

MR. DEPUTY-SPEAKER: We now take up the clauses. The question is:

"That clauses 2 and 3 and the Schedule stand part of the Bill."

*The motion was adopted.*

Clause 2 and 3 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI SATISH AGARWAL: I move that the Bill be passed

MR. DEPUTY-SPEAKER. The question is:

"That the Bill be passed."

*The motion was adopted.*

13.37 hrs.

PONDICHERRY APPROPRIATION  
BILL, 1979

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): I beg to move:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the Union Territory of Pondicherry for the services of the financial year 1978-79, be taken into consideration."

MR. DEPUTY-SPEAKER: The question is:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the Union Territory of Pondicherry for the services of the financial year 1978-79, be taken into consideration."

*The motion was adopted.*

†Moved with the recommendation of

MR. DEPUTY-SPEAKER: The question is:

"That Clauses 2 and 3 and the Schedule stand part of the Bill."

*The motion was adopted.*

Clauses 2 and 3 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill

SHRI SATISH AGARWAL: I move: "That the Bill be passed."

MR. DEPUTY-SPEAKER The question is.

"That the Bill be passed"

*The motion was adopted.*

13.40 hrs

INDUSTRIES (DEVELOPMENT AND  
REGULATION) AMENDMENT BILL

MR. DEPUTY-SPEAKER. We shall take up further consideration of the Industries (Development and Regulation) Amendment Bill Shri Fernandes.

THE MINISTER OF INDUSTRY (SHRI GEORGE FERNANDES): The Bill that I have moved before the House, as I have said the other day, seeks to amend the IDR Act in two respects. One is in regard to the moratorium part. The present clause provides for moratorium for certain outstandings etc. for a period of five years and we have now reached a point where the five-year moratorium in respect of certain industries is due to expire from the first week of next month. We have also learnt from experience that a five-year moratorium,

the President.

[Shri George Fernandes]

is not adequate enough to put sick industries on a sound footing and, therefore, we have come forward with an amendment for extending the period of moratorium to eight years. At the moment we have 56 industrial undertakings, with a capital investment of over a hundred crores of rupees and employing more than a hundred thousand workers, that have been taken over under the Industries (Development and Regulation) Act: they are sick units, which the Government is now managing. I am not including nationalised units like the Nationalised Textile Corporation units, Jessops and other Engineering units: I am referring to those units which were sick and had to be taken over, and which are currently being run under the IDR Act. I am mentioning this point only because currently there is a debate going on in the country about the sickness of the public sector and the health of the private sector. I want the House to know and I also want the country to know that, as of now, the investment of a hundred crores of rupees and the fate of a hundred thousand workers would have been in jeopardy but for the fact that the Government had intervened and taken over units which had either closed down or were on the verge of closing down, and has been making an effort to run these units and nurse them back to health. In order to continue these efforts towards a successful end we believe it is necessary to raise the period of moratorium to eight years.

The other amendment that is sought to be made is because of the new policy of reserving certain number of items for manufacture by the small scale sector. As the House knows, 807 items have now been reserved for the small scale sector; and, in this particular case, we are mentioning six items for inclusion in the Schedule because in 1964 there was a Government Press Note which specifically mentioned that these industries are not a part of the schedule. It is necessary to bring them under the Schedule in order that we may regulate the manufacture of these

items and effectively implement our programme of reserving these items for the small scale sector. A few amendments are there—one or two seek to get the Bill circulated for eliciting public opinion. We have a problem here, Sir. We have issued an ordinance in view of the fact that the moratorium period was running out and it was necessary that this Bill is passed.

MR. DEPUTY-SPEAKER: Anyway both the members who have given those amendments are absent.

SHRI GEORGE FERNANDES: That makes it easier.

I do not have anything more to say on this Bill. I commend it to the House.

MR. DEPUTY-SPEAKER: Motion moved:

"That the Bill further to amend the Industries (Development and Regulation) Act, 1951, be taken into consideration."

There are two amendments for circulation. One by Shri Vinayak Prasad Yadav—he is not here. Another by Shri A. K Roy—he is also not here. So we proceed with the discussion.

Shri Sathe

SHRI VASANT SATHE (Akola): I must thank and congratulate my friend Shri George Fernandes for having brought this amendment which was long necessary actually because we found in the working of the Industries (Development and Regulation) Act the five year period was really even otherwise in the normal time a very insufficient period to bring any industry which was squeezed out and exploited by the private management nursed completely back to health. By the time you re-organised it, by the time you made investment and by the time public funds were invested, the five year period would be over and you are again in difficulty. Therefore, I think this is a very welcome measure that this period is extended to 8 years.

Now I want to take up a larger issue while we are on this subject because the Minister himself made a reference to the general policy. I always felt that one most imminent need of this country was to look to the industries run by the private sector. Why should it be so that the Government was always called upon to do the donkey's work of building the infrastructure in the country, investing public money in areas where there is no profit-making? Whether it is steel, coal, fertilisers or power generation or any industry—all these industries which require a long gestation period and crores and crores of rupees investment, that investment must be done by the government investing public money, not getting immediate returns and getting all the criticism from the private sector that the public sector is being mis-managed and all that and not earning profits, but the entire profit-making sector, where real capital formation was taking place in this country and where the end products, the consumer goods, both sophisticated, luxury items and others have a margin of profit of sometimes even 300 per cent—all that was in private sector and they were having virtual loot of this country. The entire capital formation is taking place in their hands. We always thought by our taxation we could take it away. But could you do it by taxation—when in the initial stage itself as also at the raw material stage and then in the selling price and in the margin of profit, everywhere it was all manipulation and that is how real profit was made and that is how the black money grew and we could not curb it. Sir, it is not a question of A Party or B Party, I again repeat, it is not a question of A Party or B Party, whichever Party in the country is in power, unless they are very clear about this policy of whether you are going to allow an exploiting economy in the name of free enterprise, in the name of a capitalist structure, allowing capital formation take place in these private sectors of exploitation, you may do whatever you want to, you will not be able to do social justice; you will not be able to decentralise; you

will not be able to build those small scale sectors because the large-scale sectors control your economy and they will always try to throttle your economy. They have the real money power and they run virtually a parallel economy in this country.

Therefore, I always welcome pronouncements from Shri George Fernandes and other hon. and Progressive Members of the Janata Party when they say that in the key areas, key industries will be nationalised. I am not in favour of nationalisation for the sake of nationalisation. Nobody has ever had that argument. Where you want to control and direct your economy, why must we not do that like this? I think I went on record in this House, in the earlier Government, that having said and urged and argued, under the Industries Development Bill, why should the Government be a nursing home of taking over only the sick units first? That means it is a premium on exploitation. Firstly you allow the private management to divert the profits, say, from the textile industry to some other more profit-making industrial sector and thus start that industry by making it sick and making the machinery to deteriorate without maintenance and making it grow old and then you will say 'All right, the industries are old and let the Government hold the baby and nurse it by picking up the sick unit. Why must we not have a policy that, if textile units are taken over as sick, along with those sick textile units, we take over the good units also? We are not doing any charity to anybody through nationalisation. With regard to textile industry development of it takes nearly five to six years. In some of the units taken over the investments are made so as to bring them at a level. This is a very wrong policy, I think if you like we should have a national debate that cuts across the partyline. Let us have a national debate on what should be our industrial and our national policy in this regard.

Then there was protestation for encouraging the small scale industries. That would mean giving employment

[Shri Vasant Sathe]

and all that. I shall give you one example. Take matches. I know WIMCO is a monopoly, big, house and it is a multi-national. In keeping with your attack on Coca Cola, it is right that you take over WIMCO.

SHRI VAYALAR RAVI (Chirayinkil): But what about Siemens—there is an import of technology?

SHRI VASANT SATHE: When that comes, he will be able to explain.

SHRI VAYALAR RAVI: Let him not explain but let him defend.

SHRI VASANT SATHE: What I am saying is this. You want to encourage small scale. I do not want to encourage that. When you want to encourage small scale sector I don't encourage the cottage industries sector. We know about it. What do you know about it? In the name of, or, in the garb of small scale sectors, there is a racket going on in Sivakasi. In Sivakasi there is one family, that is Shri P. Aiyar Nadar (Interruptions) All his sons and daughters and wife are there. I shall give you the names. There are hundreds of units and I have a catalogue which is a monopoly. Shrimati Janaki Ammal is having Lotus Match Works. Then her daughter and her husband have got the units under them. Their son, Shri Ramamurthy has one unit. The second son, third son and the fourth have some units. Fortunately, there was no family planning at that time. Here is a chart. He has got four sons and only one daughter. Besides, he has son-in-laws and brothers. Like that, the chart goes on. Sons-in-law, daughters, their husbands and sons, their wives have got units. Like that, the chart goes on. There are hundred units. There is a biggest exploitation of children—child labour. Young kids are picked up in the night at 4 O'clock or 5 O'clock who are aged 12 to 13 and you must have read the *Times of India* Report according to which thirtyseven children died in a bus accident while they were picked up from homes. Has anybody looked into this? I would like to say that even such units should be taken over.

You cooperativise them and stop exploitation. Under the garb of small scale industry do not allow such type of racketeering and exploitation.

Now, Sir, I have given an amendment for including "Litho Printing Industry". They may wisely get away by saying that it is ordinary printing and, as such, it does not apply.

MR. DEPUTY-SPEAKER The Minister is accepting your amendment.

SHRI VASANT SATHE: It is good. He deserves full compliments.

Sir, I want to bring to his notice that in Sivakasi there is a racket of fire crackers, litho and matches and the children are being exploited. This is a family racket. Therefore, I would like him to have an inquiry conducted into the working of this industry and take action. I thank him for accepting the amendment and with these few words I would commend the Bill once again.

श्री मनोहर लाल (कानपुर) उपाध्यक्ष महोदय, नई औद्योगिक नीति जो 1979 में उद्योग मंत्री जी ने प्रस्तुत की थी और उद्योग (विकास तथा विनियमन) अधिनियम, 1951 का और संशोधन करने वाला जो विधेयक प्रस्तुत किया है, उसका समर्थन करने के लिए मैं खड़ा हुआ हूँ।

यह बात ही अच्छा विधेयक है जो उद्योग मंत्री श्री जार्ज फर्नान्डीस ने प्रस्तुत किया है। जब जनता सरकार बनी थी, उससे पहले 180 बीजेओ को इस सूची में रखा था और उसकी जाँच साहब ने बड़ा कर 504 कर दिया है। इस उद्योग नीति के अन्तर्गत 504 बीजेओ उद्योग धन्धों के अन्तर्गत आ गई है। अभी जो एम्बेडमेंट प्रस्तुत किया गया है, उस में 4, 5 बीजेओ और उस में बड़ाई गई है। इस से यह जाहिर होता है कि हम उन छोटे छोटे उद्योग धन्धों को बढ़ाना चाहते हैं, जिन की मारफत गाँवों का विकास करना चाहते हैं और गाँवों की आर्थिक अवस्था को सुधारना चाहते हैं। यह स्वागत करने की बात है और हम इस का स्वागत करते हैं लेकिन इस के साथ ही साथ मैं यह भी कहना चाहूँगा कि जिस तरह से वे लोग रहें हैं कि हम छोटे छोटे उद्योग धन्धों को घाते बढ़ावें, वह अफसर सत्ताही के मौजूदा रवैये के कारण संभव नहीं है। अफसर सत्ताही का जो

नंगा नाच सामने दिखाई देता है, उस से जनता सरकार का जो उद्देश्य है, जो वह छोट उद्योग धंधों को भागे बढ़ाना चाहती है और गांधी मं जो गरीबी की रक्षा के बहुत नीचे रहते हैं, उन को ऊपर उठाने की जो वह योजना बना रही है, वह उद्देश्य पूरा होना सम्भव नहीं लगता है। 504 चीजे, जो छोटे उद्योग-धंधों की सूची में रखी हैं, जिनमें गांधी बाकों की आर्थिक दशा सुधारने की बात है, वह जो अफमरशाही का नंगा नाच दिखाई देता है, उस से वह पूरा नहीं होगा क्योंकि जो सलूलियते हम छोटे छोटे उद्योगों धंधों का देना चाहते हैं चाहे वे बैंकों के माध्यम से हों या किसी और माध्यम से, वे उन तक नहीं पहुँच पायी हैं। इसलिये हम तरफ में माननीय मंत्री जी का ध्यान आकषिप्त करना चाहता हूँ।

दूसरी बात यह है कि जा विल रखा है उस में उन्होंने यह प्रस्ताव किया है कि पांच साल के बजाय आठ साल का समय रखा जाए। उन ईकाइया और सिर मिला को जिनका विक्रय ओवर करते हैं, आठ साल के अन्दर मुनाफे की तरफ ले जाने का प्रयास किया जाएगा। यह आठ साल का समय बहुत ज्यादा है। जिन मिलों का प्रबंध अपने हाथ में लिया गया है एनटीसी की मारफत लिया गया है या किसी तरह स भी लिया गया है, जिस तरह से उन मिलों का धागे बढ़ाने या फायदे की तरफ ले जान की योजना है, वह कारगर नहीं हो पा रही है, वह पूरी तरह से चल नहीं पा रही है। दा-तहाई स ज्यादा ऐसी ईकाइया हैं जिनका तुर्गन संरक्षण देने का आवश्यकता है। अगर उनको संरक्षण नहीं दिया जाएगा तो वे ईकाइया जो घाटे की तरफ जा रही हैं उनमें और अधिक घाटा हान की सम्भावना है। पिछली बार लोक सभा में जाज साहब ने घोषणा की थी कि 105 मिलों में से बहुत सी मिलें मुनाफे में जा रही हैं। लेकिन हम बानपुर की बात बताना चाहते हैं। हमारे बानपुर में पांच मिलें एनटीसी की चालती हैं। इन में सरकार का बहुत अधिक बोझ है और ये लगभग सरकार की ही धन से चल रही हैं। उन मिलों की हालत बहुत खराब है। प्रबंध ठीक न होने की वजह से यह सब है। हम तो यह सोचते थे कि ये ईकाइया मुनाफे की तरफ जाएगी लेकिन वे मुनाफे की तरफ नहीं जा रही हैं और उनमें करोड़ों रुपये

का घाटा चल रहा है। यही नहीं, पब्लिक अइर-टेकिंग की जो टेनरी कारपोरेशन है उसमें भी तीन करोड़ रुपये से ज्यादा का घाटा प्रतिवर्ष होता है। यह घाटा बराबर चला आ रहा है। उस तरफ भी मंत्री जी ने काफी ध्यान दिया है। राज्य मंत्री जी भी बानपुर गए थे। उन्होंने इसका भी निरीक्षण किया था साथ ही साथ दूसरी मिला का भी निरीक्षण किया था। उनके सामने 4 या 5 सारी बातें रखी गयी थी। उन मिलों में जिनका प्राइवशन होना चाहिए, उनका प्राइवशन नहीं हो रहा है कम प्राइवशन हो रहा है। हम के लिए केवल समिति ही जिम्मेदार नहीं है। यह देखा गया है कि बहुत से अधिकारी भी यह नहीं चाहते हैं कि वहाँ प्राइवशन अधिक हो। हमारे यहाँ एक स्वदेशी काटन मिल है जिसको टेकओवर किया गया है। उसका नेशनलाइजेशन नहीं हुआ है। उस स्वदेशी काटन मिल के अन्दर जा प्रबन्धक हैं, वे सब पुराने हैं जो जयपुरिया कम से जड़ हुए थे, वे सब इस बात के लिए काशिश कर रहे हैं कि इस मिल में घाटा दिखाना दिया जाए जिसमें कि यह साबित हो कि सरकार इसको चला नहीं पा रही है और इसको चलाने की सरकार में क्षमता नहीं है। हम चाहते हैं कि इस तरह की बातों की ओर मंत्री जी ध्यान दें।

13 57 hrs.

[MR SPEAKER in the Chair]

जिन मिला का सरकार चला रही है उनका प्रबंध ठीक हो। बहुत-सी मिलें एसी पड़ी हुई हैं जिनका टेक-ओवर करना है। हमारे कानपुर में भी ऐसी मिला या उद्योग मिलें हैं जिनका टेक-ओवर होना ही चाहिए। जैसे कि बानपुर में एक ईसाई मिल है जो बंद पड़ी हुई है, वह तीन साल से बंद पड़ी है। दूसरी जयपुर उद्योग बंद पड़ी हुई है। जिनके बंद होने से लगभग दस हजार मजदूर बेकार हैं जिनकी राजी-रोटी की एक समस्या है। हम तरफ भी मंत्री महाशय ध्यान दें। वहाँ क लाग आ कर मिलें भी वे और मंत्री महाशय न यह आश्वासन भी दिया था लेकिन इस तरफ कोई ध्यान नहीं दिया गया है।

यह कहा जाता है कि हमारी उद्योग नीति कोई नयी नीति नहीं है और इस पर नमाम तरफ से कटाक्ष और व्यय किया जात है। हम कहना चाहते हैं कि जनता सरकार की जो औद्योगिक

[श्री मनोहर लाल]

नीति है वह बहुत ही अच्छी नीति है। इस का हम स्वागत करते हैं और हम बताना चाहते हैं कि जहाँ पहले 108 चीजें छोटे उद्योगों के लिए थी अब उनमें 504 चीजें आ गयी हैं। इतना होते हुए भी हम चाहते हैं कि इस तरह विशेष ध्यान देना चाहिए ताकि हमारे छोटे उद्योग घरे पनप सकें और गांवों का आर्थिक विकास ठीक से हो सके। अभी तक छोटे उद्योग वाले द्विविधा में पड़े हुए थे कि छोटे उद्योगों की सूची में क्या आयेगा, बड़े उद्योगों की सूची में क्या आयेगा। अब यह द्विविधा समाप्त हुई है। इन शब्दों के साथ हम इसका समर्थन करते हैं।

14 hrs.

#### STATEMENT RE. SOVIET PRIME MINISTER'S RECENT VISIT TO INDIA

THE PRIME MINISTER (SHRI MORARJI DESAI): Mr. Speaker, Sir, as the House is aware, the Chairman of the Council of Ministers of USSR, His Excellency Mr. A. N. Kosygin paid an official visit to India from March, 9 to 15, 1979. Since his last visit to India in 1968, there had been several changes in the face of Indian economy and agriculture. We therefore thought that it would be appropriate for us to acquaint him with the pace and quality of Indian development. His programme accordingly included three days of stay in Delhi and two days for visits to outside places. He visited the Heavy Engineering Corporation plant in Ranchi, spent some time at Anand visiting a typical Indian village, the Amul Dairy plant and the National Dairy Development Board. He also visited the Hindustan Machine Tools plant and the Indian Space Research Organisation Centre at Bangalore. Wherever he went he showed keen appreciation of the institutions he visited and the warmth of his reception.

During his stay in Delhi, he had several long discussions with me and with the Deputy Prime Minister (Finance) and Deputy Prime Minister (Defence), the Minister of External Affairs, and the Minister of Industry. We had

two plenary meetings with some members of our Government and the senior members of his delegation. The joint communique a copy of which is placed on the Table of the House, gives a summary on the important points arising out of the various discussions. [Placed in Library. See No. LT-4157A/79]. Since the communique contains the important conclusions we reached during our discussions I am refraining from repeating them here.

Indo-Soviet relations are a vivid demonstration of how two countries different in their socio-economic structures can work together for bilateral advantage and on the basis of Panch-sheel Cooperation between our two countries has gathered new momentum and constitutes an important factor for peace and stability in Asia, indeed in the world.

Soviet Union recognises the validity of India's policy of non-alignment which is reflected in our independence of judgment and action. We on our part recognise what Soviet Union has done to ensure detente and promoting cooperation in Europe. We would like to see this process of detente extended to other parts of the globe. It was therefore natural that we viewed with some concern the disturbed situation in South East Asia and also in our West. We agreed that the people of a country should be allowed to develop themselves without outside interference, in a manner of their choice and in a way suited to their own genius. We also agreed that relations between countries must be governed on basic principles such as respect for territorial integrity, sovereignty and non-use of force. We recognised that for peace and stability in Asia it was necessary for all countries in the region to cooperate with each other for mutual benefit and on the basis of equality and respect for sovereignty.

I am very happy to say that there was a very wide ranging similarity of views between our two countries. As the House is aware, the mutually beneficial cooperation between India