

in view of that admission, would the Government put at least the essential industries like tyres and tubes and also their raw materials like synthetic rubber in the exempted list so that production can increase?

MR. CHAIRMAN : Mr. Minister, have you got anything to add?

SHRI M. R. KRISHNA : The Member wants to know only about tyre and its raw material. (*Interruption.*) The hon. Member wants to create his impression. . . (*Interruption.*) . . . Let me have my say. The hon. Member wants to create this impression that because of raw materials, the tyre manufacturers have suffered and for that he wanted the raw material which goes into tyre manufacture should be put on the essential list . . .

SHRI M. K. MOHTA : Exempted list

SHRI M. R. KRISHNA : Yes, exempted list. I would, therefore, submit that the raw material requirement for the tyre manufacture is fully met and even about the import allocated to these manufacturers, the total demand in this country is taken into consideration and on that basis the raw material is allocated.

श्री मान सिंह वर्मा : श्रीमन्, माननीय मंत्री जी यह बतलाने की कृपा करेंगे कि टायर उत्पादन की जो गति चल रही है, उस गति को देखते हुए चांद पर पहुंचने में कितना समय लगेगा ?

श्री दिनेश सिंह : टायर से चांद पर नहीं पहुंचेंगे, अर्द्धक्ष महोदय ।

MR. CHAIRMAN : Yes, this is the last question. Mr. Untoo.

SHRI GULAM NABI UNTOO : Sir, may I know whether, while issuing licences for tyres and tubes in the country, the Government has ever considered such of the areas and States where the railway facilities are least available and whether the Government will always give preference to those States in issuing licences for tubes and tyres? May I also know whether in this respect such States have ever been considered and when the State of Jammu and Kashmir is such a State where there is no railway facility and we always depend on automobiles, whether the Government would ever consider that they would issue licences or they would establish a factory of tyre and tubes in that State?

SHRI M. R. KRISHNA : That will be considered.

MR. CHAIRMAN : All right. Next question.

#### ALLOCATION OF RAW MATERIAL TO SMALL SCALE INDUSTRY

\*268. SHRI A. G. KULKARNI :†  
SHRI B. S. SAVNEKAR :  
SHRI N. P. CHAUDHARI :  
SHRI T. G. DESHMUKH :  
SHRIMATI VIMAL PUNJAB

DESHMUKH :

Will the Minister of INDUSTRIAL DEVELOPMENT AND INTERNAL TRADE be pleased to state :

(a) whether he has made a statement recently to the effect that the raw material allocation by the Directorate General of Technical Development to the small scale sector will be at par with that of the organised sector;

(b) if so, the salient features of the new policy;

(c) whether it is a fact that the acute shortage of certain scarce raw materials in the small scale industry has hampered its growth and competitive capacity; and

(d) if so, whether the new policy is able to meet the demand of the small scale industry?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT AND INTERNAL TRADE (SHRI M. R. KRISHNA) : (a) to (d) A statement is placed on the Table of the House.

#### STATEMENT

The Union Minister for Industrial Development made a statement in August 1970, at a meeting of small industrialist in Delhi that the Government has decided in principle to allocate raw material to the small scale sector on the basis of its production capacity rather than the value of the machinery installed in each unit. Raw material allocation to the small

†The question was actually asked on the floor of the House by Shri A. G. Kulkarni

scale sector has so far been based not in terms of its requirements but on the value of the machinery installed in it. Consequently, the allocations to the small scale units of both ferrous and non-ferrous material has been considerably lower than their requirements which has in turn proved a severe handicap to their growth. To remedy the situation, capacity survey has been undertaken in all the States to obtain reliable statistics on the requirements of raw materials in select industries. This survey has been completed in many States and the data so obtained is now being analysed by the Development Commissioner (Small Scale Industries) so as to assess the requirements of important commodities by units in the small scale sector. Once this data is made available, Government intend to make it as the basis for allocations of raw materials in future to the small scale sector, as is being done in the organised sector.

**SHRI A. G. KULKARNI :** At the outset I want to congratulate the Government for having agreed in principle that the small-scale industries will be supplied raw materials in relation to their production capacity and not according to the value of the installed machinery. The Minister recently made a statement in Delhi before a meeting of the small-scale industrialists that the experience of production will be the criterion. In this connection, is it a fact that the present policy of the Government regarding supply of raw materials and scarce raw materials is on one-shift basis as against the DGTD's supplies to the organised sector on the basis of actual production? May I know if the Government will clarify that the small-scale industries will receive the treatment as received by the organised sector based not on shifts but on the basis of production achieved in this sector?

**SHRI M. R. KRISHNA :** It is true that we are not giving raw materials required by the small-scale industries on the basis of DGTD units.

**SHRI A. G. KULKARNI :** Why ?

**SHRI M. R. KRISHNA :** The Member knows it. We have yet to find out on what basis we can do it because the information which we want from the various States is not available with us. So far only 10 States have given their requirements and we are awaiting further reports. In the meantime a Committee is working under the chairmanship of the Import

and Export Trade Controller and they are taking the requirements of each unit and allocating the materials.

**SHRI A. G. KULKARNI :** I object to what the Minister has stated. Perhaps he has not read the literature given or if he has read it, he might not have understood it. I quote :

"To remedy the situation, capacity survey has been undertaken in all the States to obtain reliable statistics on the requirements of raw materials in select industries. This survey has also been completed in many States and the data so obtained is now being analysed . . ."

If this sentence has any meaning, it says that the survey has been completed and it is now being analysed and the Deputy Minister says that the information is not collected and later they will decide on what basis the allocation is to be made. As such, I request Mr. Dinesh Singh to reply. He made an announcement. Does he contribute to what the Deputy Minister says or he wants to add something?

**SHRI DINESH SINGH :** What my colleague, the Deputy Minister, has said is not something different to what the Member has read out. It is the same. He has said that we have received from a large number of States the reply but we are still awaiting from some. This is what he said in the answer that from many States we have received but not from all the States but the real question that Mr. Kulkarni put was whether we would consider on one shift basis or on production basis. Our effort is to see that the small-scale industries get the raw materials as they require. The difficulty has been that it has not been possible to assess this accurately. That is why this survey has been conducted. Even in this there has been some difficulty because the units are many, they are dispersed and not all of them have their accounts audited. We do not know the exact position and therefore we are trying our best to find out what will be the extent of involvement if we make a commitment one way or the other. That is the question Mr. Kulkarni had asked and my colleague had said that we would be in a better position as soon as we have received from all the States the figures and made some analysis. But the real point—to which Mr. Kulkarni has already made a reference earlier—is that we are trying to meet the requirements of the small-scale

industries as best as possible, not on the basis of their investments but on the basis of the requirements of raw materials for their production.

**SHRI A. G. KULKARNI :** Why I was worried was because the organised industrial sector has started propaganda against the small industries that they will sell the raw materials and so they do not deserve this production. So I drew the attention of the hon. Minister.

**MR. CHAIRMAN :** Put your second question now.

**SHRI A. G. KULKARNI :** My second question is whether the Government in order to evolve a rational policy, will take the basis that these raw materials will be supplied to the small-scale industrial sector, and to bring it under the disciplinary role of the Small Industries Corporation, will the Government give vital importance to the distribution of all these raw materials to bring in discipline as well as to make a *pro-rata* and judicious distribution?

**SHRI M. R. KRISHNA :** These are our main considerations, and from the steps which we have taken the hon. Member will be convinced that we are really interested in the small-scale industrial sector, even in reserving units for the small-scale industries and also in marking certain areas for the small-scale industries.

**श्री राजनारायण :** श्रीमन्, मैं सरकार से यह जानना चाहता हूँ कि जो प्रश्न है उसका वह ठीक उत्तर देगी या नहीं। इसमें निश्चय हुआ है कि :

"whether he has made a statement recently to the effect that the raw material allocation by the Directorate General of Technical Development to the small-scale sector will be at par with that of the organised sector".

मैंने जो उत्तर सुना वह यह है कि जो रिक्वायर करते हैं उतना दिया जाता है। प्रश्न यह है कि जो आर्गनाइज्ड सेक्टर को दिया जाता है उतनी ही मात्रा में जो अन-आर्गनाइज्ड सेक्टर है, लघु उद्योग है उसको दिया जाता है या नहीं और इतना ही मैं जानना चाहता हूँ। अनावश्यक ढंग पर प्रश्नों के उत्तर को छुपाया नहीं जाना चाहिए।

**SHRI M. R. KRISHNA :** The organised sector is definitely on a better footing. As far as the assessment of the raw materials required by it is concerned, it is easy to find it out because the DGTD has got technical people to find out, even before a letter of intent or a licence is given to any organised industry, how much raw material is required, what is the capacity, and all the other things. Of course we are more ambitious to increase the number of small-scale industries, and we are having about a lakh of industries in the whole country for the small-scale sector needing raw material, but at the same time we don't have the technical people with the Directors of Industries in the various States to correctly assess the requirements of the raw materials required for the small-scale industrial sector. This difficulty arose and, therefore, every committee has suggested that we will have to carry out very intensive survey in order to find out what is the extent of the raw materials required.

**SHRI BALKRISHNA GUPTA :** When are you going to have the proper assessment ?

**SHRI M. R. KRISHNA :** It is already in progress.

**श्री राजनारायण :** क्या जवाब दे रहे हैं। श्रीमन्, मेरा एक सिम्पल सवाल है। सरकार पहले पढ़े कि प्रश्न क्या है प्रश्न है कि क्या उन्होंने जान में इस आश्चय का कोई बकन्य दिया है कि तकनीकी विकास के महानिदेशालय द्वारा लघु उद्योग क्षेत्र को कच्चे माल का आवंटन संगठित क्षेत्र के बराबर ही किया जायेगा? अब इसका उत्तर देने के लिए सरकार को बताना चाहिए कि आर्गनाइज्ड सेक्टर में कच्चा माल कितना लगता है और किस प्रकार का लगता है और लघु कुटीर उद्योग में कितना लगता है और उस मात्रा में बराबर एलोकेशन सरकार करेगी या नहीं करेगी? ठीक उत्तर देना चाहिए, और वे उसको मरोड़ रहे हैं आधे घंटे तक।

**SHRI M. R. KRISHNA :** This is contained in the statement itself.

**श्री राजनारायण :** नहीं है, नहीं है। श्रीमन्, यह कहना कि स्टेटमेंट में है या नहीं है, इस से काम चलने वाला नहीं है। प्रश्न स्पष्ट पूछा गया है, उसका स्पष्ट उत्तर आना चाहिए।

श्री सभापति में माननीय दिनेश सिंह से कहता हूँ कि वह जवाब दें।

श्री दिनेश सिंह : सभापति महोदय, मेरे साथी ने भी वही बात कही थी, और स्टेटमेंट में भी यह बात दा हुई है। सवाल सिर्फ यह है कि जिस आधार पर हम देते हैं आर्गनाइज्ड सेक्टर को उसी आधार पर देना चाहिये स्माल स्केल सेक्टर को। यह सवाल उठा। हमारा यह कहना है कि जो बार्गनाइज्ड सेक्टर है उस के बारे में हमारे पास एजेंसोज हैं जो तस्मीना लगा सकती हैं, लेकिन स्माल स्केल सेक्टर के बारे में तस्मीना नही है। जब तक कि पूरा अन्दाज न हो जाये, तब तक किसी एक बात को कहना कि हम इस आधार पर देंगे या नहीं देंगे यह कठिन होता है। लेकिन इस आधार की हम कोशिश कर रहे हैं कि उनको जितनी आवश्यकता हो उतना उनको मिले। आधार कोई बने वह जरूरी नहीं है। उनकी आवश्यकता पूरी हो जाये, यह सबसे ज्यादा जरूरी चीज है।

\*103. [The questioner (Shri Thillai Villalan) was absent. For answer, vide col. 28 infra.]

#### WORKING OF INDIAN RAILWAYS

\*269. SHRI CHITTA BASU : Will the Minister of RAILWAYS be pleased to state :

(a) whether Government have any integrated and comprehensive scheme to check the loss and wastage and improve the working of the Indian Railways ; and

(b) if so, the details of the scheme?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI ROHAN LAL CHATURVEDI) : (a) Yes, Sir.

(b) A statement giving the details of the scheme is laid on the Table of the Sabha. [See Appendix LXXIV, Annexure No. 44.]

SHRI CHITTA BASU : The statement which has been laid on the Table of the House is nothing but the oft-repeated

eleven point programme. I do not like to go into the details of that programme. I think you will know that the average deficit of the railways today is about Rs. 36 crores a year. This is largely due to certain wastages and the sources of these wastages are fuel consumption, pilferage and other sources. My specific question to the hon. Minister is what steps the government have taken with regard to the stoppage of these wastages because every year, as far as I remember, Rs. 11 crores are given by way of compensation on account of pilferage. Will the hon. Minister be pleased to spell out the specific measures which have been taken to stop the wastages on these two counts?

SHRI GULZARILAL NANDA : The hon. Member is quite correct in saying that a considerable portion of the deficit which arises in the operation of the railways arises out of pilferages, thefts and loss of consignments and also because of excessive fuel consumption, specially coal. The hon. Member wants to know what steps are being taken in respect of these two sources of loss to the railway revenue. Regarding pilferage etc. Rs. 11 crores was the figure for the last year in respect of compensation paid to those who have made claims on account of pilferages, etc. This has been increasing from year to year. I personally, and my colleagues, have looked into this problem very thoroughly and steps are being taken in this connection. We have made a complete analysis of the points at which losses occur, such as, marshalling yards, stations, etc. so that the points of concentration can be attacked. In some marshalling yards, we have made special arrangements and have taken special precautions and I believe some good results are coming out of them. When all these steps are taken in respect of various points in about a year or so, I hope that out of Rs. 11 crores, we can save about Rs. 5 or Rs. 6 crores. After examining the various aspects of the question, one could see a possibility for this. Regarding fuel consumption, specially the cost of coal, it is about Rs. 103 crores...

SHRI KALYAN ROY : For that are you going to increase the coal price further...

SHRI GULZARILAL NANDA : If the hon. Member is interested in that...

SHRI KALYAN ROY : I am interested in reducing it.