that there is a pledge. But I find that even Ministers do not act up to that pledge. And, in the case of prohibition also, we are pledged not to drink.

AN HON. MEMBER : Even Congress Ministers are drinking.

SHRI J. B. KRIPALANI : It is rumoured that even those in the high places in the Congress indulge in drink. But I have nothing to do...

MR. DEPUTY-SPEAKER : I would again request the House to listen to him.

SHRI J. B. KRIPALANI : Please listen to me for a few minutes.

I have no objection to people in high places drinking because they do not drink through my mouth. It is through their own mouths and they are entitled to do it. But I am suffering on account of Congressmen not wearing *khadi*. This *khadi* industry was introduced in order to give employment,

whole-time and part-time, to our village people and if the Congress does not patronise this industry, then I think it is but fair that Congressmen take out from the pledge that they have to wear *khadi*. That will be a very fair thing to do. I find I have now lost my custom. This year we have made a budget by which there will be a loss of Rs. 5 lakhs. Upto this time we have been carrying on without any loss. If there are losses one year, they are made up in the next year. But now I am at the end of the tether. Moreover, prices are increasing and I have to increase the emoluments of my workers. My workers began work—some of them—in 1921. Now it is 1969. That means they have been working for the last 48 years and the emoluments that I can give them Rs. 300/- per month. You can understand what that means. It is said that *khadi* industry receives a subsidy from the Government. Sir, I do not want any subsidy from the Government. But will they provide market for me ? Formerly, the Railway Department used to purchase its requirements of cloth from us. I do not know whether the Railway Minister is listening to me or speaking to his colleagues. I am talking of the Railways. Previously, their requirements of cloth used to be purchased in *khadi*. Now the Railways have stopped its custom. So also other Government offices do not patronise *khadi*. As I have said, I am at the end of my tether. Government takes up all the industries that are on sick bed and that cannot be properly managed. May I request this Industries Minister unfortunately, he is not here. He has gone on his honey moon. I can only congratulate him and wish him well. But whoever is his substitute will he please take up this industry of 5 crores worth of transactions for years which employs 5,000 organisers and 25,000 artisans who get whole-time work and some three lakhs of spinners ? Will the Government take up this industry which I cannot manage ? I am willing to give all the capital that I have, all the buildings that I have and everything else, provided the Government takes it up. Or, if they do not take it up, they must insist upon all Congressmen to wear *khadi* and Government must also instruct that all its departments must purchase their cloth requirements from us. If this is not done, I think we must be considered a very hypocritical nation who say one thing and do the contrary. I am not speaking here because I am managing this big industry. That

is not so. I am willing to hand it over. But will the Government requirements in cloth be purchased from us? All that we want is custom, and we do not want any other facility from them. We must understand that no industry, least of all the cottage and village industries, can prosper without support and without being patronised. After all, when we were working for Independence, even the mill industry received great subsidy from us. What was that subsidy? It was that the people were asked to patronise *swadeshi* even at a sacrifice. The resolution of the Congress was that people must patronise *swadeshi*; it was not only Congressmen who were to patronise it, but people must patronise *swadeshi* even at a sacrifice, which meant that if they got their goods cheaper in the foreign market, they were not to purchase the foreign goods but were to patronise *swadeshi*. I venture to say that our textile industry would have died a premature death had we not taken to *swadeshi*.

So I would humbly suggest that our cottage industry can only prosper if Government get the requirements of their cloth from us. They may say that *khadi* is not standardised. That also is not true today. We have introduced *Ambar Charkha* in the *khadi* industry and its yarn is as good as that produced in the mills. There is perfect standardisation of our goods. So, there is no reason why *khadi* should not be purchased. Of course, the only reason can be that higher price will have to be paid for *khadi* than for mill cloth. If only the Railways were even to check ticketless travelling, they would save at least ten times the money that they would spend on *khadi*. So also, if the other Departments of Government economise in other things and patronise this useful industry, it can prosper. Our rulers might have thought that as soon as we acquired Independence, unemployment and semi-employment had disappeared from the country. But it did not disappear with the disappearance of the English, multi-coloured people had occupied the places that were occupied by them. Our poverty did not disappear.

Gandhiji used to say that 'In *khadi* lies *swaraj*.' Now that we have achieved

swaraj, we probably think that *khadi* is not necessary. This is a very strange way of thinking.

THE MINISTER OF RAILWAYS (DR. RAM SUBHAG SINGH): On the railways, we are going to encourage it. We are not going to reduce our demands.

SHRI J. B. KRIPALANI: He has already reduced and yet he says that he is not going to reduce. What is he talking about? The wearer knows where the shoe pinches.

SHRI K. SURYANARAYANA (Eluru): All the Government Departments should purchase *khadi*.

SHRI J. B. KRIPALANI: The other departments also have stopped their purchases in *khadi*. Why Congress Ministers are appointed if they do not wear *khadi* when they have given in writing and they have sworn that they would use *khadi*? Are we living in a land where truth has no value and where people can sign pledges and they can violate them at will and nothing can be done to them? I think that such people must be taken to task, or let the Congress say that it does not believe in *khadi*. Let it say that it does not believe in prohibition and let it devise other programme.

13 hrs.

SHRI NATH PAI: They do not believe in anything.

SHRI J. B. KRIPALANI: If they do not believe in anything, let them say that they believe in nothing but in themselves.

SHRI NATH PAI: They do not have the courage to say that.

SHRI J. B. KRIPALANI: Let them have the courage to say that. I am trying to keep a mirror before their faces. Let them see their faces. Are they honest people or are they dishonest people?

AN HON. MEMBER: Dishonest people.

SHRI J. B. KRIPALANI: It is better to say frankly 'we cannot do these things.'

[Shri J. B. Kripalani]

Then scrap prohibition, scrap decentralised industry. But do not swear by one thing and do the contrary and put a poor man like me in trouble. If they cannot patronise *khadi*, I say let them take over this industry which carries on transactions to the extent of Rs. 5 crores per year. I am the greatest producer of *khadi* in this country and I want some relief from Government.

Thank you.

13.02 hours.

The Lok Sabha adjourned for lunch till fourteen of the clock.

The Lok Sabha reassembled after lunch at three minutes past fourteen of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

DEMANDS FOR GRANTS—*contd*

MINISTRY OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS—*contd*

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMAD): May I just say a few words? I was under the impression that demands for grants of my Ministry would be taken up after the lunch recess and so I was not present in the morning in the House. I am informed that some Members made a reference to certain rumours published in a newspaper about my marriage with a young girl of 21 years... (*Interruption.*) I am amazed that this discovery had been made by that newspaper after nearly 24 or 25 years, when I did marry a girl of 21 years; that was about twenty five year ago. I shall be happy if the newspaper would also...

SHRI PILOO MODY (Gadhra) :... provide a girl of 21 years.

SHRI F. A. AHMED :... provide a girl of 21 years. All I can say that in my late age and particularly when my married life is the happiest, I would not be lured by even such tempting offer.

Secondly, it is very strange that some responsible colleagues in this Parliament should have made this reference without even ascertaining from me before rushing to make that statement. I am also surprised that this has been published in one of the newspapers which is run and patronised by one of the important parties in this Parliament, and I think—

AN HON. MEMBER : Shame, shame.

श्री ओंकार लाल बेरवा (कोटा) :
आर्गेनाइज़र अलग है जनसंघ उसे बिलकुल नहीं चलाता है। जनसंघ आर्गेनाइज़र के लिए जिम्मेदार नहीं है।

SHRI RANDHIR SINGH (Rohtak) :
It is unfortunate. This must be condemned.

SHRI F. A. AHMED : The only other thing that I would like to add is that such character assassination has reached a ludicrous limit which, to describe the least, has exceeded the limits of decency. I think this is a matter which has not only to be disapproved, but I will say that it has to be deplored by this House. Such things should not be allowed in this House.

SHRI S. M. BANERJEE : Sir, on a point of order. I raised a point of order and rose to mention it immediately when you occupied the chair. I say that this is a serious aspersion on the Minister.

SEVERAL HON. MEMBERS : *rose*—

MR. DEPUTY-SPEAKER : Order, order. Please resume your seats. I have to say something.

SHRI SEZHIYAN : *rose*—

MR. DEPUTY-SPEAKER : No please. I ask you to resume your seat. Now, some Members get up and say certain things without ascertaining facts, without obeying the Chair. This morning, when

this canard was given in this House, some people naturally were taken in. It is most unfortunate.

AN HON. MEMBER : It is most irresponsible. (*Interruptions*)

MR. DEPUTY SPEAKER : Order, order. Some people shout in the House, some here and some there. Now, particularly, if some Members indulge in such a canard, it will become a school for scandal and we will lose our dignity. Therefore, as the Hon. Minister now explained and categorically stated his position, I think henceforward — (*Interruption*).

SHRI RANDHIR SINGH : Action must be taken against the people concerned.

SEVERAL HON. MEMBERS : *rose*—

MR. DEPUTY—SPEAKER : Let me finish. I will give time for the Hon. Members.

SHRI RANDIR SINGH : It is most scandalous.

MR. DEPUTY SPEAKER : I am very happy that all Members of this House share this sentiment, that we in this House in keeping with the dignity and decorum, must not indulge in any rumour against any responsible person and bring down the dignity of the House.

SHRI RAGHU RAMAIAH : *rose*—

SEVERAL HON. MEMBERS : *rose*—

THE MINISTER OF PARLIAMENTARY AFFAIRS AND SHIPPING AND TRANSPORT (SHRI RAGHU RAMAIAH) : Sir, it is a very serious matter,—

SHRI PILOO MODY : Before the Minister has his say, please allow me to say a few words if the Minister will kindly yield.

MR. DEPUTY-SPEAKER : Please sit down; we are pressed for time.

SHRI PILOO MODY : You will

appreciate the fact that I am only trying to help you.

MR. DEPUTY-SPEAKER : You will lose your time.

SHRI PILOO MODY : If you will forgive me. What has happened today, I think, is one of the most unfortunate things that have happened in this Parliament of this country. Not only that. But I am firmly of the belief that whatever the private lives of our people and our Member are is no subject of discussion any time of this House or any other House. Therefore not only the incident which occurred earlier this morning has to be very severely condemned but also I think that we should share a certain common purpose that we can not allow the Parliament of this country to function in this fashion. Therefore, I suggest that we speak no more about it, we forget that this thing has happened.

SHRI RANDHIR SINGH : We can not forget that.

SHRI PILOO MODY : All right, let him get up and say that, but let him please not interrupt me. I would like to urge my hot-headed friend over there that if he really unhappy about what happened, he will be compounding the felony and doing things much worse than what he wants to do regarding this unfortunate incident and which will be much worse than the cure that he is suggesting, if we allow this matter to go any further than right now.

SHRI ONKAR LAL BOHRA : We all condemn it.

श्री रणधीर सिंह : उपाध्यक्ष महोदय, आज लंच से पहले जो कुछ हुआ वह इतना शर्मनाक है और काबिल न सिर्फ मजमूत के है बल्कि कभी रिपीट हुआ तो उससे नेशन की शान को धक्का पहुंचेगा। लीडरों ने यह चीज उठाई। उसके पीछे कोई खास मोटिव था, और मैं समझता हूँ कि न सिर्फ हमारी पार्टी, हमारी लीडरशिप और सरकार बल्कि उस से सारे देश की तौहीन हुई है। बात बिल्कुल बेजुनियाद है और बनाई हुई

[श्री रणधीर सिंह]

है। मैं कहना चाहता हूँ कि यह कह देने से कि इस पर मिट्टी डाल कर खत्म किया जाय काम नहीं चलेगा। यह मामला प्रिविलेज कमेटी को दिया जाये और जिन लोगों ने इस को उठाया है उन के खिलाफ ऐक्शन लिया जाय ताकि आगे यह चीज रिपीट न हो। इस चीज की सीरीयस नोटिस ली जानी चाहिये और इस को प्रिविलेज कमेटी को भेजा जाये।

SHRI S. M. BANERJEE : This morning, when some members--- I could not possibly recognise them--

MR. DEPUTY-SPEAKER : That is the difficulty.

SHRI S. M. BANERJEE : When some Members shouted and said that he had married, I immediately rose on a point of order and I said that this was a serious matter and it was an aspersion on the personal character of a particular Member of this House. I realised the implications of it. I am so happy that the Hon. Minister has come ; he need not have made a public statement in this House because it needs no contradiction. But I would request you for one thing. We are all working among the people and we represent the people. I would suggest that serious action should be taken against such newspapers which indulge in slanderous writing and which believe in yellow journalism. In this case, it is a Minister, but it may be a Member of this House also in general. I would request that serious action should be taken against such newspapers. We are all expressing to you the united feeling of this House that this sort of newspaper should be banned, and if it cannot be banned, action should be taken against that newspaper for slandering a leading Member of this House, of his age and calibre. This is a great humiliation of the Membership of Parliament. I would request you to convey our feeling either to Prime Minister or to the Home Minister to see that such slanderous newspapers which believe in yellow journalism are condemned and banned.

SHRI CHANDRA JEET YADAV : rose.—

MR. DEPUTY-SPEAKER : We need not carry on this discussion for long, because we are now running short of time.

SHRI V. KRISHNAMOORTI (Cuddalore) : It is not an ordinary matter. Suppose I say that you are married to somebody else, can you keep quiet.

श्री चन्द्रजीत यादव (आजमगढ़) : उपाध्यक्ष महोदय, मुझे इसका सख्त अफसोस है कि इस दुर्भाग्यपूर्ण सवाल को लच से पहले इस सदन में उठाया गया, और मैं समझता हूँ कि सदन एक राय दे रहा है कि इस तरह से हमारा सार्वजनिक जीवन रह नहीं सकता है, अगर इस तरह की गैर-जिम्मेदाराना वार्ता के लिये इस सदन के फोरम को इस्तेमाल किया गया। मंत्री महोदय ने यह सही कहा कि यह किसी सदस्य या पार्टी का सवाल नहीं है, चाहे इस तरफ का सदस्य हो चाहे विरोधी दल का, किसी भी सदस्य की प्राइवेट लाइफ के सम्बन्ध में इस तरह की बात फैलाने से पहले माननीय सदस्यों की कम से कम यह जिम्मेदारी होनी चाहिये थी कि वह मंत्री महोदय से बात करते। उनकी बात सुनते। इस तरह की बातों का असर सारे देश पर पड़ता है। मैं समझता हूँ कि यह बहुत गैर-जिम्मेदारी की बात है कि बेबुनियाद आरोप सदन में लगाये जायें।

मैं इस पक्ष में तो नहीं हूँ, जैसा मेरे दोस्त ने कहा, कि इस मामले को प्रिविलेज कमेटी को भेजा जाय। इतनी स्पष्ट बात है कि एक सदस्य के खिलाफ आरोप लगाया गया। मंत्री जी ने यहां कहा कि यह बेबुनियाद और गलत बात है, और पूरा सदन इस बात को मंजूर कर रहा है। इसलिये इस को प्रिविलेज कमेटी में भेजने का सवाल नहीं है। मेरा प्रस्ताव है कि जिस सदस्य ने इस को उठाया उसको आदेश दिया जाये कि वह यहाँ पर खेद प्रकट करे और अपनी गैर-जिम्मेदाराना बात को वापस ले।

दूसरी बात यह है कि सदन की यह भावना

है कि हम इस प्रकार के व्यवहार की निन्दा करते हैं। इस बात को रेकार्ड पर लाया जाय कि सदन इस बात की निन्दा करता है।

MR. DEPUTY-SPEAKER : The point is that we do not know exactly who had raised the issue. Nobody knows it. Therefore...

SHRI SEZHIYAN (Kunbakonam) : What about the record ?

MR. DEPUTY-SPEAKER : We have expressed in the strongest possible terms not only our disapproval but condemnation of this act. Beyond that, I cannot pinpoint...

SHRI V. KRISHNAMOORTI : The record is there and you can see it.

SHRI SEZHIYAN : My point is this. Certain slanderous reports have come in the papers; about that we cannot take action because something has happened outside. The individual affected can take action against that newspaper outside, and whether it is a slander or not has to be proved in a court and the action which is deemed necessary and fit can be taken. The person affected can take action.

This House is now concerned about the proceedings and the fact that something has gone into the report by making some references to the paper and some references to this matter.

As you have rightly pointed out, before making that statement, they should have taken the care to consult the particular Member concerned because it deals with the private life of an hon. Member of this House. I am not concerned whether he is a Minister or a Member of this House. My point is that any allegations or any slanderous attack against a Member should be verified before they made. But now the position is that the allegation has been made I do not know who has made it. If you refer to the record, you may be able to find that out.

Once it has been made, we are now concerned with what has gone into the report

of the proceedings of this House. Therefore I seek your protection. I would like to know what you are going to do about that portion that has gone into the record about the hon. Member. Till Mr. Fakhruddin Ali Ahmed came and refuted the allegation we were under the impression that it might have been true. To that extent, his dignity has been damaged in this House....

SHRI PILOO MODY : Nothing can be done with the record.

SHRI SEZHIYAN : Therefore, I want to suggest one thing. It is possible that the Member who made that observation might have made it in good faith; now that the refutation has come from the Member concerned, the hon. Member who made that remark first should make the record straight. That is the least that he can do.

MR DEPUTY-SPEAKER : What was said at that hour, as I said, I could not know exactly. I do not know whether what was said on the floor of the House had gone on record! I think it must have gone, because Shri J.B. Kripalani later on referred to it in the course of his speech. But now the refutation has come on record as also the general expression of resentment and condemnation absolutely unreservedly expressed by various Members; I think that is more than enough; beyond that, we need not carry on this.

श्री विभूति मिश्र (मोतीहारी) : उपाध्यक्ष महोदय, हम लोग श्री फखरुद्दीन अली अहमद को एक सेंटली आदमी समझते हैं, और उनके प्रति हम लोगों की श्रद्धा और भक्ति है। हम लोगों की ही नहीं, सारे देश की श्रद्धा और भक्ति है। जिस आदमी ने और जिस अखबार ने उनकी शिकायत की है उस को पूरी सजा मिलनी चाहिये। जिस सदस्य ने यहाँ पर इस तरह से शिकायत की है उस के मामले को प्रिविलेज कमेटी को भेजने के बजाय वह सदन में आ कर स्वतः माफी माँगे। उस अखबार के खिलाफ भी कार्यवाही की जाये जिस से उस को

[श्री बिभूति मिश्रा]

दण्ड मिले ताकि इस प्रकार की निराधार बातें दुबारा न हों और ऐसे व्यक्ति के खिलाफ न हों जिस को देश श्रद्धा और भक्ति के साथ देखता है।

SHRI RAGHU RAMAIAH : This is a very serious matter and it is a good thing that all sections of the House have unreservedly accepted the seriousness of the position. I entirely agree that the least that can be done, the 'least' I say, is to accept the suggestion of Shri Bibhuti Mishra namely that an unconditional apology must be tendered. More than this is also involved. I would like you to call a meeting of all the leaders of groups in the House in order to see what further amends are to be made in this matter and to see that no such events occur hereafter and also what action should be taken against such scurrilous writings.

श्री प्रकाश वीर शास्त्री (हापुड़) : प्रातः काल जब मैंने इस बात को सुना और दूसरे माननीय सदस्यों ने भी सुना, तो मैं भी उन सदस्यों में से एक था जिसे इस समाचार को सुन कर बहुत आघात लगा था। तब मैंने बिना इस बात की तह में जाये कोई बात कहना या प्रकट करना उचित नहीं समझा। अब श्री फखरुद्दीन अली अहमद साहब के वक्तव्य को सुन कर जो प्रातःकाल उस खबर से आघात लगा था उससे भी अधिक चोट लगी है। कि इस तरह के बेबुनियाद समाचार और इस जिम्मेवार सदन में कुछ जिम्मेवार लोगों की ओर से यहां सुनाये जाते हैं। मेरा इस सम्बन्ध में एक सुभाव है। इस समस्या के दो पक्ष हैं। एक तो वह सदस्य हैं जिन्होंने इन बात को यहां प्रकट किया और एक वह समाचार पत्र है जिस में यह बात प्रचारित हुई।

जहां तक समाचारपत्र का सम्बन्ध है, उस लिए आप विशेषाधिकार समिति को इस प्रश्न को भेज दें, मुझे इस में कोई आपत्ति नहीं है क्योंकि समाचार पत्र का भी एक मापदण्ड

रहना चाहिए ताकि वे भारत के सार्वजनिक जीवन में इस प्रकार किसी व्यक्ति के उपर कीचड़ न उछाल सकें।

जहां तक सदस्यों का सम्बन्ध है, उनके भी दो भाग हैं। एक बात तो यह है कि हम सब मिल कर इस बात की भर्त्सना करें कि जिस व्यक्ति ने भी इस प्रकार का लाञ्छन लगाया है, उसकी हम सब निन्दा करते हैं। दूसरा इस बात का पक्ष यह है कि वह स्वयं इस सदन में उपस्थित हो कर अपनी इस कार्यवाई के प्रति खेद व्यक्त करें। वह इस समय यहां उपस्थित नहीं हैं और ऐसा वे कब करेंगे इसको उनकी नैतिकता पर छोड़ दिया जाए। लेकिन एक काम अभी हम इसी समय कर सकते हैं और वह यह है कि उसकी हम निन्दा करें। मैं इस में विरोधी पक्ष का सदस्य होने के नाते सदन की भावनाओं से सहमत हूँ कि यह काम हम को अभी और तत्काल करना चाहिए और हम को उनकी भर्त्सना करनी चाहिये। बाद में क्षमायाचना करें, वह दूसरा प्रश्न है।

SHRI S. KRISHNA (Mandya) : This is an ugly incident. We were given to understand that the hon. Minister, Mr. Fakhruddin Ali Ahmed was not keeping well for some time. The Speaker was pleased to announce in the House that the minister was having temperature and we were all hoping that he would be back to normal health. So soon after he came back to his normal health, there is this bomb-shell. I wish this was 1st April and we could have dismissed it as an All Fools Day joke. There is a parliamentary convention that whenever a personal allegation against a member of this House is to be made, previous notice has to be given to the Speaker. If a senior leader like Mr. Vajpayee, who is held in high esteem in the House, were to make a very serious allegation like the one he has been pleased to make against the minister...

MR. DEPUTY-SPEAKER : This is not correct,

SHRI S.M. KRISHNA : Whoever raised the matter he should have first cleared it with the Speaker and he should have been personally convinced that such a thing has ever happened. So far as the periodical which published this calumny and canard is concerned, there are two things. Every periodical can write anything it likes. So far as any defamatory article or allegation published in any newspaper is concerned there is a separate law for it, and if it is a defamatory article the minister can pursue it in a court of law. How does the Parliament come into the picture? An hon. member basing his belief on an article appearing in any newspaper, has made Parliament seized of this matter. This is a serious matter and, as suggested by the Minister of Parliamentary Affairs, it is a fit matter wherein you could convene a meeting of the leaders of the various groups, so that we can see how best we can salvage what best is left of decency and sanity.

श्री बलराज मचोक (दक्षिण दिल्ली) : उपाध्याय महोदय, मुझे खेद है कि यह बात मेरे दल के एक साथी ने कही थी। उनकी इस जानकारी का स्रोत क्या था, यह मुझे पता नहीं है। लेकिन यहां अभी जो बात मैंने सुनी है इससे लगता है कि किसी समाचार पत्र में या आर्गोनाइजर में यह बात छपी थी। जिस किसी पत्र में भी हो, बात गलत थी। यह बड़ा ही दुख का विषय है। इस प्रकार की चीज का छपना बहुत गलत है और यहां पर हाउस में इसको कहना वह भी गलत है मेरी पार्टी के सदस्य इस समय मौजूद नहीं हैं यहां पर और मैं उसकी ओर से क्षमा याचना करता हूँ।

मैं यह भी कहना चाहता हूँ कि यह एक भ्रान्ति है कि आर्गोनाइजर हमारा आफिशल आर्गन है। वह एक इंडिपेंडेंट पेपर है। वह हमारा आफिशल आर्गन नहीं है। इसलिए जो कुछ भी आर्गोनाइजर में छपता है उसको जन संघ के साथ जोड़ना उचित नहीं होगा। ऐसा करना जन संघ के साथ न्याय करना नहीं होगा।

जो कुछ भी उसने लिखा उसके साथ हम को बांधना ठीक नहीं।

मुझे भी बड़ा दुख लगा जब मैंने इस बात को सुना लेकिन मुझे प्रसन्नता है कि यह बात गलत सिद्ध हुई है। मैं फिर अपने साथी की ओर से क्षमा याचना करना चाहता हूँ।

श्री रवि राय (पुरी) : इस सवाल को पहले जन संघ के सदस्य ने उठाया था। उसके बाद मेरे दल के श्री मधु लिमये ने इसको छोड़ा। आप तो जानते ही हैं कि श्री फखरुद्दीन अली अहमद के लिए मेरे मन में बड़ी श्रद्धा है, सम्मान है। जो स्पष्टीकरण इस बारे में आया है, उसको देखते हुए मैं अभी श्री लिमय की ओर से और अपनी ओर से भी क्षमा याचना करता हूँ।

MR. DEPUTY-SPEAKER : After what has been said on the floor of the House I think we can now close this discussion and proceed with the next item. Certain suggestions have been made during the discussion. One suggestion was made by my old friend Shri Bibhuti Mishra. All these suggestions, including the suggestion to call the leaders of the parties with a view to seeing that in future such incidents are not repeated, I will pass on to the Speaker.

श्री प्रकाशवीर शास्त्री : इस बात को ज्यादा न बढ़ाइये।

MR. DEPUTY-SPEAKER : Unreservedly the House has expressed its condemnation of his behaviour in spreading this canard without verification. Beyond that we need not go. Some suggestions came to be brought to the notice of the Speaker. I have to do it. Beyond that I do not want to say anything.

SHRI DAMANI : He has only five minutes.

SHRI BHOLA NATH MASTER (Alwar) : Sir, my name was announced by the Speaker in the morning. It is there in the proceedings.

MR. DEPUTY-SPEAKER : I was told that one hon. Member from this side was to be called. Shri Damani got up and I called him. There was no question of by passing anyone. He will also get five minutes.

SHRI S. R. DAMANI (Sholapur) : Mr. Deputy-Speaker, Sir, I am thankful to you for giving me five minutes to express my views on this vast subject. I do not think it will be proper for me to deal with such a vast subject in five minutes. I have been studying this subject for a long time and I, therefore, request you and also the hon. Minister to give me at least ten minutes.

MR. DEPUTY-SPEAKER : We are pressed for time. I wanted to call the hon. Minister at 2.15 or at least at 2.30. Already we have lost half-an-hour. I am going to call one hon. Member from the Opposition and then request the Minister to reply. If you have got anything to say you may do so. You have only four minutes now.

SHRI S. R. DAMANI : Sir, yesterday I heard the speeches of many hon. Members. I want to refer to the remark of my hon. friend, Shri Patodia. He said that this Ministry is a 'Ministry of Obstacles'. I fail to understand on what grounds, on what basis, he feels that this Ministry is a 'Ministry of Obstacles'. During the last twenty years, from the time of the Second Plan, how much industries have been established in the country is an open book. In the case of consumer goods we have become self-sufficient, in the case of capital goods, we are manufacturing the entire plants for the textile mills, jute industry, sugar industry, paper industry and many other industries. In view of this, I do not know how this Ministry can be called a Ministry of Obstacles. I am sure he would not have said this if he had an open mind. Our government and the industrialists have done a commendable job by establishing different kinds of industries in the country.

Because the time at my disposal is very short, I will straightway come to my suggestion. Coming to imports and import substitution, at present we are importing a substantial quantity of capital goods; even though the figure has come down to Rs. 500 crores as compared to Rs. 800 crores two years back, it is still very high. Here I would like to suggest that instead of importing capital goods we can import the raw material required for the manufacture of plant and machinery. If we import only raw material there will be a lot of saving of foreign exchange and our capital goods industry, which has idle capacity, will get ample opportunity to utilize that idle capacity.

Then, the Planning and Development Division of the Fertilizer Corporation of India and our various design organisations are progressing in drawing designs for the manufacture of plant and machinery for fertilizer factories. All encouragement should be given for the preparation of designs for fertilizer plants so that we can stop the import of fertilizers, become self-sufficient in the production of fertilizers and give sufficient work to the engineering industry which is at present running to idle capacity.

At present we are importing a huge quantity of non-ferrous metal. Our production is only 20 per cent of our requirement. The rest 80 per cent we are importing. In the Fourth Plan period our requirement of non-ferrous metal will further increase. So, I would request the hon. Minister to give more importance to exploring more mines and establishing refineries so that we can save foreign exchange on that score.

Our import of fertilizers is very high. A quick decision should be taken to increase the production of fertilizer by establishing more units.

Then, we are thinking of putting up a newsprint plant for the last ten years but it has not materialised. Since our demand for newsprint is increasing, I would request the hon. Minister to look into the matter and establish a newsprint plant as early as possible so that we can save foreign exchange.

One word about small-scale industries and I am done. The idea of establishing small-scale industries is that in small towns people can get employment and produce consumer goods at their doors. But you will see that industrial estates have been established only in 20 per cent of the small towns. In 80 per cent of the towns there are no industrial estates. That is why the small-scale industries have not been successful. In this connection, I want to give two or three suggestions. The cost of production in small-scale industries is high as compared to large-scale industries. That is one reason that they are not coming up. In order to help them achieve that production, I want to make two suggestions. One is that the excise duty which is charged should be less the case of small-scale industry than that of large-scale industry. The second suggestion I would like to make is that on the plant and machinery which is being manufactured by small-scale industry some more depreciation and development rebate should be given so that their demand can be raised.

MR. DEPUTY-SPEAKER : You have taken six minutes now. You should conclude.

SHRI S. R. DAMANI : Sir, you had given 20 minutes to others.

MR. DEPUTY-SPEAKER : That question is not there now. I had given you only five minutes.

SHRI S. R. DAMANI : I am sorry that I am not allowed enough time to speak on my subject. But I thank you very much and I support the Demands.

श्री भोला नाथ मास्टर (अलवर) : उपाध्यक्ष महोदय, एक बात तो साफ़ है कि दुनिया में दो ही चीज़ें हैं—एक रोज़ी और दूसरी रोटी और यह महकमा हमारी रोजी और रोटी दोनों का इन्तज़ाम करता है। लेकिन मुझे अफसोस यह है कि रोज़ी के सिलसिले में जितने आदमियों को रोज़गार मिलना चाहिये था, उतने आदमियों को रोज़गार इस डिपार्टमेंट से नहीं मिला है—चाहे पब्लिक सेक्टर हो या प्राइवेट सेक्टर हो, क्योंकि जो रिपोर्ट हमारे

सामने है उस से यह जाहिर होता है—जादू वह जो सिर पर चढ़ कर बोले—कल श्री शिव चन्द्र भा जी ने कहा कि पब्लिक सेक्टर बड़ा जरूर है, लेकिन इनकी कारगुजारियों की वजह से पब्लिक सेक्टर बेरोज़गारी की तरफ़ जा रहा है—आज के हिन्दुस्तान टाइम्स में निकला है—

“Insecurity prevails at Durgapur..... a sense of insecurity was still prevailing there. At least 50 members of the security staff were still in hiding about 40 per cent of the employees in different colonies had deserted their houses.”

अगर ऐसी स्थिति पैदा होती है तो चाहे पब्लिक सेक्टर बनाइये, चाहे प्राइवेट सेक्टर बनाइये, जब तक इन लोगों को चूक नहीं किया जायगा या कोई ऐसा कानून नहीं बनाया जायगा, तब तक हमारी रोज़ी और रोटी का सवाल सही तरीके से इस देश में हल नहीं होगा।

सरकार का लक्ष्य एक वेलफेयर स्टेट का है, सरकार का लक्ष्य डेमोक्रेटिक सोशलिज़्म का है, लेकिन डेमोक्रेटिक सोशलिज़्म किस प्रकार चले, अगर सिक्योरिटी नहीं होगी तो न पब्लिक सेक्टर चल पायेगा और न प्राइवेट सेक्टर चल पायेगा। इस तरह से हिन्दुस्तान तरक्की नहीं कर सकता है।

मेरे पास जो स्टेटमेंट है, उस से साफ़ जाहिर है कि पब्लिक सेक्टर में तरक्की हो रही है, हर सेक्टर में प्रगति में कोई गड़बड़ नहीं है, सिवाय हैवी इन्जीनियरिंग के, जिसके बारे में थोड़ा बहुत जिक्र यहां पर हुआ है। ग्राप देखें—1966 में कामर्शियल व्हीकल्स 33564 बनती थीं और अब 1966 में 34937 बन रही हैं। इसी तरह से कार 1966 में 33039 बनती थीं और अब 1968 में 37308 बन रही हैं। इसी तरह से एग््रीकल्चर ट्रेक्टर्स 1966 में 7613 बन रहे थे, अब 1968 में 13838 बन रहे हैं।

[श्री भोलानाथ मास्टर]

इस से साफ़ जाहिर होता है कि हम तरबकी कर रहे हैं, गलती पर नहीं हैं। लेकिन जो तरीका चल रहा है, वह सही नहीं है। इसमें समन्वय नहीं है। मंत्री महोदय से मेरी कई बार बातचीत होती रहती है, मैं उन से निवेदन करना चाहता हूँ कि आपके पास पूर्ण अधिकार होना चाहिये। पब्लिक सेक्टर और प्राइवेट सेक्टर में आप जो भी काम करना चाहते हैं, उन का आपस में कोऑर्डिनेशन होना चाहिये। जैसे कि टेलीफोन इण्डस्ट्री के बारे में मैं कहना चाहता हूँ। हम चाहते हैं कि राजस्थान में टेलीफोन इण्डस्ट्री लगे। इसके बारे में मैंने सवाल भी पूछा था और उसका जबाब भी आया और मंत्री महोदय लगाने के बारे में सोच भी रहे हैं। यहां सदन में भी सवाल उठाया जाता है कि ज्यादा से ज्यादा टेलीफोन लगाये जाने चाहिए लेकिन उनको लगाने के लिए जिन इन्स्ट्रुमेंट्स और वायर की जरूरत पड़ती है, वही नहीं बनते हैं। जबकि दूसरी ओर यह कहा जाता है कि हमारी जो हेवी इंडस्ट्री है वह बेकार रहती है, उनकी पूरी कैपेसिटी यूटिलाइज नहीं हो पाती है। जैसा कि कहा गया, केविल्स बनाने की जो कैपेसिटी है वह भी पूरी तरह से यूटिलाइज नहीं हो रही है। इसलिए मेरा कहना है कि इस तरफ पूरा ध्यान दिया जाना चाहिए और कोऑर्डिनेशन स्थापित करना चाहिए। या तो फिर आप प्लानिंग डिपार्टमेंट को ही समाप्त कर दीजिए। इंडस्ट्रीज डिपार्टमेंट को चाहिए कि वह बातचीत करके पता लगाये कि किन चीजों की कहाँ-कहाँ पर आवश्यकता है और उन चीजों के आर्डर्स दिये जायं ताकि रसेशन का सवाल पैदा न हो और बेरोजगारी की समस्या भी पैदा न हो।

एक बात और भी ज्यादा जरूरी है। शास्त्री जी ने जय जवान, जय किसान की बात कही लेकिन जवानों की जय की तो हमने 26 तारीख के प्रदर्शन में ही देख लिया। सबसे

अच्छा राकेट हमने बनाया, सबसे अच्छा हवाई जहाज़ हमने बनाया जो कि ध्वनि से भी दूनी गति पर चलता है लेकिन इसके बावजूद जय जवान ट्रेक्टर नहीं बन पा रहा है। उसके टायर तक भी नहीं बन पा रहे हैं। ट्रेक्टरों के लिए सिर्फ एक टायर का परमिट दिया जाता है लेकिन आप समझ सकते हैं कि दूसरी नाप का टायर उसमें कैसे लग सकेगा। दो टायरों का परमिट भी नहीं दिया जाता है। तो मेरा आप से निवेदन है कि इस दृष्टि से कोऑर्डिनेशन करने की जरूरत है। या तो पब्लिक सेक्टर में या प्राइवेट सेक्टर में ट्रेक्टर और उसके टायर ट्यूब बनाने की व्यवस्था जल्द से जल्द की जानी चाहिए। आप एग्रीकल्चर प्रोडक्शन बढ़ाना चाहते हैं लेकिन एग्रीकल्चर प्रोडक्शन ट्रेक्टरों से ही बढ़ेगा। एग्रीकल्चर प्रोडक्शन बढ़ाने से ही इस देश में रोजी रोटी का जो सवाल है, वह हल होगा।

14.42 hrs.

[अध्यक्ष महोदय पीठासीन हुए]

जब प्लानिंग शुरू की गई थी तो कहा गया था कि और मुल्कों में लोगों को धीरे-धीरे एग्रीकल्चर से निकाल कर इंडस्ट्रीज की तरफ लाया जा रहा है लेकिन हिन्दुस्तान में उल्टी लीला चल रही है। इंडस्ट्रीज में लगे हुए आदमी भी जमीनों खरीद रहे हैं और खेती की तरफ आ रहे हैं। तो यहाँ पर यह जो उल्टी गंगा बह रही है इसकी तरफ भी सरकार का ध्यान जाना चाहिए। मोरारजी भाई ने एग्रीकल्चर प्रापर्टी पर टैक्स लगाने की बात कही है लेकिन मैं समझता हूँ इंडस्ट्रीज में ही जिस तरह की तरबकी करनी चाहिए, उसी को सरकार नहीं कर पा रही है। इस देश में जब ट्रेक्टर बनेंगे और टायर ट्यूब बनेंगे, ट्रेक्टर के भी, मोटरों के भी और साईकिलों के भी तभी तो लोगों को मालूम होगा कि यहाँ पर इंडस्ट्रीज चल रही हैं।

खादी के सम्बन्ध में यहाँ पर कृपलानी दादा कह चुके हैं कि कुछ ही करोड़ रुपए लगाने से 25 लाख आदिमियों को रोजगार मिलता है। हम सभी लोगों का फर्ज है कि ज्यादा से ज्यादा उसको सपोर्ट करें, मदद करें और उसको आगे बढ़ाने का काम करें। इंडस्ट्रियल स्टेट्स के सम्बन्ध में बयान आ चुका है कि उसकी यूटिलिटी इस्तेवलिश हो गई है। अगर ऐसा है तो बड़ी जगहों पर जहाँ इंडस्ट्रीज लगा रहे हैं वहाँ पर उनका एक्सटेंशन किया जाना चाहिए। मैंने एक सवाल किया था कि अलवर यहाँ से 102 मील है, वहाँ पर एक्सटेंशन प्रोजेक्ट लगाया जाये तो आपने जवाब दिया कि विचार कर रहे हैं : आपने यह लिखा है :

As the utility of industrial estates has now been fairly demonstrated.....

अगर यह सही है तो आपको उसकी तरफ कदम उठाना चाहिए। जो लिस्ट दी गई है इंडस्ट्रीज की, ए० बी० सी०, जो इंडस्ट्रीज चालू करने का आप का प्रोग्राम है उसमें राजस्थान का नाम नहीं है। इसलिए मेरा निवेदन है कि आप उस पर विचार करने की कृपा करें। इसके अलावा मैंने ट्रैक्टर्स के सम्बन्ध में जो कहा है, मैं चाहता हूँ कि मन्त्री जी अपने जवाब में उस को जरूर बतलायेंगे। टायर ट्यूब्स के बारे में मैं फिर जोर देकर कहना चाहता हूँ कि आजकल उसकी बड़ी तकलीफ है। सरकार की तरफ से हर ब्लाक में ट्रैक्टर दिये गए हैं लेकिन टायर ट्यूब्स की वजह से ट्रैक्टर पड़े रहते हैं। अगर इंडस्ट्रीज डिपार्टमेंट इस पर पूरा ध्यान नहीं देता है तो उससे बहुत नुकसान होगा, न तो जय जवान ही हो पायेगा और न ही जय किसान। हमारे देश का भीतरी हिस्सा कमजोर हो जायेगा तो फिर देश को बचाना मुश्किल हो जायेगा। एक जर्मन कहावत है कि सौ ट्रैक्टर हजार टैंकों के बराबर होते हैं। आप मेहरवानी करके मेरी इस आखिरी बात को नोट कर

लीजिए कि आप हजार टैंकों के बजाय सौ ट्रैक्टर्स बनाइये, तभी हमारा यह देश बचेगा और जय जवान, जय किसान का नारा भी सही साबित होगा।

SHRI INDRAJIT GUPTA (Alipore) : Mr. Speaker, Sir, I would be the first to defend the hon. Minister against the sort of smear campaign which was tried to be launched against him, but, must also say that I would be the last man to defend the way his Ministry is working. His Ministry comes under a grandiloquent name of Ministry of Industrial Development and Company Affairs. It is quite a sweeping title or name for a Ministry to have. My complaint, which I would like to substantiate in the few minutes that are at my disposal, is that industrial development and company affairs in this country cannot be the province of one Ministry alone in the present set up of things. It is not, as a matter of fact. We find that the Planning Commission, the Ministry of Industrial Development, the Finance Ministry, the Ministry of Foreign Trade Supply, the various government and semi-government financial institutions, the Reserve Bank of India, all these are the various agencies which are responsible, by and large, for a cumulative effort which can lead to industrial development and proper handling of company affairs in conformity with the declared social and economic objectives which this country and the House have accepted. But my main charge is that there is complete chaos and utter lack of co-ordination going on between all these various agencies. Instead of their functioning as one collective, co-ordinated agency, they have, in fact, become so many different independent empires, if I may say so, and there is an emperor at the head of each of these empires, and the planning which is supposed to be done as a national plan is really being done like this. Suspicion has been aroused by the events that have come to light, more particularly in the last few weeks, that seems to show that these emperors have their own private plans, that they are functioning according to some private plans and private predilections, which taken together mean that the national plan as a whole is being sabotaged.

[Shri Indrajit Gupta]

A few days ago, in reply to questions here, the hon. Minister had laid on the Table a statement concerning the allegations which have been made elsewhere by Mr. Chandrasekhar regarding certain Birla concerns. We were given a tabulation here of those charges and how they have been split up and referred to various Ministries and various departments for investigation and action and so on. I found that out of 86 allegations made in the various memoranda submitted by Mr. Chandrasekhar, according to the Minister's statement laid on the Table, only eight fell correctly within his Ministry's scope and that the rest had been divided up among the different Ministries. I would say that this is not the way the Government can possibly function. These are not watertight compartments. For poor mortals like us who are outside the mysterious labyrinth of the working of the Government of India, it becomes very difficult to understand where the border line between one Ministry and the other exists or is supposed to exist or should exist and where the overlapping takes place. Everybody is trying to pass on the buck to somebody else. Therefore, consistent with the principle of joint and collective responsibility, I would charge this Government with following a path which, despite all their public professions, is leading to nothing but a distortion of the Industrial Policy Resolution and the plan objectives that this House has accepted.

I have not got much time. I want to pinpoint one or two things. I am particularly annoyed because, as far as the Department of Industrial Development now goes, it is very much emasculated. Many of the projects and industries have been taken away from that and given to other Ministries. But there is a Department which looks after company affairs and Company Law administration also. I want to ask one or two questions, just as an example, because I do not what is happening. For example, if it comes to the notice of the Department of Company Affairs, the Company Law Administration, that there is a company whose total capital is somewhere in the region of Rs. 50,000, a small private company or a partnership firm whose capital is only

Rs. 50,000, and yet it is showing a turn-over of Rs. 3 crores or Rs. 4 crores a year, is there not something suspicious and fishy? Who has to look into it? Here I have been studying the papers given to us in this House as well as the memoranda and replies thereto which have been laid on the Table of the other House and I find that there are such cases.

There is a case of Bombay Industrial and Chemical Company who were appointed by two Birla concerns as their sole selling agents in Maharashtra. One company is the Saurashtra Chemicals which was selling caustic soda and soda ash and the other is Kesoram Rayon selling kesophane paper. Both these companies appointed this Bombay Industrial and Chemical company as their sole selling agents. This company has a real capital of only Rs. 50,000. It is showing a turn-over of Rs. 3-4 crores in commission. Is there not something suspicious and fishy? Should it not be looked into? We find that 75% of the shares of this Bombay Industrial and Chemical company are held by various relatives of the Deputy Prime Minister, his son, his daughter-in-law and their children in their names. Who is to look into this? Is it the Finance Ministry or the Company Law administration? I do not know. No reply has come. I am told that Mr. Chandrasekhar has alleged—I do not know if the Minister can enlighten me—that Mr. Morarji Desai himself has given a loan of Rs. 80,000 or Rs. 85,000 to these people. Mr. Morarji Desai's Secretary, Mr. Tonpe—it was mentioned the other day—is alleged to have given a private personal loan of Rs. 20,000 from somewhere. They are earning commission of Rs. 3-5 crores every year. Then when these Birla concerns sell directly to their customers, not through this selling agency, this selling agency is entitled to get what is over-riding commission and they continue to make crores out of it. I do not know whose province it is.

SHRI UMANATH : Birla's

SHRI INDRAJIT GUPTA : They are all Birlas.

There is a concern in Calcutta called Indian Linoleums. They hold the mono-

poly position in this country. We find here is this firm which has put up its price by 250%. Since 1962 its selling price has been put up by 250%. I would like the Minister here to say why no enquiry was held all these years because, as far as I understand the position, if the Ministry of Industrial Development refers such a case to the Ministry of Commerce and asks them to move the Tariff Commission to hold an inquiry, such an inquiry can be held. Even if that is not possible, I am prepared to show to the Minister from the pages and articles of the Industries Development and Regulation Act that if such a case comes to your notice where a company is using its monopoly position and puts up the price by 250%, you have got a power under the Act to institute an inquiry into it. Why was it not done?

Everybody has heard about duplicate shares. There is the case of the Hindustan Motors. Duplicate shares are not issued by anybody just for a few thousands or 2 or 3 lakhs of rupees. When a big firm goes in for issuing duplicate shares, it means several crores are involved. It is said that the first complaint regarding the duplicate shares reached this Ministry as long ago as 1956. Why was no action taken? Is it because—I do not know, I would like the Minister to tell us—certain banks, important big banks, were involved here who will have these bogus shares as security against the loans that they have made to the Hindustan Motors. Since banks come in the province of Finance, therefore, Mr. Fakhruddin Ali Ahmed did not want to trespass there. What happened, we do not know, but we must be told. This way the country is going to dogs. No industrial development can take place except in the interests of these people—big monopolists and those who are printing bogus shares and circulating duplicates.

Sir, there is another case, which is also printed in the Memorandum. I only picked up two or three such instances which looked remarkable on the face of it. Now, there is a case of Jiyaji Rao Cotton Mills, a Birla concern. They are having the subsidiary firm called Investments

Limited, Gwalior. That is a subsidiary firm with equity capital of only Rs. 5 lakhs. This Jiyaji Rao Cotton Mills purchased preference shares in this Investments Limited, Gwalior, to the extent of Rs. 2 crores. They purchased Rs. 2 crores worth of preference shares at the interest—rate of only one quarter per cent. Why was it done? Obviously this Jiyaji Rao Cotton Mills wanted to transfer a portion of their profits to this holding-company, this subsidiary company, which has got only Rs. 5 lakhs of equity capital.

I tried to find out as to what was the explanation given by the Government. They said, the Capital Issues (Control) Act—under which action could have been taken—was not in force in Gwalior where these mills are situated; and that is why no action could be taken. But I found out that the Capital Issues (Central) Act was in fact extended to Gwalior, in the year, 1950; that is, 19 years ago from today. So, why could not action be taken earlier? I am not able to see the reason for it. Until these charges were brought up and ventilated publicly, nobody ever bothered to anything about it.

There is another remarkable case, the last one of the Birla cases. I would like to refer to the working of the Indian Aluminium Company. The Indian Aluminium Company wanted foreign private investment from America to be given to their partners to the extent of Rs. 3 crores. The Chairman of the Company happens to be a retired Governor of the Reserve Bank, Mr. H.V.R. Iyengar. He wrote a letter saying that they wanted Rs. 3 crores as foreign investment by an American Company in their firm. Now, I have been told, such a thing was approved without much investigation, without much enquiry, by Shri Morarji Desai. It was approved by the Investment Committee and the Finance Ministry. But when it came to the Company Law Board who looked into the matter—there were hardly any papers for them to go by—the Company Law Board sent it back saying, it should be looked into again. Later on, the Investment Committee withdrew its earlier recommendation and said "We find, this particular investment is not essential now".

SHRI F. A. Ahmed : That is not Birla-concern.

SHRI INDRAJIT GUPTA : Let us know how such a thing can happen. That may not be a Birla concern.

I may say you have got several projects; not only Birlas. But you may please let us know how it is possible for such a thing to happen. It was recommended and approved and after some days, two days later, somebody else said, now it not necessary. I want to know how such a thing is possible in this set-up of things.

SHRI UMANATH : Because, they found out that it was not Birla's.

SHRI INDRAJIT GUPTA : I would like to say something about the financial institutions. These financial institutions are set up to give aid to industry. I have gone through a reply which was given by the honorable Minister of State Shri Raghunatha Reddy in the Rajya Sabha only two days ago, that is, on the 31st March, the last day of their session. There he has given interesting figures. I am just showing what kind of adherence to plans is carried out by these institutions which have become empires in themselves.

According to the Third five-year plan, the allocation provided for these financial institutions by the Planning Commission was Rs. 130 crores. For the whole of the plan Rs. 130 crores would be allotted to them for giving aid. According to the Minister, the actual amount which they disbursed as assistance to the private sector, in place of Rs. 180 crores sanctioned, amounted to Rs. 363.9 crores. So, what happens to the plans? What happens to the targets? These financial institutions are free to go ahead as they like. Somebody must tell us as to who is going to control all these things.

There is another company called Telefunken. It does not belong to the Birla concerns. (Interruption). I wish the hon. Minister listens to me.

SHRI F. A. AHMED : It is not only a case of Rs. 130 crores disbursed from government financial institutions by a way of loans, but there was also provision of Rs. 200 crores for under-writing of shares and debentures.

15 hrs.

There is another company not belonging to the Birlas, but belonging to a gentleman called Shri Ravi Gupta. This is Telefunken. They were given licence by the Government in 1966 to make 40,000 radio receivers with West German collaboration. The West German collaboration was not to be allowed more than 49 per cent of the equity capital. I want to know how it has come about that the foreign collaborators who hold a minority share in the equity holdings are allowed to have majority in the control and management? A majority of the directors of that company are West Germans although they hold a minority in the equity holdings. Even before the company went into production, they applied again for extending their capacity and they were allowed that. Instead of making 40,000 radio receivers, they were given licence to manufacture 120,000 radio receivers,—three times as much. Please let us know how these things happen.

As regards one public sector undertaking which I must mention and which is still under this Ministry, namely, Hindustan Cables, Shri Patodia was very annoyed the other day that the Government were secretly planning either to expand further the capacity of the Hindustan Cables or to set up a new public sector plant while, on the contrary, capacity was lying idle in the private sector for cables. I would like to ask a different question. Is it a fact or not that between 1960 and 1962, a project report was prepared to enable this Hindustan Cables Ltd., to be devoted to manufacture not only telephone cables, but also power cables which are in short supply and for which there is a great demand. When a project report was prepared and when all the arrangements for the collaboration agreement were entered into with a firm in Japan called Sumitsomu, why was the whole project dropped? It is only because Shri Patodia

and his friends have put so much pressure that the Government have succumbed to that and dropped the whole scheme of manufacturing power cables in the interests of private sector.

Another point I would like to ask the Minister is that he is piloting or sponsoring three Bills which are pending at present. One is the Monopoly and Restrictive Trade Practices Bill, the second is the Company Donations Bill and the third is the Patents Bill. I should have thought that these Bills, despite all their deficiencies and all the loopholes which exist in them, should be considered by the Government as a sort of integrated complex of legislation. They are dealing with different facets with a common aim. The declared aim is common and the Statement of Objects and Reasons says that the aim is common, namely, to gradually see that monopolies, whether foreign or domestic, are not permitted to dominate the economic and political life of this country. I want to know what is happening to these Bills? What is the fate of these Bills? As far as the Monopoly and Restrictive Trade Practices Bill is concerned, of course it is being watered down because banks have been excluded from this. Is it going to be brought forward in this session? Is it going to be passed or not? In the meantime what is happening is this: Every day of delay means that the position of the monopolies is getting stronger and stronger. From a survey which has been conducted by the Hon. Minister's Department itself—the figures are available and published—we find that the assets of the Birlas have gone up from Rs. 293.2 crores in 1963-64 to Rs. 508.9 in 1967-68. What is the use of these Bills which are pending or going to be brought forward? Will they be able to stop this distorted growth of economy? The assets of Tatas have gone up from Rs. 418.1 crores to Rs. 550.6 crores. This has all happened within years. In the case of Mafatlal, which is comparatively a smaller concern, the assets have gone up from Rs. 45.9 crores to Rs. 126.7 crores in three years—almost three times. What is going to be the fate of this Bill? Is it going to come up at all and if so, does the Minister consider that it will be at all effective in checking this kind of growth? He should tell us. As

far as the company donations Bill goes, I think it has been politely calmly shelved. There is so much opposition, we read in the newspapers, within the Congress Party itself to this Bill that we have got apprehensions that it will never see the light of day now, although we must remember that a large number of these private sector concerns—in them at least 25 per cent of the shareholding is of Government directly or indirectly either through the LIC or through other financial institutions, and the other private shareholders are holding the balance of shares—are giving big donations to certain political parties, particularly to the Congress Party and something to the Swatantra Party too; this means that these financial institutions and shareholders are being made to suffer a loss for no fault of their own. The dividend of the IISCO has gone down from 15 per cent to 8 per cent because of the huge donations that they had made to certain political parties.

SHRI D. N. PATODIA; (Jalore)
Now, the cat is out. His complaint is that his party is not getting anything.

SHRI INDRAJIT GUPTA: Again, what has happened to the Patents Bill? Last time when the previous Bill was before us, we knew that big powerful foreign monopolists, particularly in the drugs and pharmaceutical industry were very actively campaigning and lobbying against the Bill; they even pressurised or *gheraoed*, if I may use that expression, our then Prime Minister when he was on a trip to the United Kingdom. Apart from their sending delegations here and spending a lot of money on publicity material, what is happening now is this. A news item has appeared in the papers only the other day that five big drugs and pharmaceutical giant firms in the U.S.A who have been hauled up in their own country under some arrangement of their own for overcharging on drugs and are now being made to pay compensation to the public for the overcharging that they had done. But there is a news item which has appeared about these five firms that they have supplied between 1957 and 1967, 800 million capsules of tetracycline to India; the cost

[Shri Indrajit Singh]

of manufacture per capsule was only 8 paise, but they have been sold here at Rs. 2.55 per capsule. This means that 800 million capsules have been bought here at such a high cost. Some body has made a calculation and this is the news item from the *Statesman*, that on this account, if the Americans are to be compensated, when we in this country are also mentitled to claim something like Rs. 9 crores as compensation from these firms for this overcharging and excessive profiteering which has been done. I know who is moving behind the scene. So long as that Bill is not brought and so long as it is not made an effective instrument, this kind of thing will go on. But only the other day extension of time was sought for that Bill to be brought before us, but I fear that also will not see the light of day. These three Bills are all going in the same direction that we have seen the other things going.

There is a lot of talk in the annual report which the hon. Minister has presented about the conditions of recession being much easier now and there being a recovery and so on. But I would like to point out that these sectors of industry which are mainly or largely or almost entirely dependent on Government of India's spending and Government of India's order are the very sectors which are still languishing. It is Government which is really the villain of the piece behind the whole thing. They ascribe the recession to so many other factors including the United Front Government and the *gheraos* and Noxalbari and everything else under the sun, but the fact of the matter is that despite the somewhat limited recovery which is taking place and which we all welcome, if you look at these sectors which are still languishing you will find that it is precisely those sectors which depend on the Government of India's orders and Government of India's spending which are languishing. There is some dialogue going on between the Railway Minister and the wagon-builders and they do not agree on anything. Shri Parimal Ghosh goes on saying here that they have got plenty of capacity but they are not giving us enough wansons. But the very next day the wagon-builders come out with the statement refuting what the Railway Ministry has said. Shri F.A.

and Co. Affairs

Ahmed may say that the railway wagons and their orders are not his concern. But I would like to know what Government are doing. How are they going to develop industries, if there is no coordination between them ?

In the case of heavy structurals, the whole industry is still languishing. Orders were given on the basis of getting the cheapest tenderer possible for supplying the heavy structurals required for the Bokaro project. I had protested against it at that time, and I had written to Dr. Chenna Reddy that he should not do that kind of thing, and I had warned him that if he gave the orders to the cheapest tenderers, he would come to grief, and that is exactly what has happened now. There are newspaper reports every day that the so-called cheapest tenderers are not able to fabricate the stuff and that they have not got the plants or the equipment or the machinery and they are now secretly going to the organised sector of industry and asking them to sub-contract and to make the thing for them so that they could supply it to Government. In this the kind of thing that is going to go or ?

The other day, we were reading about the slow progress of works at Bokaro. These are the factors responsible for this. Not only the HEC is failing, but it is these so-called cheapest tenderers who are unable to do anything on their own who are failing us. Therefore, I would request the hon. Minister to look into this matter.

The hon. Minister must know that the West Bengal Government have just brought to his notice the case of the very old and well-established engineering firm, namely Westinghouse Saxby Farmer. Their proprietor have said that from the 15th of this month they would close down the factory because they were not getting orders for railways equipment from the Government of India. I think the Government of India and the State Government may be holding some talks about the matter. How has this come about ? Why does Government not coordinate and plan its orders and see that such crises are not created there ?

There are eight plants in this country manufacturing cast iron spun pipes. Out of

these eight, six are lying idle at the moment. What is the main reason for it? These cast iron spun pipes are required for water supply. But the water supply schemes of this Government under the Plan have been cut down so drastically that there is no demand now and six of these plants are idle. One is at Kulti and the other places. The workers are threatened with unemployment because the factories are closing down. The hon. Minister may very well say that he has nothing to do with water supply and it is the concern of somebody else. Is this the way that Government intends to go on functioning? So many independent empires are doing what they like and going their own way each with its own private plans and yet this Ministry calls itself the Ministry of Industrial Development and Company Affairs.

There is a firm in Calcutta, and the hon. Minister knows it very well, which is known as the India Electric Works. It was being run by them virtually for the last several years and it was allowed to close down and go into liquidation. It was a big plant employing 1800 men. We are told still in this report that as far as light engineering and consumer goods industries are concerned, the recessionary conditions are over. But on the other side we see this factory being closed down and liquidated in such a way that the 1800 men working in the factory have not received even their provident fund dues which belongs to them statutorily. They been deprived of these provident fund dues. What is the objective and what is the direction of industrial development? Is it going to be at the cost of the workers or at the cost of the public who will be fleeced by the private enterprises and monopolists? Or is it going to be at the cost of the public sector or at the cost of the nation's interest?

There is a worldwide amalgamation or merger going on between two very big firms which have got their plants and branches in this country; one is the GEC and the other is the AEI. These two big international monopolies functioning in so many countries and having their headquarters in Britain or America, they are having their plants in this country also. Because of

this merger which they are carrying out there, a kind of merger that Shri D.N. Patodia may regard with great envy and jealousy so that one day his people also may be able to do similar things here, what is going to happen in our country is this. Here, their factory is going to be closed down, and several thousands of people are going to be thrown out of employment. We do not know how it will benefit our country, because these are foreign firms but basically they will be allowed to take their profits out. I know that the hon. Minister may not reply to all these specific points, But the hon. Minister should please tell us whether as a result of all this hullabaloo which has been raised in the country recently not by us so much as by Members of his own party regarding the way that this paraphernalia of Ministries and institutions is helping certain monopoly houses, particularly the Birlas, to do what they please and to go from strength to strength, they propose to do anything about this or they are simply going to make a technical and formal approach and say that something is *sub-judice*, something is in the pot, something is being looked into, this is not such and such a Minister's province, the Finance Minister saying that it is not within his province but it is within Shri F.A. Ahmed's province and the latter saying that it is not within his province and so on. Is this the way that they intend to go on in these matters? If this is the way then it will be a big bluff being perpetrated on our country and the public and there would be not industrial development but development only of these big monopolies at the cost and suffering of the common people.

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED): Mr. Speaker, Sir, I am very sorry it was not possible for me to listen to the debate on this demand for first hour yesterday, and also today before the lunch recess because I thought that the Demands would not come up for resumed discussion till after the lunch recess. Nevertheless, I have gone through the speeches made by hon. members when I was not present, and I have noted down the important points they have made.

[Shri F. A. Ahmed]

During this discussion, a large number of points has been covered by hon. members, ranging from questions which deal with the basic policies regarding the industrial growth and expansion of the country to the specific question of one particular industrial sector and to the specific question of regional expansion of these industries.

It is true that primarily and essentially economic growth is vitally linked with growth and expansion of the industrial sector; therefore, it is not only appropriate but also essential that we should have a discussion, a free exchange of views regarding government policies and also regarding the measures which can help in rapid industrial growth.

I am glad that a large number of members have participated in this discussion and have made very useful suggestions, of which Government will certainly take due note. But I would like to point out that on the one hand, there are friends who have spoken against monopoly; on the other, there are others who have said that unless and until the big business houses are given protection and facilities, there can be no industrial development and progress.

SHRI PILOO MODY : That is not an argument in favour of monopoly.

SHRI SURENDRANATH DWIVEDY (Kendrapara) : Where does *he* stand?

SHRI F. A. AHMED : Friends who have spoken against monopoly say that because of the advantages they are given through government financial institutions and other commercial banks, this is standing in the way of industrial development. I am only pointing out what has been said.

SHRI S. M. BANERJEE : Monopolies have developed. Even their representative here has developed.

SHRI F. A. AHMED : That is between the two opposite views to settle.

SHRI PILOO MODY : He is merely drawing attention to his own-under

development.

SHRI S. M. BANERJEE : I agree.

SHREE F. A. AHMED : I was amazed by the names which some hon. members have given to this Ministry. It is easy to indulge in name-giving, but the fact that these representatives of two extreme views have given diametrically opposite names to this Ministry is a fair indication that the policies and actions of this Ministry are correct and reasonable and that the Ministry has neither obstructed the setting up of industries which are necessary, nor has it become a citadel of monopolists. It has always been my endeavour to see that the attitude of this Ministry is scrupulously fair, and determined by national interest. While it is the task and responsibility of this Ministry to ensure industrial growth, this has to be done consistently in keeping with our basic objectives that we are also trying to implement.

Before I deal with the specific issues raised, it will be necessary for me to place before this House the general trend of the economic and industrial growth in our country because it is only in that context that we can appreciate what has been done both by industry and by Government in so far as industrial growth and expansion is concerned.

It is true that the two years before the last year were very bad years for the industry. Our industrial growth came to be stagnant and if we take the base year 1960 (100) in 1966 and 1967 it was 151 and it was only during the last year that it had gone up to 161. It means that there has been expansion and growth of about 6.4 per cent during the last year as against the practical stagnation of the two previous years. These are factors which no one can deny. I think even those who say that not enough had been done so far as growth was concerned with admit that during the last year boll because of the effort made by the industries and also because of various steps taken by the Government, these have paid good dividends and we have made progress. If we continue to implement the policies and also the programmes I

have no doubt that the coming year will show further increases in expansion and growth by another 1.5 or 2 per cent which will take the rate of growth to about 8 per cent in the coming years.

It is true that the increase in farm income has greatly stimulated the demand but we should not ignore the effort put in by the industries and also the results which had been achieved by the steps taken by the Government. There has been substantial increase in production in the chemical field over a number of items including nitrogenous and phosphatic fertilisers, sulphuric acid caustic soda, calcium carbide and soda ash. With increased demand production in a wide range of consumer-oriented industries rose steadily such as sugar, vanaspati, baby foods, bicycles, household electrical equipment and accessories, radio receivers tyres and footwear and leather goods, besides a number of intermediates. Last year also proved to be a period of recovery for the automobile industry and the production of jeeps and commercial vehicles. My friend ask about the industry.

SHRI D. N. PATODIA : I was referring to the financial conditions.

SHRI F. A. AHMED : I shall deal with that aspect also. Particularly the former went up considerably together with substantial increase in automobile tyres. In the engineering industries, which had been seriously affected by the recessionary trends, there are welcome signs of substantial revival.

Shri Patodia raised the question of idle capacity in the power cable industry. He had also suggested that this idle capacity could be utilised for the manufacture of telecommunication cables. It is a fact that there is idle capacity in the power cable industry. It may be mentioned in this connection that there had been substantial exports of power cables in the recent past and this has, to some extent, relieved the strain in this industry.

As the hon. Members are aware the manufacture of communication cables is earmarked for the public sector according to the industrial policy resolution. A technical committee in my ministry has been constituted

to visit the cable manufacturing units in the country and to submit a report regarding the possibilities of taking up manufacture of telecommunication cables in the private sector and also in the State Government cable factory at Cochin. As soon as the report of this technical committee is received, Government would take appropriate decisions in the matter.

SHRI D. N. PATODIA : One month or two months ?

SHRI F. A. AHMED : I have set up a committee and I hope it will do its work within a few months and as soon as that report is available we shall take a decision in this regard. Industrial units manufacturing steel pipes and tubes, railway wagons, machine tools and small tools, steel castings, wire ropes, structural fabrication including transmission line towers and various machine building units have not only greatly improved their order position at home particularly in the last few months, but are also building up substantial markets abroad. The hon. Members perhaps know that the figures of export of engineering goods, which would be about Rs. 85 crores last year is almost double that of the previous year and shows very healthy and encouraging trends.

The metallurgical sector, particularly non-ferrous items such as aluminium and zinc which produce the sinews of industry, are looking up to an extent that during the last year nearly Rs. 8 crores of ingot aluminium was exported. Along with quantitative expansion of industrial production, new products were put on the market including specialpurpose machine tools, cadmium, nickel-silver trips, monel electrode wires, high density polyethylene and a number of new drugs and intermediates. The basic object of import substitution has yielded very satisfactory results and, as has been pointed out, a substantial substitution in the field of non-ferrous metals together with considerable decline in the import of several engineering goods in the field of machine tools has been effected. And a very encouraging development has been, the export of machine tools has gone up. Apart from the substantial increase in industrial production and the rate of industrial growth, the capital market has also shown considerable improvement.

[Shri F. A. Ahmed]

Here, I would like to point out that not only there has been an increase in export, but if we look to the figures of savings during the last two years, we will find that the deposits during this period has also gone up considerably. In 1966, while the deposits were about Rs. 2,600 crores, by the end of 1968, they had gone up to over Rs. 4,200 crores. That shows that not only the industrial production but also the economy is picking up and there is sufficient scope for private enterprise to make investments and to increase further production.

My friend Shri Patodia also accused the Government that they were standing in the way of development because they were not providing a large number of facilities for the growth of industry. May I point out to him, as has been mentioned earlier by me that the third Five Year Plan provided that out of the financial institutions run by the Government, about Rs. 130 crores would be given to the private sector for the purpose of developing the private sector by way of loans.

SHRI INDRAJIT GUPTA : In which period ?

SHRI F. A. AHMED : During the third Plan period. But what do we find ? We find that, altogether, assistance through the Government institutions by way of sanction was over Rs. 600 crores, and the actual disbursement was over Rs. 400 crores.

SHRI D. N. PATODIA : As against Rs. 2,500 crores to the public sector.

SHRI F. A. AHMED : Whatever it is, we had provided in the third Plan Rs 130 crores but actually out of the Government financial institutions, private enterprise got the sanction of our Rs. 600 crores, and the actual disbursement was about Rs 400 crores.

SHRI INDRAJIT GUPTA : You must try to satisfy either Mr. Patodia or me. You cannot satisfy both. What is the relevance of this Rs. 130 crores if you go on telling me that you have given much more ? That is my whole accusation.

SHRI F. A. AHMED : I will also satis-

fy you : while Mr. Patodia is not justified in accusing the Government, I think you are also not justified in accusing the Government for not taking proper action for developing the public sector.

SHRI SEZHIYAN (Komba Kovam) : His point is that though Rs. 130 crores has been allotted, the target has not been kept up. It is again low. That is his point.

SHRI F. A. AHMED : As I was saying, we have not stood in the way of the private sector. Not only through our assistance through the financial institutions but also through the licensing of a number of items, through decontrol of a number of items, we have left a free hand, so far as the private enterprise is concerned, to develop itself and help in the industrial growth of the country. I would particularly point out two consumer industries; cement and paper. We have decontrolled and delicensed them. But in spite of this freedom, is there any effort on the part of the private sector ?

SHRI S. K. TAPURIAH (Pali) : Where is the freedom ? You require an import licence for capital goods, permission or collaboration and so on. It is misleading.

SHRI F. A. AHMED : In these two industries, you can get a majority of the components within the country itself. There is nothing in the way of your developing these industries. But though an assurance was given by the paper industry that they would not increase the price, soon after decontrol they increased it. Now they are threatening to raise it again. If that is the attitude of the private sector, will Government not be justified in putting control again, so that the consumer may get a fair deal ?

SHRI D. N. PATODIA : You said decontrol was done on the specific assurance that prices will not be increased. But what is the idea of decontrol ? The very idea of decontrol is that after decontrol prices will be fixed in accordance with the market forces and not by your dictation. So far as cement is concerned, the existing plants are enough to meet the demand and there will be no justification for new plants.

SHRI F. A. AHMED : If the trend of demand and supply is given a fair chance by

the private enterprise, perhaps this situation would not have arisen. Unfortunately, the consumer has to suffer because the suppliers withhold the supply and thereafter increase the prices.

SHRI UMANATH : That is what he means by market forces !

SHRI F.A. AHMED : Government is not anxious that there should be licensing and control. If the private enterprises supplies goods to the consumers at a reasonable price, Government will not come in the way. But if the private enterprises does not behave, Government will have to step in various ways, so that the consumer may be able to get the commodities at a reasonable price.

Coming to the investment in public sector, I would like Mr. Gupta to remember that while in the first plan, the investment was about 46 per cent of the entire investment, in the second plan it shot up to 54 per cent and in the third plan it shot up to 60.2 per cent. In the draft of the fourth plan, which has not been implemented, a figure of about 63 per cent, was envisaged. I hope when the new plan comes, the Planning Commission will not reduce the investment below this percentage. Is this not a policy in the direction that where it is felt that the private sector cannot or is hesitant rewards and specimen the investment in the public sector is made to fill up this gap.

So far we have been making the investment in public sector in industries of a basic nature, manufacturing capital goods, where there would have been no private investment and no growth if Government had not come in in such a big way. Even if some private enterprise had taken the risk of making big investment for setting up industries manufacturing capital goods, they would have largely depended on financial institutions run by the Government.

We had left other fields, particularly those manufacturing the consumer goods, to be developed by private enterprises. Where we found that it was necessary for the Government to prevent abuse of such we freedom have started industries public sectors.

We have started cement manufacture in the public sector. We are thinking of manufacture of newsprint the public sector because we find that private enterprises have not yet taken sufficient in first to cope with the growing demand in our country. We are making investment in the public sector and also allowing the private sector to make investment to increase production which will meet the requirement of the country and we may not have to defund imports of all these things from outside.

श्री शिव चन्द्र झा (मधुबनी) : मैं एक प्रश्न पूछना चाहता हूँ। क्या यह सही नहीं है कि ग्रुप ए जिस पर स्टेट का एक्सक्लूसिव कंट्रोल होना चाहिये उसको भी आपने प्राइवेट एंटरप्राइज को दे दिया है और ग्रुप बी जिसमें स्टेट मोनर-शिप को बढ़ावा मिलना चाहिये उसमें आपने प्राइवेट एंटरप्राइज को और भी ज्यादा छूट दे दी है? यदि यह सही है तो क्या आप जो इंडस्ट्रियल पालिसी रेजोल्यूशन 1956 का है उसको तोड़-मरोड़ कर खत्म नहीं कर रहे हैं?

श्री फखरुद्दीन अली अहमद : हम उस रेजोल्यूशन के मुताबिक ही चल रहे हैं और उसको तोड़ मरोड़ कर खत्म नहीं कर रहे हैं।

श्री शिव चन्द्र झा : ग्रुप ए में आपने प्राइवेट एंटरप्राइज को मौका दिया है या नहीं दिया है?

MR. SPEAKER : Order, order. Let the Minister reply now.

SHRI F.A. AHMED : Sir, according to Shri Patodia investments in all public undertaking are sheer waste, they have neither been yielding any revenue nor have they been serving the purpose of industrial growth. I do not agree with all this for the simple reason that investment in public undertaking has been made in a sphere where the private enterprise would not have gone in because of heavy investment. Even if a big industrial house had gone in for any investment of that type it would have entirely depended on loan an assistance from financial institutions run under the control of the

[Sir F. A. Ahmed]

Government. Therefore, if the fund has to be found from these public financial institutions, why not these industries be set up under the public sector? Shri Patodia logic I have not been able to understand.

Secondly, he has accused that they are not showing any profit. I would first like to point out that so far as these undertakings are concerned they are entirely of a different category. It is easier to manage to get quicker return from industries which are consumer industries, but it takes a long time to get revenue or income from industries which manufacture capital goods in which heavy investment is essential and which require high quality experience in management and which require congestion before they can work to their full capacity. It is for these reasons that some of these industries have not yet given profit.

SHRI D.N. PATODIA : May I know how long is the gestation period?

SHRI F.A. AHMED : We have a plant at Tiruchirapalli, a boiler plant.

SHRI D.N. PATODIA : Let us take the case of steel.

SHRI F.A. AHMED : That is under my Ministry. It was expected that this unit would give revenue after three years. But, within the second year of its functioning, it has started giving revenue. If we are in a position to complete the setting up a plant and if we are in a position to give work to that plant, it will be able to produce results. Now, many of the plants which we have set up in our country have not adequate load to work to full capacity today. For instance, we are in a position today to provide electrical equipment for setting up power generation plants of 4.5 million kw every year but we have not got the order for manufacturing equipments which will generate power of 4.5 million kw per year.

SHRI D. N. PATODIA : Then why did you set up this?

SHRI F. A. AHMED : It is all very easy to ask : why did you set up this? When we set up these plants we were under the impression that it will be possible for

us to develop our country at a faster speed than it has been possible to do so during the last year. We did not anticipate that we would be called upon to face aggression for two of our neighbours; we did not anticipate that there will be two severe droughts in our country. Because of these, we had to divert our resources for security purposes and for the purpose of feeding our people and so our plan target was completely upset. So far as the task of removing the idle capacity of these plants is concerned, apart for diversification we are now trying for markets not only within the country but also outside and this effort has produced results. I am sure that after five or ten years our investments in these plants will yield profits and today we do not have to depend on the import of these items.

The House must realise that while we have no doubt made heavy investment on these plants we have also brought about import substitution. Hon. Members should not lose sight of that important fact. If we had not established these plants in our own country, we would not have become self-sufficient and we would be depending on foreign countries for our requirements of capital goods. Today so far as our requirement of capital goods is concerned, we can produce or manufacture them for the purpose of generating power, for the purpose of setting up steel plants, coal-mining machinery and many other items in our own country. That itself is a great achievement.

SHRI S. M. BANERJEE : Say something about Cooper Allens.

SHRI UMANATH : Now we are prepared to vote for the grants.

SHRI D. N. PATODIA : Most of the points are uncovered.

SHRI RANDHIR SINGH (Rohtak) : Let us hear something about tractors.

SHRI F. A. AHMED : My hon. friend, Shri Patodia, has referred to the question of passenger car prices. The subject of car prices and quality has so often come up before the House that it is hardly necessary for me to go into the details of the Government's policy in this

regard. There have been references to the Tariff Commission's recommendations in their 1956 Report that the manufacturers should be left free to revise their prices from time to time according to change in costs, to government's decision thereon and to the subsequent developments in regard to the increases in prices from time to time. The position is that in the resolution passed by Government in January 1957 on the Tariff Commission's 1956 Report on the automobile industry, the automobile manufacturers were left free to revise their prices from time to time subject to the conditions that a month's notice on any revision would be given to government and that the net dealer price did not exceed the ex-works cost by ten per cent and that the dealer's commission in respect of cars be fixed at ten per cent of the ex-factory price. The intention was that government could intervene in the matter within the notice period of one month if they found that the change in price proposed was *prima facie* unreasonable. Though it was then expected that government decision would be communicated within a month, in equal practice it had not been found possible to do so within such a short time, because government had to examine proposals for price increase very closely. Adequate details were not always furnished by the manufacturers in support of their requests for price increases, necessitating further correspondence with them. In view of all this, the manufacturers had on their part always waited for Government's decision before effecting any price revision. In order to remove any uncertainty in this regard, Government issued clear instructions on the 27th May, 1963 that Government expected the manufacturers to revise their price only after obtaining the formal approval of Government. Thereafter Government have, on a number of occasions, approved price increases of cars on account of increases in cif cost and ocean freight of imported components, increases in Government levies, such as customs and excise duties on components and raw materials. Government have also allowed some increases whenever there were import substitutions resulting in saving of foreign exchange. There have, however, been representations from the manufacturers from time to time for increases in price on account of factors

such as higher wages, higher costs of raw materials. However, on an overall view of the matter, Government decided in May 1966 that the question of fair selling prices of passenger cars and commercial vehicles should also be referred to the Tariff Commission for investigation as part of their general enquiry on the subject of continuance of protection to the automobile industry. The intention was that in undertaking a cost investigation and recommending fair selling prices, the Tariff Commission would take into account, apart from any representations received from the manufactures, such factors as the interests of the consumer, the relatively larger volume of production since prices were fixed in 1957.

The Report of the Tariff Commission was received in August 1968. On a careful examination of the Report it was felt that further clarifications should be sought from the Commission before a decision on their recommendations could be taken. These clarifications were accordingly sought and some information in this regard was received. It is now proposed to discuss some aspects of the recommendations with the Commission in the light of the clarifications.

In the meanwhile, I have during the last one month or so received representations for immediate increases in car prices on the ground that the manufacturing companies were losing heavily on the present prices. One of the manufacturers asked for some *ad hoc* increase in the price of their car as an interim measure, to be adjusted later. I did not agree to these requests and advised the manufacturers that no increase in the price could be allowed before a decision has been reached on the Tariff Commission's recommendations.

Again, my Ministry has received letters yesterday from all the three car manufacturers pressing for immediate price increases ranging from Rs. 1,200 to Rs. 1,750 per car.

SHRI S. M. BANERJEE : No, do not agree.

SHRI RANDHIR SINGH : No cars. We want tractors.

SHRI F. A. AHMED : One of the manufacturers has indicated that his letter is

[Shri F.A. Ahmed]

to be treated as giving notice of his intention to raise the price of his car in accordance with the procedure laid down. In other words, the intention appears to be to put up the prices from the 1st May, 1969 without waiting for Government's final decision on the Tariff Commission's Report. I am again advising this manufacturer and generally all car manufacturers that under the present arrangements which have been in vogue for some years and accepted by the manufacturers no price increases should be given effect to without Government's prior approval.

SHRI S. KUNDU (Balasore) : Who is that ?

SHRI F. A. AHMED : I hope, it will be possible for Government after necessary discussions with the Tariff Commission to reach decisions on the Commission's recommendations on the fair selling prices of cars within a month or two. But pending such a decision, I do not propose to acquiesce in any unilateral action on the part of the manufacturers in the matter of price increases.

SHRI S. KUNDU : Give the name.

SHRI F. A. AHMED : If the existing administrative arrangements in this regard are inadequate, I shall certainly examine what appropriate measures are needed to ensure that the current gentleman's agreement on the procedure for increasing prices between the manufacturers and Government is not disturbed.

This brings me to the need for long-term solution. References have been made by some hon. Members to the delay in reaching a decision on what is often referred to as the small car project. I am personally convinced that the only long-term solution to this constant problem of rising prices and indifferent quality of passenger cars manufactured in the country is to expose the existing manufacturers to competition by an efficiently operated public sector unit of economic capacity. I consider such a project to be extremely desirable from the point of view of off take of indigenous machine tools, growth of a large range of ancillary industries, and its employment potential,

In most industrially advanced countries, a well developed automobile industry is not only an essential feature but has often paved the way for industrial growth. On the consumers' angle, the availability of a car which is substantially cheaper than the existing car would be a welcome boon. Our discussions with one or two reputable foreign manufacturers of cars go to show that it should be possible even in our difficult conditions to manufacture and sell a car of nearly the size of the two smaller cars now being manufactured in the country at a price as much as Rs. 5,000 to Rs. 6,000 cheaper than the present prices. It has, however, not been possible to go ahead with this project because of considerations of resources. We have taken up this matter at the highest level and, I think, some action will be taken in this behalf, particularly, in view of the recent attitude taken by the car manufacturers in trying to raise the price of the car. I hope, I will have the support of the House.

SHRI D.N. PATODIA : The hon. Minister stated that after 1956, the Tariff Commission was set up in 1966 and that there was a gap of 10 years. I want to know whether in the course of 10 years any representation was received from various manufacturers indicating the rise in their cost of production on account of wages and raw materials and, if so, why the price rise was prevented in the course of these 10 years.

MR. SPEAKER : After all, a number of hon. Members have spoken and made various points. I think, he can take time and to reply the hon. Members reply to individually and write to them about the petition in regard to various points made. I take it that now we go to the next item.

SHRI RANDHIR SINGH : He has said nothing about tractors,

SHRI S. M. BANERJEE : The hon. Minister has not replied to many points...

MR. SPEAKER : He will write to the Members on the points made.

श्री रवी राय : रेल मंत्री ने अभी तक जवाब नहीं दिये हैं हम लोगों को जबकि आपने उनको इंस्ट्रुक्ट कर दिया था।

SHRI S.M. BANERJEE : I only want one clarification. At the very outset, when the Demands of this Ministry were going to be taken up, I raised the question on one very important matter. The Cooper Allen Co. of the B.I.C. in Kanpur has been taken over by the Government. The Chairman has been appointed. It is only the Managing Director who is to be appointed whose appointment is being screened—I do not know why—for which 4000 workers are on the streets. I want to know what is the delay in the appointment of the Managing Director.

श्री महाराज सिंह भारती : (मेरठ) अछ-यक्ष महोदय, ट्रैक्टर के सिलसिले में मंत्री जी और बता दें। 90,000 ट्रैक्टर की मांग है और 15,000 का उत्पादन है। उसके बारे में भी बता दें।

MR. SPEAKER : This also will be communicated by the Minister.

SHRI RANDHIR SINGH : Tractors and tyres also.

SHRI F.A. AHMED : May I just point out I shall reply to all the questions raised by the hon. Members? So far as the Cooper Allen Co. is concerned, we have taken the action and soon the decision will be announced.

SHRI UMANATH : How soon?

SHRIMATI SUCHETA KRIPALANI (Gonda) : This has gone on for more than a year. The workers are out of jobs. We do not understand the reason for the delay.

SHRI F.A. AHMED : Already a new Company has been registered. We hope, during this month it will start.

श्री रणधीर सिंह : आप किसान को क्यों भूल जाते हैं ? सबसे पहले किसान की बात होनी चाहिए।

श्री मोला नाथ मास्टर : पहले ट्रैक्टर के सम्बन्ध में जवाब देने दिजिए।

SHRI S. M. BANERJEE : Everything has been arranged. The Government has, officially, taken over the Cooper Allen Co. Only the Managing Director is to be appointed and the file is somewhere—I do not know—and that is exactly I wanted to know. (Interruption.)

MR. SPEAKER : It is not a question Hour.

SHRI RANDHIR SINGH : What about tractors?

SHRI F. A. AHMED : About tractors, it is a fact that there has been great demand so far as tractors are concerned. Unfortunately, this demand was not anticipated when the third Plan was formulated.

Actually, next year, our requirement will be in the vicinity of about 45,000 tractors ..

श्री महाराज सिंह भारती : 90,000 है। आप एग्जीक्यूटिव मिनिस्टर से पुछ लीजिए। उनकी रिपोर्ट में है।

SHRI F. A. AHMED : Next year, I said. The target fixed for the end of the Fourth Five-Year Plan is about 90,000. So far as tractors are concerned, we have delicensed that industry. Unfortunately, a large number of people who also took the licence for manufacturing a smaller variety have not gone into production of that variety. Government is also thinking of setting up a tractor factory in the public sector...

SHRI RANDHIR SINGH : Don't think Set up immediately.

SHRI F. A. AHMED : Here also objection has been raised why the public sector should manufacture this. I hope, a decision will soon be taken to set up a tractor factory in the public sector. The private people are also free to set up tractor factories anywhere they like.

MR. SPEAKER : I now put all the Cut Motions together to the vote of the House.

All the the Cut Motions were put and negated.

MR. SPEAKER : The question is :

"That the respective sums not exceeding the amounts shown in the fourth column of the order paper, be granted to the President, to *complete* the sums necessary to defray the charges that will come in course of payment during the year ending the 31st day of March 1970, in respect of the heads of demands entered in the second column thereof against Demands Nos. 58 to 61 and 121, relating to the Ministry of Industrial Development, Internal Trade and Company Affairs".

The motion was adopted.

[*The motion of Demands for grants which were adopted by the Lok Sabha, are reproduced below—Ed.*]

DEMAND NO. 58—MINISTRY OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS.

"That a sum not exceeding Rs. 72, 43,000 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, 1970 in respect of 'Ministry of Industrial Development, Trade and Company Affairs'".

DEMAND NO. 59—INDUSTRIES

"That a sum not exceeding Rs. 4,05, 92,000 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, 1970 in respect of 'Industries.'"

DEMAND NO. 60—SALT

"That a sum not exceeding Rs. 53, 58,000 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, 1970 in respect of 'Salt.'"

DEMAND NO. 61—OTHER REVENUE EXPENDITURE OF THE MINISTRY OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS.

"That a sum not exceeding Rs. 12,41, 29,000 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, 1970 in respect of 'Other Revenue Expenditure of the Ministry of Industrial Development, Internal Trade and Company Affairs.'"

DEMAND NO. 121—CAPITAL OUTLAY OF THE MINISTRY OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS.

"That a sum not exceeding Rs. 3,86, 98,000 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 1970 in respect of 'Capital Outlay of the Ministry of Industrial Development, Internal Trade and Company Affairs'".

15.58 hrs.

MINISTRY OF EXTERNAL AFFAIRS

MR. SPEAKER : The House will now take up discussion and voting on Demand Nos. 12 and 13 relating to the Ministry of External Affairs.

Hon. members present in the House who are desirous of moving their Cut Motions may send slips to the Table within 15 minutes indicating the serial numbers of the Cut Motions that they would like to move. They will be treated as moved if they are otherwise admissible.

DEMAND NO. 12—EXTERNAL AFFAIRS

"That a sum not exceeding Rs. 19,54, 73,000/- be granted to the President to *complete the sum necessary to defray* the charges which will come in course of payment during the year