

MANIPUR APPROPRIATION (VOTE
ON ACCOUNT) BILL,* 1973

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): I beg to move for leave to introduce a Bill to provide for the withdrawal of certain sums from and out of the consolidated fund of the State of Manipur for the services of a part of the financial year 1973-74.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for the withdrawal of certain sums from and out of the consolidated fund of the State of Manipur for the services of a part of the financial year 1973-74."

The motion was adopted.

SHRI K. R. GANESH: I introduce the Bill

I beg to move*:

"That the Bill to provide for the withdrawal of certain sums from and out of the consolidated fund of the State of Manipur for the services of a part of the financial year 1973-74, be taken into consideration."

MR. DEPUTY-SPEAKER: The question is:

"That the Bill to provide for the withdrawal of certain sums from and out of the consolidated fund of the State of Manipur for the services of a part of the financial year 1973-74, be taken into consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER: We will take up clause by clause consideration.

The question is:

"That Clauses 2 and 3, the Schedule, Clause 1, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted.

Clauses 2 and 3, the Schedule, Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI K. R. GANESH: I beg to move:

"That the Bill be passed."

MR. DEPUTY-SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

15.03 hrs.

DEMANDS** FOR GRANTS 1973-74
—contd.

MINISTRY OF INDUSTRIAL DEVELOPMENT AND DEPARTMENT OF SCIENCE AND TECHNOLOGY

MR. DEPUTY-SPEAKER: We now take up discussion on the Demands of the Ministry of Industrial Development,—Demands 58 and 59—and the Demands of the Department of Science and Technology—Demands 95 to 97—for which 6 hours have been allotted. Hon. Members present in the House and desirous of moving their cut motions may send slips to the Table within 15 minutes indicating the serial numbers of the cut motions they would like to move.

*Published in Gazette of India Extraordinary, Part II Section 2, dated 30-3-73.

†Introduced/moved with the recommendation of the President.

*Moved with the recommendation of the President.

DEMAND No. 58—MINISTRY OF INDUSTRIAL DEVELOPMENT

MR. DEPUTY-SPEAKER: Motion moved:

"That a sum not exceeding Rs. 1,61,82,000 on Revenue Account be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1974, in respect of 'Ministry of Industrial Development'."

DEMAND No. 59—INDUSTRIES

MR. DEPUTY-SPEAKER: Motion moved:

"That a sum not exceeding Rs. 12,61,34,000 on Revenue Account and not exceeding Rs. 24,17,93,000 on Capital Account be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st March, 1974, in respect of 'Industries'."

DEMAND No. 95—DEPARTMENT OF SCIENCE AND TECHNOLOGY.

MR. DEPUTY-SPEAKER: Motion moved:

"That a sum not exceeding Rs. 3,19,35,000 on Revenue Account and not exceeding Rs. 17,07,000 on Capital Account be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1974, in respect of 'Department of Science and Technology'."

DEMAND No. 96—SURVEY OF INDIA

MR. DEPUTY-SPEAKER: Motion moved:

"That a sum not exceeding Rs. 8,04,68,000 on Revenue Account be granted to the President to com-

plete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1974, in respect of 'Survey of India'."

DEMAND No. 97—GRANTS TO COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH.

MR. DEPUTY-SPEAKER: Motion moved:

"That a sum not exceeding Rs. 20,19,58,000 on Revenue Account be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1974, in respect of 'Grants to Council of Scientific and Industrial Research'."

The hon. Members may now move the cut motions.

SHRI DINEN BHATTACHARYYA (Serampore): I beg to move:

"That the demand under the head Ministry of Industrial Development be reduced by Rs. 100."

[Need to nationalise 75 big houses without paying compensation. (40)]

"That the demand under the head Ministry of Industrial Development be reduced by Rs. 100."

[Failure to remove the industrial imbalances in different regions of the country. (41)]

"That the demand under the head Ministry of Industrial Development be reduced by Rs. 100."

[Failure to arrange proper supply of raw materials to the small scale factories all over the country. (42)]

"That the demand under the head Ministry of Industrial Development be reduced by Rs. 100."

[Need for providing requisite marketing facilities to the small scale sector. (43)]

"That the demand under the head Ministry of Industrial Development be reduced by Rs. 100."

[Need for the starting of labour intensive factories in the backward regions. (44)]

"That the demand under the head Ministry of Industrial Development be reduced by Rs. 100."

[Need for banning installation of computer machines in industrial plants. (45)]

SHRI SHIVNATH SINGH (Jhunjhunu): I beg to move:

"That the demand under the head Ministry of Industrial Development be reduced by Rs. 100."

[Need to treat the cement bags with chemicals from inside like fertilizer bags to minimise leakage of cement from bags. (50)]

SHRI D. K. PANDA (Bhanjanagar): I beg to move :

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1"

[Failure to develop indigenous technical know-how and managerial experts from among the workers in different industries. (53)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1"

[Failure to implement and develop 13 industries in Orissa for which licences have already been granted. (54)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1"

[Failure to take over closed industries in the country in general and Orissa in particular. (55)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1"

[Failure to ensure regular supply of raw materials mainly steel to the small scale industries in general and in Orissa in particular. (56)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1"

[Failure to bring out progressive changes in the Industrial Policy Resolution in conformity with the Policy of economic self-reliance. (57)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1"

[Failure to prevent the monopoly houses from taking maximum advantage of the Governmental financial institution. (58)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1"

[Utter neglect of Orissa in the field of industrialisation. (59)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1"

[Failure to prevent economic cooperation and collaboration between the monopoly houses and foreign monopolies specially American monopolists. (60)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1"

[Failure to give priority in developing small scale industries to meet the requirements of the State and also national economy in the country. (61)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1."

[Failure to give Government loans to small entrepreneurs and unemployed engineers. (62)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1."

[Failure to grant adequate loans to backward States in general and Orissa in particular for industrial development. (63)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1."

[Failing a prey to the concept of joint sector instead nationalising the monopoly houses. (64)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1."

[Failure to adopt in planning a policy of non-capitalist path in industrial development. (65)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1."

[Failure to achieve self reliance in the sphere of industrial development of the country. (66)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1."

[Failure to nationalise the 102 monopoly houses in the country. (67)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1."

[Failure to industrialise Orissa which is the most backward State in the country. (68)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1."

[Failure to prevent illegal granting of licences to monopoly houses in violation of M.R.T.P. Act. (69)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1."

[Failure to remove regional imbalance by giving priority in industrial development to backward States in general and Orissa in particular. (70)]

"That the demand under the head Ministry of Industrial Development be reduced to Re. 1."

[Failure to prevent the monopoly houses in taking undue advantage of infra-structure prepared by the Public Undertakings. (71)]

"That the demand under the head Ministry of Industrial Development be reduced by Rs. 100."

[Need to develop industries in Orissa in the Adivasi areas where raw materials are available in abundance to provide employment to the down trodden Adivasi people in Orissa. (72)]

"That the demand under the head Industries be reduced by Rs. 100."

[Need to set up a paper industry at Bhanjanagar in Ganjam District in Orissa. (76)]

"That the demand under the head Industries be reduced by Rs. 100."

[Need to immediately take up - all the industries scheduled to be set up under the Central Sector. (77)]

SHRI DINEN BHATTACHARYYA (Serampore): At the outset, I may say that so far as industrial development is concerned, this Government is put-

ting the cart before the horse. In an under-developed country like ours, there cannot be any effective industrialisation unless there is land reform in the interests of the peasantry. Here it is half way. So, in the industrial sector our economy is in the doldrums. Whatever might be said here regarding some achievements in respect of growth in production, it is erratic. This year we find in textiles there is some increase in production; next year it will be in some other item. If the land reforms are not taken up seriously by the Government, if the purchasing power of the people is not increased, an internal market cannot be created and in spite of your building factories and big plants you will not be able to industrialise the country.

Instead of doing the right thing, the Government is continuing its capitalist-oriented economic policies, which are keeping our industry predominantly dependent on foreign aid and collaboration. The Government feel that their licensing policy, the credit policy of the public financial institutions and the MRTP Act are there to curb the concentration of wealth and means of production in a few hands. But in reality the result is just the opposite. I will quote a few figures to show how the assets of monopoly houses, not only foreign but even Indian, have gone up during the last two decades. I am quoting the figures from a survey by the *Economic Times*. The total assets of Tatas in 1951 stood at Rs. 850 crores. In 1971-72 it shot up to Rs. 850 crores. In the case of Birlas, the assets stood at Rs. 51.4 crores in 1951 which shot to Rs. 800 crores in 1972. The *Economic Times* further mentions that in the 201 industrial giants 25 per cent of the assets are held by the foreign monopolists. So, basically the policy of the Government is not for the advancement or progress of the interest of the people but for giving an opportunity, directly or indirectly, to the big industrial giants, both foreign and indigenous, to fleece and loot our people. The Government feel too weak

to initiate any action to curb foreign monopolies. They are now given new scope to enter into areas which so far were reserved for the medium and small-scale industries.

To take one instance, India Tobacco, which was manufacturing and selling cigarettes and looting our people all these years, has been allowed to enter the field of deep sea fishing. It is also allowed to start Five Star hotels. Similar treatment has been given to Coca Cola, which also looted our country all these years by supplying refined water. Instead of tapping and encouraging indigenous sources, foreign companies are being given all facilities. They are given opportunities to enter into new sectors of business which so far were not open to them. So, no effort is being made to save the country from the big monopolists and bourgeois. That is why, they are very much shaky about touching and curbing monopoly belonging to foreign countries.

Joint sector is now talked about. I have heard Mr. Subramaniam giving a lecture here on joint sector. But, I do not find anything new. It is rather a tactics adopted by this Government to put some more money from the public financial institutions into the pockets of big business. I have seen it in a newspaper, that already, Bangur Brothers, in the name of starting a joint sector, have been allowed to hold 40 per cent share, Government, 40 per cent and 20 per cent will go to the public. Government say that they are for the public sector. But, at the present moment, public sector is being utilised to build up the infrastructure for the industries which mainly serve the big capitalists, both foreign and indigenous. In this way, joint sector is being talked about as if it is for better utilisation and for better management of the industries. But, in reality, this helps only the bourgeoisie and the capitalists. Government wants to bring them into an order so that there may not be further

[Shri Dinen Bhattacharyya]

chaos and crisis and they can be protected under the canopy of this Government. That is why, joint sector is being talked about.

What is happening in regard to cement? Cement was de-controlled. Why? It was only to allow the existing cement factory owners to loot our people. It was said by the Government that this will work as an incentive for more production of cement. But, what has happened actually? Production did not increase; but the prices went up. So, this is the way in which they are functioning.

Sir, the same thing has happened in regard to sugar. Sugar was de-controlled and the price went up and the people have suffered.

I will also refer here to the automobile industry. Why there was a change in priority? Here, in this house, there was, and this time also, there has been discussion regarding the small car project. Government had been telling that this project would be in the public sector. But, suddenly, the priority was changed. I do not know why. Is it because that Maruti came up? I am not at all against any young man coming up and taking up a job sincerely. I am not at all against the Prime Minister's son taking up with seriousness and build up a car with indigenous material and know-how in our country. My question is, why did you change your priority? Can the Government explain this position? I know that the Prime Minister will go round and say that because her son is doing this, the Opposition parties are envious. My question is, why you changed your priority? Why the small car project was not taken up in the public sector? Mr. Subramaniam himself has said that the existing automobile manufacturers are producing nothing but tin pots. In a case in the Supreme Court, I know that an hon. Judge jokingly remarked in respect of the Ambassador Car manufactured by the Birla Company, "all other parts of the car save and except the horn sounds,

when you start it; only the horn does not make a sound." Here, many times, it has been said that it is a junk. Why did you not take over this? I may tell you that it is not a bad industry; the machines are not bad. Crores of rupees have been spent. Crores of rupees have been looted as profits by the Birlas. It is time you take over the Hindustan Motors, the Premier Automobiles, the Tatas' Truck Factory and all that. You must take over all these 7-8 factories. You start a new small car project in the public sector, not under any private sector. That is my suggestion.

You are talking of self-reliance. You will wonder we do not have any tyre manufacturing plant, not a single one. You have your army; you have trucks; you have your air-force. But you have to depend upon the Dunlop; you have to depend upon the Fiat, all belonging to foreigners, specially, the Americans. You will be astonished to know to what extent all these 6-7 companies, including the Firestone, indulge in loot. This Company had a capital of Rs. 20 lakhs at the time of starting and now, in between 1961-67 only, the company remitted to USA Rs. 7 crores on various pleas including profit. Is it not looting? And you are still allowing it. Not only you have allowed them to loot but allowed them to keep our country backward. They are producing only conventional type of tyres which are obsolete in the world. The American tyre monopolies, the Dunlop and others combined, are keeping the whole industry in a backward stage where there is scope for expansion and scope for improvement of the product.

So, I demand that the Government should immediately take over these tyre factories. The Dunlop is in my district of West Bengal. If you take it over and expand it, not only you will get better tyres but you will also be in a position to offer employment to a large section of the young people of our country. If you really want our country to become self-reliant,

then you must do all these things. Industrial Development Ministry is running two engineering factories in West Bengal—one is the Jessops and the other is Braithwaite. I will mention only a peculiar situation prevailing there. Not only that the workers are exploited but the country is also losing. That is for the reason of the bureaucracy there.

What are they doing? When they can give new employment, when there are enough orders, when there are machines, when there are hundreds of efficient and skilled workers, what are they doing? Eight hours are the scheduled working hours for workers and if they work extra time, they will be paid over-time.

There is also a restriction, that in three months you cannot ask any worker to work for more than 52 hours overtime. But here workers are working even 24 hours in a day. There is no time limit to the overtime work in Angus unit of Braithwaite. It is as astonishing, that in February 1973 the wage bill of the workers who worked 8 hours was Rs. 3,82,507 and what was the overtime bill? Rs. 2,53,908. How will you give employment to the young people when you are allowing more than 60 per cent of the work to be done on overtime basis? Why don't you stop this system and immediately give employment to new hands? We have lakhs of young boys who can work and who are ready to work, but you will not do it because your policy is not so.

As a result and as a consequence of the policy of this Government, the small scale industries and the cottage industries are on the point of extinction. The belting industry in West Bengal is in serious crisis. 200 belt factories have been closed because the Government gave licences to the big bulb manufacturers recently and 30,000 workers are on the streets. Then, the silk printing industry is facing constant crisis. These factories are on

the point of collapse because they do not get any government help and they do not get orders in time and because they have no finance and because the big industrialists are there in the market and the small entrepreneurs cannot compete with the big sharks and that is why they are on the point of extinction.

I will come to the last point and that is regarding the issue of closed factories. A wonderful government has now been set up by Shrimati Indira Gandhi in West Bengal, Mr. Sidhartha Shankar Ray, the Chief Minister has gone on record asking central government to delete to do away with the MRTP Act and give permission for expansion of the existing monopoly houses in West Bengal. I also agree with the idea that these units should be given permission for expansion, but, before that, I would ask Shrimati Indira Gandhi, to take over the Birlas' Hindustan Motors, take over the Jay Engineering Works of Lala Bharat Ram and Charat Ram, take over the Dunlops, take over the Tribeni Tissues and you nationalise these plants first and then expand them. Otherwise, your Sidharttha Shankar Ray will go and say that the CPI(M) is in league with the Birlas.

Here is Shri Ray who did not care to know what the policy of his party is and what the policy of the Government is and he is asking the Centre to see that the MRTP Act does not stand in the way of expansion of the monopoly houses. Coming to the question of reopening of closed factories I may mention that on this aspect that West Bengal Ministers are almost daily giving contradictory statements. Dr. Gopal Das Nag comes out with a statement that when they came to power in West Bengal, the number of closed factories was 479. Within 11 months of their rule, they were in a position to reopen 54 factories but another 134 new factories were closed and all told nearly 20 thousand workers could be reemployed.

SHRI K. N. TIWARY (Bettiah): He is making charges against the Chief Minister of West Bengal. It is one thing to do that. But may I bring it to your notice that when Namboodiripad was Chief Minister of Kerala he invited big industrialists including Birlas?

SHRI DINEN BHATTACHARYYA: I have no quarrel with anybody. I have no quarrel personally with Siddhartha Shankar Ray or with Dr. Gopal Nag. Siddhartha Shankar Ray made a big advertisement only recently. He said at a public meeting that within a very short period of eleven months he was able to reopen 170 factories. This is not a fact. He said 1.50 lakhs of people were given re-employment. It is not a fact, only a bluff. The Congress Party alleges that West Bengal is a problem province, and that factories in hundred were closed only when the U.F. Government was in power. It is not a fact but a station. Everywhere there have been closures of industries, and Gujarat tops the list and this was due to the policy of the Congress rule.

In this House last time when there was Budget discussion, the Minister's predecessor gave an assurance that Britannia Engineering Company in West Bengal would be re-opened. But nothing had been done.

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND SCIENCE AND TECHNOLOGY (SHRI C. SUBRAMANIAM): It was so effectively closed that it could not be started again.

SHRI DINEN BHATTACHARYYA: I would only demand in the end that the small handloom weavers, the people manufacturing locks, mats and other small articles, should be helped by the Government by all possible ways including supply of finance and raw material. Finally I would demand that all the 75 monopoly houses should be nationalised without compensation. All the foreign companies should be taken over and remittance of profit by them should be stopped.

SHRI JAGANNATH RAO (Chattrapur): I rise to support the demands of the Ministry of Industrial Development and the Department of Science and Technology. Before I proceed further, I wish to offer a few remarks regarding the various subjects dealt with by this Ministry. It is stated here in the report that the Ministry of Industrial Development is responsible for the promotion of industrialisation of the country by encouraging the orderly development of large, medium and small scale industries both in the private and in the public sectors. It formulate industrial policy, seeks to promote productivity in industries and encourages the development of industrial cooperatives. It is also responsible for planning the development and control of all other industries not specifically allotted to any other Department.

Regarding the first point, i.e., development of industries, for the last 25 years, industries have come up. It is a fact. But is there orderly development? Has the country become really an industrial society? What we find that large houses have become larger. That is because of the licensing policy that was followed by the Government in all these years. The policy was amended in February 1970 and further amended in February, 1973 but in the mean-time large houses have assumed huge dimensions and concentration of economic power in their hands is posing a threat not only to the economic stability but also to the political stability of the country. Then we realised that the concentration of economic power and the growth of large houses has to be checked. The MBTP Act was passed in 1969 and it came into force in June 1970. The definitions of dominant undertaking and the inter-connected undertaking are so very vague and loose that no large house could be brought under the definition of dominant undertaking or inter-connected undertaking, the result being that no Section of the Act could be applied to any of the large houses.

MR. DEPUTY-SPEAKER: He may continue on the next day.

15.31 hrs.

**PUBLIC ACCOUNTS COMMITTEE
SEVENTY EIGHTH REPORT**

MR. DEPUTY-SPEAKER: On account of the unusual circumstances in the House earlier in the day Mr. Era Sezhiyan could not present item No. 6 on the Agenda Paper. He has requested me that he may be allowed to present the Report now. In view of the extraordinary circumstances, I am allowing it.

SHRI SEZHIYAN (Kotakonam): I beg to present the Seventy-eighth Report of the Public Accounts Committee on paragraphs 35 and 52 of the Report of the Comptroller and Auditor General of India for the year 1970-71—Union Government (Civil) relating to the Departments of Steel and Science and Technology (CSIR).

**COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS
TWENTY-FIFTH REPORT**

MR. DEPUTY SPEAKER: Now we take up Private Members' business.

SHRI BIREN ENGTI (Diphen): Sir, I beg to move:

"That this House do agree with the Twenty-fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 28th March, 1973."

MR. DEPUTY SPEAKER: The question is:

"That this House do agree with the Twenty-fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 28th March, 1973."

The motion was adopted.

15.32 hrs.

RESOLUTION RE: NATIONALISATION OF FOREIGN OIL COMPANIES AND OTHER VITAL INDUSTRIES (Contd.)

MR. DEPUTY-SPEAKER: Now, we take up further discussion on Shri H. N. Mukherjee's Resolution. Shri Atal Bihari Vajpayee was on his legs. He is not present.

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI D. K. BOROOAH): The Resolution moved by Prof. H. N. Mukherjee urging nationalisation of the foreign oil companies and the 72 monopoly houses is before this House for consideration. Mr. Mukherjee supported his Resolution with a very well-informed and an eloquent speech. It is always a pleasure to hear Prof. Mukerjee. I had had the opportunity of listening to his speeches in this House which impressed all of us with his felicity of expression as well as great elocution.

15.33 hrs.

[SHRI K. N. TIWARY in the Chair]

I am grateful to Prof. Mukerjee for focussing the attention of the House and through it of the country on a problem which really requires deep and detailed consideration. I am in entire agreement with him that the control of production of energy which is the basis of industrial and agricultural development of the country should be entirely in the hands of our nationals. I will go a step further and say that it should be entirely in the hands of the State for the very simple reason that we as a country committed to socialism have accepted the basic proposition that all commanding heights of different power should be in the hands of the community rather than in the hands of the individual. There is no more commanding height of economic power than the control of energy—the production of crude oil as well as refined