

value is Rs. 12,100. About the Massey Ferguson tractors from Yugoslavia, the price is Rs. 15,259 and from the United Kingdom Rs. 12,209, and the selling price in our country is Rs. 21,140.

So far as Escorts is concerned, the selling price is Rs. 17,910 and the C. I. F. value of the imported tractor is Rs. 11,200. So far as Hindustan Tractors is concerned, the selling price of the 35 H P. tractor is Rs. 15,710 and the C. I. F. value of the imported tractor is Rs. 14,200. As for the 50 H. P. tractor, the selling price is Rs. 22,350 as against the G. I. F. value of Rs. 19,500 of the imported one.

**श्री राजनारायण :** क्या सरकार को 5-1-69 ई० के संडे स्टैंडर्ड में प्रकाशित इस खबर की जानकारी है :

"The tractor project which was proposed to be set up at Ramnagar in Varanasi at a cost of about Rs. 16 crores is understood to have been shelved in favour of a private project for the manufacture of tractors with an investment of about Rs. 10 crores".

MR. CHAIRMAN: He has said that there is not much difference between Ramnagar and Mughalsarai.

यह खबर सही है या गलत है और अगर सही है तो ऐसा क्यों हुआ ? श्रीमन्, रामनगर, वाराणसी में, बहुत पहले से ट्रैक्टर बनाने की योजना चल रही है। आप जानते हैं कि बनारस पूर्वी जिलों का एक पिछड़ा हुआ जिला है। तो जब वहां पर यह प्रोजेक्ट एक्सेप्ट हो चुका था तब किसी निजी उद्योगपति के पक्ष में इस स्कीम को क्यों छोड़ दिया गया, यह मैं साफ साफ जानना चाहता हूँ।

**श्री भानु प्रकाश सिंह :** श्रीमन्, इसका जवाब मंत्री महोदय पहले दे चुके हैं।

**श्री राजनारायण :** पहले मुगलसराय के लिये था, रामनगर के लिये नहीं पूछा गया था। इसीलिये मैंने पूरा खबर पढ़ दी है।

**श्री भानु प्रकाश सिंह :** मुगलसराय और रामनगर में कितना फर्क है ?

**श्री राजनारायण :** बड़ा फर्क है, रामनगर और मुगलसराय में आठ मील का फर्क है।

**श्री राजनारायण :** श्रीमन्, यह क्या जवाब दिया। मैं यह जानना चाहता हूँ कि किस उद्योगपति . . .

**श्री भानु प्रकाश सिंह :** जवाब तो सुन लीजिये। माननीय राजनारायण जी के कथनानुसार रामनगर और मुगलसराय में आठ मील का अन्तर है, तो, श्रीमन्, आठ मील के अन्दर में दो प्रोजेक्ट्स सेट-अप करने का गवर्नमेंट का कोई इरादा नहीं है।

MR. CHAIRMAN: Next question.

**श्री राजनारायण :** श्रीमन्, प्वाइंट आफ आर्डर। मेरा प्वाइंट आफ आर्डर है। मैं यह पूछ रहा हूँ कि किस पूंजीपति के पक्ष में यह जो सार्वजनिक उद्योग खोलने की 16 करोड़ रुपये की योजना थी वह छोड़ी गई। किस पूंजीपति के पक्ष में छोड़ी गई। मैं उनका नाम जानना चाहता हूँ।

**श्री भानु प्रकाश सिंह :** किसी भी पूंजीपति के पक्ष में नहीं छोड़ा गया है। जो स्कीम थी वह थी कि एम० एम० ए० सी० और एच० एम० टी० की जो आइडिल कंपैसिटी है उसको असेस कर के एन० आई० डी० सी० को कहा गया है कि वह एक प्राजेक्ट रिपोर्ट तैयार करे और उसके बाद अगर यह बना सकेंगे तो वह बनायेंगे।

**श्री राजनारायण :** कौन बनायेगा।

**श्री भानु प्रकाश सिंह :** एम० एम० ए० सी० बनाएगी।

#### REVOCATION OF INDUSTRIAL LICENCES IN U. P.

- ♦243. SHRI LOKANATH MISRA : SHRI K. C. PANDA : SHRI M. K. MOHTA : SHRI S. S. MARISWAMY :

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

(a) whether attention of the Government of India has been drawn to the news item in the Sunday Statesman of January 5,

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

1969 to the effect that as many as 215 industrial licences envisaging a capital investment of Rs. 125 crores have been revoked in U. P. during the past 17 years of planning;

(b) if so, the reaction of the Government of India in this regard; and

(c) the factors leading to the revocation of industrial licences?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI BHANU PRAKASH SINGH) : (a) to (c) A statement is laid on the Table of the House.

#### STATEMENT

(a) Government has not seen any report on revocation of licences issued under the Industries (Development and Regulation) Act, 1951, for industries in U. P. in the 'Sunday Statesman' dated the 5th January, 1969. However, a Press Report on the subject in the 'Sunday Standard' of that date has come to the notice of Government.

(b) and (c) Licences are revoked on account of failure on the part of licensees to establish or to take effective steps for the establishment of undertakings within the time specified therefor in the licences or within such extended period as may be allowed by Government in specific cases.

These licences were revoked in the normal course in pursuance of Government's policy to weed out licences which have remained unimplemented for long periods, even after grant of extension of validity of licences in certain cases. Such revocations have taken place in other States also. The number of licences revoked in Uttar Pradesh during the last 17 years is 189.

SHRI M. K. MOHTA: Sir, may I ask the hon. Minister whether it is a fact that most of the licences revoked during the Third Plan period pertain to the sugar industry and cotton textile industry; and in the case of sugar industry, it is due to the non-availability of cane? And if the answer is in the affirmative, are the Government thinking of any plans to spend more on irrigation so that more cane may be made available and the sugar industry in U. P. may expand?

SHRI FAKHRUDDIN ALI AHMED: Sir, I have already said that there are only two reasons when the licences are revoked. One is that when there is no implementation of the subject matter for which the

licence was obtained, and secondly, when a certain time is given for them to take necessary steps in order to implement the licence and if those steps are not taken within that time, or if an application is made for extension of time and even after extension of time, no implementation is done, then the licences are revoked. It is only under these two conditions these licences have been revoked. This is not a feature only with U. P., but also with other States where licences, if they are not implemented, are being revoked.

SHRI M. K. MOHTA: Sir, I asked specifically whether the licences were not implemented due to shortage of cane. I have not been given any answer to that question.

SHRI FAKHRUDDIN ALI AHMED :

I can only say that the number of licences which have been revoked from 1958 to 1968 is about 189 in U. P. and of these licences, so far as my information is concerned, the number of licences revoked with regard to the sugar industry is only 13-

SHRI S. S. MARISWAMY : In the statement laid on the Table of the House, it is said "Licences are revoked on account of failure on the part of the licensees to establish or to take effective steps for the establishment of undertakings within the time specified...." Is it a fact, Sir, that many of the licensees are afraid that the Congress bosses, especially the higher-ups in charge of elections, are demanding large amounts as donations from businessmen and that is why these businessmen are afraid of starting any industry or making use of the licences?

SHRI BHANU PRAKASH SINGH : This has nothing to do with that. There is no relation between the two.

SHRI S. S. MARISWAMY: It has got relation, Sir. I am asking the hon. Minister whether it is a fact. . .

SHRI BHANU PRAKASH SINGH : It is not a fact.

SHRI S. S. MARISWAMY: . . . that the Congress bosses are harassing the businessmen for money and that is why they are afraid of setting up industries?

SHRI FAKHRUDDIN ALI AHMED : Sir, the allegation is baseless. There is a laid-down procedure that before revoking

licences, we also give an opportunity to the person concerned to show cause why the licence should not be revoked. After full opportunity is given and after his explanation is examined by us, the licence is revoked. If the hon. Member can show any instance where this thing has been done, I will be happy to look into it. It is no use for him to make such allegations.

SHRI SITARAM JAIPURIA: Sir, the hon. Minister stated that 189 licences were revoked in U. P., and similarly licences were revoked all over the country. May I know from the hon. Minister what the total number of licences revoked all over the country is, if he has the statement with him? Secondly, is it not a fact that when any licence is issued, a complete scrutiny in detail is made? And later on, since the factories had not come up, has the Ministry made any enquiries to find out what had been the possible reasons for the lapsing of these licences? Also I would like to know whether it is not a fact that because most of the financing agencies are situated in port towns like Bombay or Calcutta, U.P. and other areas being in the interior, are not able to get facilities from those institutions, and this is also one of the reasons for the industries not being set up?

SHRI BHANU PRAKASH SINGH : Regarding the total number of licences revoked all over the country, it is 1,954. As far as the second part of the question is concerned, this is always due to the entrepreneur's difficulty in finding certain finances; or a certain handicap from the State Government or he is not interested because he cannot afford to do it. Therefore, these licences are revoked. And generally if the Government feels that because of the Government certain things had not been done, then we have a sympathetic consideration. Regarding the financial institutions being situated in port cities, I understand, Sir, that finances can be got from there, as otherwise industries in many parts of the country where there are no ports would not flourish.

SHRI N.PATRA : I want to know from the hon. Minister whether the revocation of the licences was being effected due to the old mills becoming more obsolete and the mill-owners refusing to give an economic price to the sugarcane producers. Is it due to these causes that these people could not implement the licences and they were revoked?

SHRI BHANU PRAKASH SINGH : No, Sir, it is not a fact.

MR. CHAIRMAN: Next question.

#### ALLOCATION OF PRIORITY STEEL OF SCARCE CATEGORIES

\*244. SHRI A. D. MANI:!

SHRI LOKANATH MISRA :

Will the Minister of STEEL AND HEAVY ENGINEERING be pleased to state :

(a) the details of the procedure for allocation of scarce steel;

(b) whether Government have recently revised the procedure for allocation of steel of scarce categories from April to September, 1969; and

(c) if so, the details of the categories?

THE MINISTER OF STEEL AND HEAVY ENGINEERING (SHRI C. M. POONACHA) : (a) With the removal of statutory control over the pricing and distribution of steel with effect from the 1st May, 1967, the allocation of scarce categories of steel is done by the Joint Plant Committee. The Committee takes into account the estimates of availability, the allocations in the previous year, the planning of indents in the previous year and the outstanding orders on the producers. The allocations are made by the Joint Plant Committee in bulk in favour of different sponsoring agencies who, in turn, distribute quota ceilings to individual units. For the year 1968-69, the producers have been allowed to sell 10 per cent through their stock-yards and a further 10 per cent to cover the backlog of orders pending with them.

(b) No, Sir.

(c) Does not arise.

SHRI A. D. MANI : Sir, may I ask the Minister to tell us as to what is the expectation of the Government of total estimated production of steel in the current year because in 1965-66 it had fallen down to 8,7000 tons and there was a committee appointed—the Khadilkar Committee— which went into the matter of distribution? May I ask the Minister whether he expects that there would be an improvement in the figures of production of steel during the current year?

<sup>f</sup>The question was actually asked on the floor of the House by Shri A. D. Mani,