

RAJYA SABHA

*Tuesday, the 11th May, 1972/the 24th
Vaisakha, 1894 (Saka)*

The House met at eleven of the clock, MR. CHAIRMAN in the chair.

ORAL ANSWERS TO QUESTIONS

RAZOR BLADES INDUSTRY

*91. SHRI M. K. MOHTA :†

DR. BHAI MAHAVIR :

SHRI O. P. TYAGI :

SHRI JAGDISH PRASAD
MATHUR :

Will the Minister of INDUSTRIAL DEVELOPMENT be pleased to state :

(a) whether it is a fact that Government propose to allow some foreign companies to manufacture razor blades in India when the local manufacturers have built up their own technology comparable to international standards.

(b) if so, whether Government have taken any decision in the matter; and if so, the names of the foreign companies that have been permitted to manufacture razor blades in India; and

(c) What is the reaction of the Indian manufacturers thereto ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT (SHRI MOINUL HAQUE CHOUDHURY) : (a) and (b) Government have not allowed any foreign company to make razor blades in India. However, an Indian Company in which there is 50% foreign share-holding has

†The question was actually asked on the floor of the House by Shri M. K. Mohta.

applied for the grant of a licence. This application is under consideration.

(c) Does not arise.

SHRI M. K. MOHTA : A company which is having 50 per cent foreign equity holding has applied for industrial licence. May I know from the hon. Minister whether any other company also which is either a subsidiary or having a large foreign share holding of Gillet of America has also applied for industrial licence and in the circumstance what is the policy of the government in as much as the Indian razor blade industry has been developing a technology in the country itself for the last 25 years and has been pouring money and effort into it so much so that Indian razor blades are exported to world market and orders are in hand for Rs. 50 lakhs and the target for the next years is Rs. 1,50,00,000. Is it the government's policy to allow foreign dominated companies to enter into this field ?

PROF. SIDDHESHWAR PRASAD

It is not the policy of the government to allow any foreign majority company to come in this field, as I have made clear in my earlier reply. I have not said that licence has been given. It is still under consideration. As regards the other point, there is one more application pending with the government for foreign collaboration in this matter.

SHRI M. K. MOHTA : May I ask the hon. Minister if he would assure the House that unless there are very compelling reasons no licence would be given to such a company ?

PROF. SIDDHESHWAR PRASAD : The hon. Member is asking for an assurance. The Government's policy is that this case will be decided on merit. Whatever the hon. Member has pointed out is a suggestion.

डा० भाई महावीर : श्रीमान्, मंत्री जी ने कहा कि गवर्नमेंट की पालिसी यह है कि सब कुछ मेरिट पर डिसाइड होगा, तो क्या गवर्नमेंट की यह पालिसी नहीं है कि जहां पर हमारी टेक्नालाजी डेवलप हो रही है और देश टेक्नालाजी के मामले में आत्म-निर्भर है वहां पर हम किसी कोलाबोरेशन को एलाऊ नहीं करेंगे। क्या सरकार की पालिसी यह है कि हर एप्लीकेशन के आने के बाद शुरू से लेकर आखीर तक सारे सैद्धान्तिक और दूसरे प्रश्नों का विचार करने के बाद फिर निर्णय होगा ! या सरकार की एक ऐसी कोई मूलभूत नीति तय हो चुकी है कि केवल वहाँ पर विदेशी कंपनियों का हिस्सा स्वीकार किया जाएगा जहाँ पर अपने देश के अन्दर पैदा हुई टेक्नालाजी अभी तक पर्याप्त नहीं है या दुनिया के दूसरे देशों के मुकाबले में खड़ी नहीं हो सकती है ! तो मैं जानना चाहूँगा कि आप विचार क्या कर रहे हैं ! क्या विचाराधीन है ! सरकार की जो नीति है वह हम जानते हैं। स्पष्ट है। यदि वह स्पष्ट है, तो इस तरह की एप्लीकेशन को इन्कार करने के सिवाय कोई और विचार का विषय नहीं हो सकता।

प्र० सिद्धेश्वर प्रसाद : श्रीमान्, माननीय सदस्य ने अपने प्रश्न के आरम्भ में जो बात कही वह बिल्कुल सही है कि अगर हमारे यहां किसी भी क्षेत्र में पर्याप्त तकनीकी विकास हो, तो ऐसे मामलों में सरकार किसी प्रकार के बाहरी सहयोग को प्रोत्साहन नहीं देती है। लेकिन मूल प्रश्न है पर्याप्त तकनीकी विकास का और जिन क्षेत्रों में मूलतः तकनीकी विकास अन्तर्राष्ट्रीय स्तर का नहीं होता है सरकार सामान्य तौर पर ऐसे ही मामलों को विचाराधीन रखती है।

डा० भाई महावीर : श्रीमान्, मेहता जी ने जो कहा कि हमारी इंडस्ट्री आत्म-निर्भर ही नहीं बल्कि हम विदेशों को ब्लेड निर्यात कर रहे हैं, 50 लाख के आर्डर पेंडिंग हैं, उन्होंने कुछ आंकड़े दिये, वह सारी चीज जानने के बाद क्या सरकार को यह विश्वास नहीं हो रहा है कि वह इस विषय में आत्म-निर्भर है।

SHRI M. K. MOHTA : We seek your protection.

SHRI MOINUL HAQUE CHOU-DHURY : May I clarify the position ? The two main manufacturers of blades are Centron Industries Pvt. Ltd., Bombay and Messrs. Harbanslal & Malhotra Sons, Bombay. Both of them are having foreign collaboration.

Therefore, the theory that the existing blade manufacturers have developed indigenous technology without any foreign collaboration is not a correct proposition. The next is that one Sharpedge Limited of Delhi have submitted a proposal for foreign collaboration. This is before us and we are considering it. I think the question relates to Warner Hindustan Limited. This Company has certainly 50% foreign share-holding in the paid up equity capital. But this forms only 35% of the total paid-up capital. According to the definition given in the Press Note dated 13-3-70 by the Government, a foreign company or a branch or a subsidiary of a foreign company includes all such companies as have more than 50% of their paid-up equity capital held by companies registered abroad or by non-Indian nationals or non resident Indians. From that point of view of the test laid down in the Press Note, this Warner Hindustan is not a foreign company. This company has got only, as far as I have ascertained, Rs. 35 lakhs equity share-holding by foreigners. But, even in that case we have not yet approved

and we are looking into the pros and cons of the matter.

DR. BHAI MAHAVIR : Sir, it has not been made clear as to how many applications are under consideration, because we were told that there was only one and now two names have been given.

I would like to ascertain from the hon. Minister.

MR. CHAIRMAN : No other question, please. Yes, Mr. Tyagi.

DR. BHAI MAHAVIR : Sir, two contradictory answers have been given. We should know the position.

श्री श्रीराम प्रकाश त्यागी : अध्यक्ष महोदय, अभी मिनिस्टर महोदय ने यह कहा कि हम विदेशी कोलाबरेशन और सहायता को पसन्द नहीं करते। अभी जवाब मिला आलरेडी इस देश में विदेशी कंपनियों की सहायता से उत्पादन हो रहा है ब्लेड्स का। लेकिन मैं यह जानना चाहूंगा कि अभी और कितनी विदेशी कंपनियां ने इस समय अप्लाई किया हुआ है? क्या भारतवर्ष में अभी तक इतने कोलाबरेशन के पश्चात ऐसी टेकनीक आपकी डेवलप नहीं हुई कि विदेशी कोलाबरेशन की आवश्यकता भविष्य में न हो? क्या सरकार यह आश्वासन देगी कि अब भविष्य में हम किसी विदेशी कंपनी को कोलाबरेशन के लिए अलाऊ नहीं करेंगे?

श्री सिद्धेश्वरी प्रसाद : श्रीमान्, अगर बिल्कुल साफ तौर से इस प्रश्न के विभिन्न पहलुओं को देखा जाए, तो वास्तविकता यह है कि अभी जो 2 ब्लेड बनाने वाली कंपनियां हैं उन्होंने विदेशी सयोग से ब्लेड बनाने के तकनीक की जानकारी हासिल की है और ये 2 कंपनियां नहीं चाहती कि इस क्षेत्र

में विदेशी तकनीकी सहयोग से उनके साथ प्रतिस्पर्धा करने के लिए दूसरी कंपनियां आएँ, इसीलिए सारा मामला खड़ा किया जा रहा है। ऐसी स्थिति में सरकार पूरी तरह गौर करने के बाद इन दोनों कंपनियों के बारे में निश्चित फैसला लेगी जिन्होंने विदेशी तकनीकी सहयोग के संबंध में आवेदनपत्र दे रखे हैं।

DR. BHAI MAHAVIR : Sir, I am rising on a point of order. The hon. Minister has cast aspersions on the Members.

SHRI M. K. MOHTA : Sir, this is a reflection on the Members of the House ...
(Interruptions)

MR. CHAIRMAN : No, no. I am not permitting ...

(Interruptions)

DR. BHAI MAHAVIR : Whom are you permitting, Sir?

MR. CHAIRMAN : All right. I am permitting you.

DR. BHAI MAHAVIR : Sir, the hon. Minister has said that there are two companies which are producing blades in this country and they don't want their monopoly to be affected and therefore this question has been raised in this House.

SHRI MOINUL HAQUE CHOU-
DHURY : No, no.

DR. BHAI MAHAVIR : Sir, I put it to you. Is it proper or permissible for a Minister to cast aspersions on the motives of the Members who are putting questions on the basis of information they have and in the best interests of the country?

MR. CHAIRMAN : This is not casting any aspersion.

* डा० भाई महावीर : नहीं, उन्होंने कहा है कि यह मामला खड़ा किया जा रहा है क्योंकि जो 2 कंपनियां हैं वे नहीं चाहती कि कोई और नयी कंपनी आकर उनकी मोनोपली तोड़े। तो यह मोटिव्ह इम्प्यूट करना नहीं है तो क्या है ?

श्री ओ३म प्रकाश त्यागी : अध्यक्ष महोदय, मेरे प्रश्न का उत्तर क्लियर नहीं हुआ।

श्री सभापति : उत्तर आ गया।

श्री ओ३म प्रकाश त्यागी : मैंने उनसे पूछा था कि क्या भारतवर्ष के टेकनिशियन्स में यह क्षमता अभी तक उत्पन्न नहीं हुई कि उनको भारत से बाहर की विदेशी कंपनियों के कोआपरेशन की आवश्यकता न रहे ? अगर ऐसी क्षमता है, ऐसी क्षमता रखते हैं तो अब विदेश की किसी कंपनी से कोलोबोरेशन की क्या आवश्यकता रह गई है ?

MR. CHAIRMAN : Yes, Mr. Minister will you add any thing ?

प्रो० सिद्धेश्वर प्रसाद : मैंने कहा कि अभी इस पर विचार कर रहे हैं कि जो ब्लेड बनते हैं वे विदेशी स्तर के हैं या नहीं और इन्हीं चीजों को ध्यान में रखते हुए हम अन्तिम फैसला देंगे।

श्री जगदीश प्रसाद माथुर : इन कंपनियों की बात छोड़ दीजिए। इन कंपनियों के बिना भी अपने देश में अपने ज्ञान से, अपने नालेज से ब्लेड बनाने वाली जो संस्थाएँ हैं उनका स्तर आप किस प्रकार का मानते हैं ? उनका स्तर अच्छा है या खराब है, इसके बारे में आपकी क्या राय है ?

प्रो० सिद्धेश्वर प्रसाद : श्रीमान अधिकांश सदस्य ब्लेडों का इस्तेमाल करते हैं और यहां पर जो ब्लेड बनते हैं वे किस स्तर के हैं, मैं एक विशेषज्ञ की हैसियत से इस पर राय नहीं दे सकता हूँ क्योंकि सब लोग इस को काम में लाते हैं।

श्री जगदीश प्रसाद माथुर : जो कालो-बारेशन के माध्यम से ब्लेड बनाते हैं उनकी बात तो छोड़ दीजिए लेकिन जो इंडीजिनस आधार पर ब्लेड बनाते हैं, उनके बारे में आपकी क्या राय है ?

MR CHAIRMAN : Mr Kulkarni.

SHRI A. G. KULKARNI : May I know, Sir whether the Government is aware that particularly the firms, whether of Indian origin or any other origin, applying for licences, control 88 per cent of the production ? Will the Government give attention to such types applications received by the Government while granting licences ? While the policy has been ...

MR. CHAIRMAN : Only one question.

SHRI A. G. KULKARNI : Same question When the policy is not to encourage foreign collaboration, we see by and large that foreign collaborators are also given licences, particularly in the manufacture of blades ..

MR. CHAIRMAN : Your question has come.

SHRI A. G. KULKARNI : Government must keep a strict watch.

PROF. SIDDHESHWAR PRASAD : The hon. Member has given a very good suggestion and we will keep it in mind.

MR. CHAIRMAN : Mr. Appan.

SHRI G. A. APPAN : Will the hon. Minister tell us the number of companies,

Indian-owned, producing razor blades and the total quantity of blades, the value of blades that are produced in this country, and the value of blades imported into this country? May I also know from the hon. Minister why the quality of blades produced in this country has gone down so low—from 1 to 10 shaves per blades in the past to not even 1 shave now? (*Interruptions*) I would also like to know from the hon. Minister if he is using any blades. If so, what is the blade he is using now. . . .

(*Interruptions*)

MR. CHAIRMAN : No, no . . .

SHRI G. A. APPAN : This is a poor man's question. It is a simple thing . .

SHRI A. G. KULKARNI : You have to use soap also . . .

(*Interruptions*)

PROF. SIDDHESHWAR PRASAD : The hon. Member has raised the question about the quality of blades. Government will bring it to the notice of blade manufacturers in India so that they may improve the quality of blades . . .

SHRI A. G. KULKARNI : Sir...

SHRI CHAIRMAN : Mr. Kulkarni, I have not called you now. I would never call you today if you interrupt . .

(*Interruptions*)

PROF. SIDDHESHWAR PRASAD : There are several companies which are manufacturing blades, who are on the list of the DGTD. They are .

Mill Nos.

- | | |
|--|------|
| 1. M/s. Harbans Lal Malhotra & Sons Pvt. Ltd., Calcutta. | 1500 |
| 2. M/s. Vidyut Metallica, Bombay. | 90 |
| 3. M/s. Indo-Swing Pvt. Ltd., Hyderabad. | 250 |

4. M/s. Centron Industrial Alliance Pvt. Ltd., Bombay. 100

5. M/s. National Razors & Blades Co., Pvt. Ltd., Calcutta. 100

6. M/s. Sharpedge Ltd. New Delhi. 300

7. M/s. T.T. Pvt. Ltd. 60

This is the installed capacity of these companies. The actual production . . .

MR. CHAIRMAN : If it is too long, you lay it on the Table of the House . . .

PROF. SIDDHESHWAR PRASAD : Just two lines. About the production in 1971, it is 671.5 million Nos.

SHRI JOACHIM ALVA : May I know whether it is not the intention of the Government that the Indian public owns large companies and distributes them to others? If that is so, how is it that the Union Carbide Company, one of the wealthiest American companies, has been handed over the sales of blades from one of the largest Indian companies?

MR. CHAIRMAN : That question does not arise. The Union Carbide does not come into the picture.

SHRI JOACHIM ALVA : The Union Carbide is advertised as an agent of one of the largest companies. How do you permit such things?

PROF. SIDDHESHWAR PRASAD : This has been brought to the notice of the Government. They have not asked for our permission but we are examining this question.

SHRI PRANAB KUMAR MUKHERJEE : Sir, in reply to part (c) of the Question, i.e. what is the reaction of the Indian manufacturers thereto, it has been stated 'does not arise'. In view of this, may I know from the hon. Minister whether it is a fact that two blade manufacturing companies of India made a representation to the Government of India

that if M/s Hindustan Warner is allowed to produce blades in collaboration with the U.S.A., not only their efforts of developing indigenous technology will be hampered but also their earnest efforts of export will also be hampered ?

PROF. SIDDHESHWAR PRASAD : They have represented to the Government and the Government is considering their representation.

SHRI PRANAB KUMAR MUKHERJEE : Then how can you say that it does not arise ?

MR. CHAIRMAN : Next Question

PUBLIC SECTOR PROJECT AT KALYANI IN WEST BENGAL

***92 SARDAR AMJAD ALI : †**

DR. R. K. CHAKRABARTI :

SHRI K. B. CHETTRI :

SHRI PRANAB KUMAR

MUKHERJEE :

Will the Minister of INDUSTRIAL DEVELOPMENT be pleased to state :

(a) whether Government proposed to set up any Public Sector Project in the Industrial Estate of Kalyani in West Bengal;

(b) if so, the details thereof ;

(c) whether any licence has been issued to any private sector concern for establishing any industry at Kalyani; and

(d) if so, the details thereof ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT (SHRI MOINUL HAQUE CHAUDHURY) : (a) to (d). The Industrial Estate of Kalyani was set up by the Government of West Bengal in 1957 for

setting up of small scale industries mainly. It has 24 sheds all of which have been allotted. The Government of West Bengal have intimated that they do not propose to set up any public sector project in the Kalyani Industrial Estate. Small Scale industries in the private sector which have been set up in this Estate do not need a licence.

SARDAR AMJAD ALI : Sir, the hon. Minister has stated that the Government of West Bengal has informed that they do not want to establish any public sector project in the industrial estate of Kalyani. My first question is whether the hon. Minister will apprise this House of the fact as to when this Government of West Bengal—I mean during the tenure of which Government—requested or informed the Government of India that they did not want to establish any public sector project. With regard to the next part of the question, i.e., as far as the private sector is concerned, I want to know whether there is any application by any industrialist or any concern pending with the Government for establishing any concern over there.

SHRI MOINUL HAQUE CHAUDHURY : Sir, this is an industrial estate under the control of the State Government. As I have already said, all the sheds have already been allotted to different entrepreneurs. Therefore, none is vacant. There is no question of anybody applying and then starting a public sector industries there, the idea of industrial estate is not to start a public sector project there. A public sector project can be set up elsewhere. These industrial estates are set up generally to help medium or small-scale industries. After getting this Question from the hon. Member, we called for information from the Government of West Bengal and on the basis of that information I am giving out information.

DR. R. K. CHAKRABARTI : Sir, Kalyani and Durgapur were the offspring of late Dr. B. C. Roy. Kalyani was supposed to relieve congestion of Calcutta. May I ask the hon. Minister whether

†The question was actually asked on the floor of the House by Sardar Amjad Ali.