

PROF. N. G. RANGA : Mr. Speaker, Sir, I very strongly disagree with the supplementary put by my hon. friend. I welcome the new Cabinet Minister for Industries, especially because of the latest statement he has made that the policy of the Government is to encourage small industries...

MR. SPEAKER : Minister Sir, will you still like him even if he does not agree with you ?

PROF. N. G. RANGA : Is it not a fact ? Is it not the long established policy of the Government to encourage decentralisation of the conglomeration of these industries and encourage as many of the industrialists as possible, whether they are town-based or not, to start new industries in rural areas ? If this is the policy of the Government of India till now, may I make a suggestion that the Government may be good enough not only to depend upon correspondence between themselves and the State Governments but also to go about the State Governments and encourage them as to the best possible manner in which the policy of the Government of India can be implemented with the assistance of the Government of India ?

SHRI J. VENGAL RAO : I entirely agree with our eldest member, Shri Ranga and I will certainly follow it up.

Hindustan Photo Films Ltd.

*4. **SHRI V.S. KRISHNA IYER :** Will the Minister of INDUSTRY be pleased to state :

(a) the total production of photo films by the Hindustan Photo Films Ltd., Ootacamund, during 1985-86;

(b) the amount of loss/profit incurred by the Hindustan Photo Films Ltd. during 1985-86;

(c) the reasons for the loss, if any; and

(d) the remedial action taken in the matter ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF

INDUSTRY (SHRI M. ARUNACHALAM) :

(a) The production of Hindustan Photo Films Manufacturing Company Limited during 1985-86 was about Rs. 109 crores.

(b) The company earned a profit of Rs. 637 lakhs during 1985-86.

(c) and (d). The questions do not arise.

SHRI V.S. KRISHNA IYER : Sir, I would like to know from the hon. Minister whether the figure which he has given, i.e. Rs. 637 crores is a gross profit or net profit ? If it is a gross profit, then what is the net profit ?

SHRI M. ARUNACHALAM : Sir, profit from integrated production was Rs. 274 lakhs. Profit due to conversion of jumbo rolls was Rs. 223 lakhs.

(Interruptions)

MR. SPEAKER : Order, order. He is asking what is the net profit. Have you got anything with you or will you send it later on ?

SHRI M. ARUNACHALAM : We will inform them later on.

MR. SPEAKER : He will let you know later on. What is there ? Do you want him to give a wrong answer ? He will inform you later on.

SHRI SOMNATH CHATTERJEE : He should have anticipated this supplementary.

(Interruptions)

MR. SPEAKER : He will provide the answer.

(Interruptions)

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO) : It is a net profit.

MR. SPEAKER : Net profit, after the tax.

SHRI J. VENGAL RAO : I know Jaipal Reddy. If I say anything, tomorrow, he will move a Privilege Motion.

[Translation]

MR. SPEAKER : That is a good way of showing affection.

(Interruptions)

[English]

SHRI V.S. KRISHNA IYER : It is a net profit or gross profit ?

MR. SPEAKER : It is a net profit.

SHRI V.S. KRISHNA IYER : My point in putting this question is that, I read a report in the paper that there is a decline in the net profit of the company. It is one of the most prestigious companies in our country. It has a monopoly. In 1983-84, the net profit was more than Rs. 3 crores. I have seen in one of the reports just now that the net profit comes to about Rs. 2.25 crores, during the current year. May I know why there is so much decline in spite of heavy investment in the recent days and diversification of activities ? Why there has been a decline in the net profit of the company ?

SHRI J. VENGAL RAO : You will be glad to know that it is earning profits and not only that, we are going for the expansion of Hindustan Photo Films also. The cost of the plant is Rs. 9.25 crores. The plant when commissioned would be in a position to meet the country's demand.

There is another project with a cost of Rs. 168.12 crores for manufacture of medical X-ray films to take up the integrated manufacture of industrial X-ray films. We are going in for its expansion. This is a big project.

SHRI ANANDA GAJAPATHI RAJU : Mr. Speaker, Sir, for the previous year, the profit has been determined as Rs. 3 crores. But I would like to know whether the method of valuation of inventory has changed or whether some other inventory method has been used or whether the prices of raw materials have gone up and therefore an inflation or whether they have increased their prices tremendously so that the profits or the administered prices can go up ?

I would like to know all these things because Rs. 3 crores as such does not seem

to be much of a figure for an investment of over Rs. 100 crores.

SHRI J. VENGAL RAO : This is a very competitive industry. In International markets, when compared to our products—our product is good—the prices are low. Now, we are not in a position to compete in the international market. That is why only in the national market we are disposing of most of the products. We are getting reasonable profits.

Electoral Reforms

*5. SHRI INDRAJIT GUPTA † :
SHRIMATI GEETA MUKHERJEE :

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether Government are considering a package of electoral reforms for the past few years;

(b) if so, the details thereof; and

(c) whether the package is likely to be adopted before the next general elections ?

THE MINISTER OF LAW AND JUSTICE (SHRI A.K. SEN) : (a) Yes, Sir.

(b) Suggestions regarding electoral reforms have been made from time to time by the Election Commission of India and also by some members of the public, political parties and others. Some of the more important proposals recommended by the Election Commission have been given the statement below.

(c) Consideration of these proposals is at an advanced stage within the Government. After taking preliminary decisions, it is proposed to consult political parties before final decisions are taken. The endeavour of the Government is to put through the agreed proposals before the next general elections.

Statement

Proposals for Electoral Reforms

(1) Elimination of non-serious candidates

(a) Security deposit may be raised ten times,