

RAJYA SABHA

Monday, the 11th May, 1970/the 21st
Vaisakha, 1-92 (Saka)

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

ORAL ANSWERS TO QUESTIONS

CENTRAL RAW MATERIAL BANK

*295. SHRI CHITTA BASU : Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to state :

- (a) whether there is any proposal under Government's consideration to set up a Central Raw Material Bank; and
- (b) if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI BHANU PRAKASH SINGH) : (a) and (b) Yes, Sir. The State Trading Corporation of India has a proposal to set up an Industrial Raw Materials Assistance Centre (IRMAC) for supply of imported raw materials to actual users and also to registered exporters, so as to enable them to receive raw materials replenishment off-the-shelf against their valid import licences.

Some of the State Small Scale Industries Corporations and the NSIC in regard to Delhi State also engaged in procurement and supply of raw materials to meet the needs of small scale industrial units.

SHRI CHITTA BASU : According to a Government Report of 1963-64, it is found that the Central Government gives West Coast priority in the matter of allocation of scarce raw materials while West Bengal in particular and the eastern region in general do not receive their full requirements. It further says that only a very small fraction of the raw material requirements of West Bengal's small and medium-sized industries was met while a larger proportion was given to the Gujarat Government and the Maharashtra Government. That has really created an imbalance. My question in this connection is whether the Government proposes to take every care to see that the imbalance created so far from 1963-64 is really removed by way of liberal allocation of the

scarce raw materials to the eastern region States and that the gap so far created is properly bridged.

SHRI BHANU PRAKASH SINGH : Licences are given to actual users and exporters and there is no question of any difficulty, and as the demands come, we will try to meet them.

SHRI CHITTA BASU : Sir, he has not answered my question; he should particularly hear and listen to what I say. I say that there is a Government Report submitted in 1963-64 wherein it has been said that the small and medium-scale industries in West Bengal and the Eastern region States do not receive their full requirements of the scarce raw material, they could get only a small fraction of their requirements. In this connection, my point is that some gap has been created already, some imbalance has already been created. So my question is whether this proposed Bank for Raw Material Supply will take particular care to see that the gap so far created is properly bridged.

SHRI BHANU PRAKASH SINGH : There have been difficulties regarding raw materials for the small-scale industries only in West Bengal but in other States too and. . .

SHRI CHITTA BASU : I speak only of West Bengal that a gap has been created.

SHRI BHANU PRAKASH SINGH : Regarding indigenous and imported raw material, the gap can be filled only as the stock is there available and distributed. I cannot give any assurance at this time.

SHRI CHITTA BASU : Sir, my second question is whether the Government proposes to set up some Inspectorate to see that this allocation is made rationally, that this supply is rationalised, with a regular supervisory staff. Do Government propose to have such a kind of Inspectorate to look after these things?

SHRI BHANU PRAKASH SINGH : There are the State Governments, the State Corporations and the State Directorate to look after them. I do not see any reason for assigning that work to any special agency.

SHRI A. G. KULKARNI : I want a specific reply to my question, Sir. Apart from the proposal to set up this Raw Material Bank, I want to know whether the Government has taken a

decision to treat the small-scale industries in proportion to their manufacturing capacity as against the big-scale industries? Will the Government assure that a policy decision has been taken by them that the small-scale industries will be given raw materials in relation to their manufacturing capacity? This is my first question. So much of fanfare is there about the Raw Material Bank. There was a report two days back in the press that the scheme of the State Trading Corporation is facing rough weather. Is it a fact? The reasons are also given there that the allocation of foreign exchange and the availability of indigenous raw material are very difficult because the indigenous manufactures are not prepared to part with their end-product which is the raw material for the small-scale industries. May I know whether the Government will assure that adequate protection will be given to the small scale industries?

SHRI BHANU PRAKASH SINGH : Regarding the capacity of the small-scale industries, I have on a number of time stated that we are trying to assess the capacity; it is the policy of the Government and we are trying to bring it on a par with the others. But that will take some time. Regarding raw materials, what was your question?

SHRI A. G. KULKARNI : I have stated that there was a report two days back by a representative of the State Trading Corporation that their own scheme for supplying raw materials is facing difficulties. Here they say 'off-the-shelf'. The English language is very tricky. What is meant by 'off-the-shelf'? I do not know. But they say that they are facing difficulties because, firstly, there is no foreign exchange and, secondly, the indigenous manufacturers are not prepared to part with their end-product which is the raw material for the small scale industries at a reasonable price. May I know whether the Government will assure that they will take care on both these points? The first question I asked was not about the capacity and assessment; I asked whether a policy decision has been taken to treat the small-scale industries, as regards their manufacturing capacity, along with the big-scale industries.

SHRI FAKHRUDDIN ALI AHMED : I would like to clarify the whole position. Our effort is to enable all public sector undertakings to be in

a position to import the raw materials and also to distribute them to the various industries under them. And it is for that reason that not only the State Trading Corporation, but also the NSIC and the State Organisation in every State will be entitled to import the raw material for their own small-scale industries and we shall see that they are given the necessary assistance to implement this programme.

SHRI A. G. KULKARNI : What about the second question that the State Trading Corporation is facing difficulties?

SHRI FAKHRUDDIN ALI AHMED : I have noted there is the difficulty with the State Trade Corporation. It is their attempt to see that all the raw materials required in the country are imported by them, and from the stock...

SHRI A. G. KULKARNI : what about the indigenous supply?

SHRI FAKHRUDDIN ALI AHMED : And also the indigenous supply.

They will try to procure it, and out of both imported and indigenous supplies, they will try to give everyone.

SHRI PRANAB KUMAR MUKHERJEE : May I know from the Minister whether it is a fact that recently the small-scale manufacturers of Howrah have made a representation to the Government of India for allocating a larger amount of raw material and whether it is a fact that as many as 321 small engineering factories at Howrah are almost going to be closed down for want of raw materials and, if so, whether the Minister is going to look into the matter and provide them with the raw materials?

SHRI BHANU PRAKASH SINGH : I want notice for that.

SHRI M. K. MOHTA : May I ask the hon. Minister whether any such Raw Material Banks have started functioning in any centre in Punjab, such as Ludhiana, Batala, Amritsar and Chandigarh and, if so, what is the turnover at each of these centres?

SHRI BHANU PRAKASH SINGH : The matter is under consideration. There is a proposal to set it up. And within six months we shall be able to set it up and so, his question does not arise now.

SHRI KRISHAN KANT : The proposal to set up a Raw Material Bank is a very good proposal. May I know, when they give the raw materials to industries at a controlled price whether they will see that the industries also give them to the market at a controlled price and that the private industries are not charging exorbitant prices making profits? Then, besides this Raw Material Bank, are the Government thinking of any other area where there is this whole distribution agency so that different products are got at cheaper and controlled rates?

SHRI BHANU PRAKASH SINGH : The Bureau of Costs and Prices has been set up for this purpose and it will look into it when the time comes.

SHRI KRISHAN KANT : Sir, my question was that this is an integrated problem and when we give raw materials from the raw materials bank to the industry, the industry should be bound by an agreement that they will give the products to the market at a controlled rate. The Bureau of Costs and Prices does not come in here. I want to know whether the proposal for the setting up of the raw materials bank is an integrated proposal so that you give them raw materials at a controlled price and they give the products at a controlled price.

SHRI BHANU PRAKASH SINGH : The suggestion will be taken into consideration.

श्री सुंदर सिंह भंडार : रा मैटीरियल को सप्लाय करने के सम्बन्ध में जो व्यवस्था करने का विचार सरकार ने कंसिडरेशन में है, क्या उसके साथ-साथ इस रा मैटीरियल से वह नाजायज फायदा न उठाये इसलिए हर पब्लिक सेक्टर कर्मन के साथ कोई फाइनेशियल एड-वाइजर या इनकी कीमतों के निर्धारण की व्यवस्था पर निगरानी रखने के लिए कोई और व्यवस्था, जैसा कि पब्लिक अंडरटेकिंग्स कमेटी की तरफ से भी सुझाव दिया गया है, कायम करने के सुझाव पर सरकार विचार कर रही है ?

श्री भानु प्रकाश सिंह : श्रीमान जिनको यह कच्चा माल मिलेगा इन वैकों से, उनको प्रोडक्शन की फीगर्स भी इसकी रखनी पड़ेगी ।

उनसे पता चल जाएगा कि उन्होंने कितना कच्चा माल काम में लिया और कितना नहीं ।

DR. K. MATHEW KURIAN : May I know whether the Government has already considered the various criteria to be adopted in selecting the products to be included in the raw materials bank and secondly, whether with regard to the imported raw materials to be included in the raw materials bank, the Government would consider, or the Government has already considered a proposal to supply to the producers, particularly the exporting companies, raw materials at international prices?

SHRI BHANU PRAKASH SINGH : The raw materials bank will supply to these actual users at the price which is available to them. There is no question of supplying at a lower price than the price at which they actually get it.

SHRI PHOOL SINGH : Is the Government aware that out of the total amount of scarce raw materials available at the Centre *ad hoc* State-wise allotments are made and, if so, what is the basis of those allotments? Is the Government also aware that the brass industry in Moradabad is carried on as a small cottage industry and the exporters are not industrialists they are middle men and under the export promotion scheme, they get brass in lieu of their export and sell it in the blackmarket?

SHRI BHANU PRAKASH SINGH : In regard to selling in blackmarket, if it comes to the notice of the Government, we will certainly take action. Regarding brass, it is a scarce commodity and it is a canalised item which comes through the MMTC and it distributed to the actual users. If there is any difficulty, it can certainly be brought to the notice of the Government. Secondly, *ad hoc* allotments are made on the basis of the recommendations of the Directors of Industries and it is they who give the figures and we look into them.

SHRI LOKANATH MISRA : May I know whether the hon. Minister or the Deputy Minister has the break-up of the distribution that is being made to each of the States in India? If the House could have the break-up of the distribution of the scarce raw materials, then we could know how justice is being done to the different States under

the socialistic pattern of Government. They talk of socialism, but there are certain States that are enjoying all the benefits and facilities because of the patronage of some of the Ministers here.

SHRI BHANU PRAKASH SINGH : Sir, I refute this charge. There is no patronage. It all depends on small scale industries coming up in the various States and on the demand. There are States like Maharashtra and Punjab who are more alert and vigilant. There are other States possibly like my hon. friend's Orissa which may not be so alert and vigilant. But we are trying to help as far as possible.

SHRI LOKANATH MISRA : Sir, it is not a question of vigilance. I will be misunderstood and the Minister will also be misunderstood. It is not vigilance. It is all backdoor methods, underhand means, nepotism and favouritism by the Ministry.

SHRI BHANU PRAKASH SINGH : No, Sir, it is wrong. Regarding State-wise break-up I want notice.

MOLESTATION OF WOMEN AT RAILWAY WOMEN'S SAMITY FUNCTION

*296. **SHRI A. P. CHATTERJEE :** Will the Minister of RAILWAYS be pleased to state :

(a) whether Government's attention has been drawn to a news-item published in the 'Jugantar' of the 9th April, 1970 to the effect that a large number of women were molested by certain rowdies at a function which was arranged by the Railway Women's Samity on the 7th April, 1970 at Kathihar; and

(b) whether it is a fact that the molestation of women took place in the presence of some railway officers and that they could not do anything in the matter as they were fewer in number than the rowdies?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI ROHANLAL CHATURVEDI) : (a) (b) N. F. Railway Women's Organisation organised a fete at Kathihar on the night of 6-4-70 and not on 7-4-70 as reported in the Newspaper. There was no incident of molestation of women at this function. The news-item regarding molestation of women at this function is not correct and a strong note of protest has been sent to the Editor of 'Jugantar' asking him to publish a contradiction.

SHRI A. P. CHATTERJEE : Whenever such functions are held, inside the Railway compound, are there proper arrangements for protection of the persons there?

SHRI ROHANLAL CHATURVEDI : If there is at all any apprehension we do give protection. But the main thing is, this news item, this whole story is based on untruth and it is a canard.

SHRI A. P. CHATTERJEE : As far as this protest to the Editor of 'Jugantar' is concerned, has it been published by 'Jugantar'?

SHRI ROHANLAL CHATURVEDI : Sir, the 'Amrita Bazar Patrika' published it on 24-4-1970, but 'Jugantar' has not yet published it.

श्री मानसिंह वर्मा : मैं मंत्री महोदय से यह जानना चाहता हूँ कि जब यह समाचार छपा था तभी क्या आपकी तरफ से कोई कंट्रिडिक्शन निकल गया था? दूसरी बात यह है कि आपने कहा है कि यह बिल्कुल गलत है और ऐडिटर से पूछ लिया गया है। तो ऐडिटर से आपने तब पूछा जब यह प्रश्न पूछा गया या उससे पहले ही पूछ लिया गया था?

श्री रोहन लाल चतुर्वेदी : पूछा नहीं गया था बल्कि उनसे प्रोटेस्ट किया कि यह गलत खबर है। इसका 24-4-70 को 'अमृत बाजार पत्रिका' ने प्रोटेस्ट छाप दिया है और अभी, जहाँ तक मेरी जानकारी है, 'जुगान्तर' ने इसको नहीं छपा है।

श्री सभापति : सवाल यह था कि इस सवाल के आने के बाद पूछा या इसके पहले?

SHRI ROHANLAL CHATURVEDI : Sir, as I have already said, the protest was made...

SHRI N. K. SHEJWALKAR : Date and time?

SHRI ROHANLAL CHATURVEDI : I am not now in a position to say the exact date when the protest was made.