

[*Translation*]

**(vii) Need for timely completion of the Ganga cleaning project and taking up such projects for other rivers**

DR. A.K. PATEL (Mehsana): Mr. Chairman, Sir, the Prime Minister had declared a time bound project of Rs. 200 crores under Ganga Cleaning Project but work is proceeding at a snails pace. We do not know when this project will be completed.

This is an important project for the country. Therefore, all efforts should be made to complete this project within the stipulated time. Besides, it is very essential to start work on various projects related to environments & cleaning of other rivers of the country. I would further suggest that House should be kept apprised of the progress made from time to time.

[*English*]

**(viii) Need for providing relief to the drought affected people of Mirzapur district in Uttar Pradesh**

SHRI RAM PYARE PANIKA (Robertsganj): Rabi crops have been damaged on a large scale in Mirzapur district due to untimely rains, as also due to absence of water in dams, resulting in discontentment among the people. This is a drought-prone district in the country. Time and again it suffers from unprecedented droughts. It was hoped earlier that this year the monsoon would be a boon for the agriculturists but due to untimely and scanty rains, rabi crops in some areas have totally been damaged while in some other areas, these have been partly damaged.

In view of the above, I request the Minister of Agriculture to send a team from the Centre to assess the damage and to start the relief work. The realisation of arrears should

be postponed and other relief works which are necessary in drought areas should be immediately started.

**(ix) Need to fulfil demands of Industrial workers of Delhi and Uttar Pradesh going on strike**

SHRI AJIT KUMAR SAHA (Vishnupur): The 7 days industrial strike in all industrial areas of Delhi and Ghaziabad starts from 22nd November in support of workers' demands to curb price rise, minimum wage of Rs. 1050/-, variable DA at the rate of Rs. 2/- per point of the Consumer Price Index along with demands against closures, lock-outs and lay-offs, against corruption in labour department, against the practice of contract labour; to demand equal pay for equal work, against police atrocities on workers and trade unions, against anti-labour laws and for the demand of creches at work sites. The call for the strike has been given by the Centre of Indian Trade Unions.

The workers' demands are fully justified and I would request the Government to pursue the matter with Delhi Administration and Uttar Pradesh Government so that these demands could be fulfilled.

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12.32 hrs.

**MONOPOLIES AND RESTRICTIVE  
TRADE PRACTICES (AMENDMENT)  
BILL—Contd.**

[*English*]

MR. CHAIRMAN: The House shall now take up further consideration of the motion moved by Shri J. Vengal Rao on the 21st November, 1988. Shri Shantaram Naik to continue his speech.

SHRI SHANTARAM NAIK (Panaji): Mr. Chairman Sir, yesterday while initiating the discussion Shri Madhav Reddi said that in the past we have amended the MRTP Act 1969 several times and all these times we have favoured monopolists and we have diluted the Act. Shri Somnath Chatterjee was making certain side comments also to say that this Bill is being moved so that the Congress Party would like to have funds, etc. I suppose when he speaks he will not be coming to the main Bill as such; but his main contention will be on the aspect of funds. I would like to tell Shri Chatterjee that the Congress Party has come to power out of love and affection of the people of this country; no amount of money can change situations. If we have failed in certain respects people have also put us aside and put somebody else in power. At that time also money was not effective.

Mr. Chairman, no doubt we have amended this Act several times. But not each and every amendment—I have taken pains to go through each and every amendment—favours the industrialists. The 1974 Amendment which was introduced after the Act came into force was for the purpose of defining in stricter terms the interconnected undertakings and to bring or impart Sections 370 of the Companies' Act by way of an explanation in the present Act. It was in fact strengthening the Act and not diluting it.

As far as the Amendment of 1980 is concerned, it only gives Explanation VII which reads:

“Where goods of any description produced in India by an undertaking have been exported to a country outside India, then the goods so exported shall not be taken into account in computing for the purpose of this Clause—

- (i) the total goods of that description that are produced in India by that

undertaking; or

- (ii) the total goods of this description that are produced, supplied or distributed in India or in substantial part thereof.”

So, only this amendment of 1987, at the most we can say, favours some industrialists. The greater object is that we wanted to boost up export trade but some member at the most by stretch of imagination can say that it was brought for the purpose of favouring industrialists and exporters. But as far as 1982 amendment is concerned it was to strengthen the definition of licensed capacity by addition of 2 (d) and (2) (g).

MR. CHAIRMAN: Please try to conclude.

SHRI SHANTARAM NAIK: Sir, I have done lot of home work so allow me a few more minutes.

As far as 1983 amendment is concerned I do not think you will object to this because it supports Parliament. In fact all the legislations in the country have been amended in this line which requires that any regulation or rules under the Act should be laid before Parliament. What is wrong in that? Even such amendment of the nature of 1983 were not excluded by Shri Madhav Reddi ji.

MR. CHAIRMAN: Please conclude.

SHRI SHANTARAM NAIK: Sir, I am making very relevant points so allow me to have my say.

Now take 1984 amendment. It is entirely peoples' amendment and if you are objecting to 1984 amendment then it is very disgusting because through those amendments of 1984 what was sought to be done by the Government is that certain practices

with respect to unfair trade practices were mentioned very clearly. Now 36(a) says:

"The practice of making any statement whether oral or in writing or by visible representation—(i) falsely represents that the goods are of a particular standard, quality, grade, composition, style or model; (ii) falsely represents that the services are of a particular standard, quality or grade; (iii) falsely represents any re-built, second-hand, renovated, re-conditioned or old goods as new goods."

Now if you look at 36(b) you will find it is again peoples' amendment where through 26(b) consumers were given the right to directly file complaints before the Commission by adding the words "from any trade, association or from any consumer or a registered consumer association consumer is a member of consumers association or not." These specific words were inserted so that the entire Act was given in the hands of the people or voluntary organisations.

Similarly other amendments were brought for the purpose of giving powers of temporary injunction. Supposing in certain cases unfair trade practice is going on there is no immediate control that can be exercised it is only through the power of temporary injunction provided for that such unfair trade practices can be controlled. It is this power which was given through 1984 amendment and, therefore, it is in the interest of the consumer and not monopolists. (*Interruptions*) As far as 12B is concerned, a clause for compensation was inserted for the first time whereby a consumer, who suffers by way of unfair trade practices, can straightaway approach the Commission for compensation. For compensation entitled under this type of suit, such a beneficial provision was provided for.

Then, under 13A, a provision was made

for the compliance. If an unfair trade practice is noted and directions are given, then for the purpose of compliance, 13A was sought to be added.

Secondly, the 1986 amendment. Coming to unfair trade practices—since you would like me to be brief today, there are several unfair trade practices which are going on. Therefore, this Act has become more relevant not only to control the monopolistic tendencies but also to control unfair trade practices. Today, you find that average consumer is deceived. Even in the case of television, they say: You bring your old set and we will give a concession of Rs. 3,000. Today, I have read an advertisement in the case of typewriter: You give your old typewriter; you will be given Rs. 3,000 concession. Then again, with respect to mango juice, some companies pretend that they are providing mango juice directly—genuine mango juice—against which cases are going on under the MRTP Act. With respect to soap, toothpaste, etc., the impression which is given to the common man is so much false that in spite of ban on advertisements through TV, newspapers, today the average consumer does not know which soap meant for him is better, which is the toothpaste which he should use from his point of view. Gifts are offered. But the price of the gift is included in the item. So, these practices are going on through the advertisements. But one aspect is never mentioned that is price factor. Nobody says that a particular commodity, except a few advertisements, that this will be the price of a commodity. Therefore, the MRTP Act and the Commission have to look into these aspects.

A list has been given of the pending cases before the MRTP Commission in its report itself. A case is pending against companies, like Usha International Limited, for misleading advertisements offering various prizes to promote the sale of Usha fans.

[Sh. Shantaram Naik]

Then, against other companies, various cases are pending. I would not like to list them. But all these cases basically reflect one thing—falsely representing through advertisements and other media.

With respect to prizes, gifts, concessions, all these are bogus. Even when gifts are given, the prices of the gifts are included in these items. The MRTP Commission has to take such false representations very seriously. It is no doubt that the MRTP Commission takes these cases seriously. But nevertheless many cases are pending. In matters of consumer protection, such cases should not remain pending. (*Interruptions*)

As far as indigenous technology is concerned, I have said yesterday also that in the case of indigenous technology, we have to give a boost. (*Interruptions*)

MR. CHAIRMAN: Please conclude.

SHRI SHANTARAM NAIK: I don't know why they are interrupting. In protest, I am sitting.

SHRI BRAJAMOHAN MOHANTY (Puri): Sir, I would like to ask the hon. Minister whether the very purpose of the Act is not being defeated. Of course, I have no objection to the present legislation. The amendment is in regard to the indigenous technology. That is not objectionable and I support it. But the fact remains and I would like to invite your attention to your own figures, that within three years, the ten big industrial houses have increased their assets to Rs. 8427 crores.

You have also answered a question in this House where you said that the value of assets of large industrial houses increased by 21.8 per cent, 9.6 per cent and 13.7 per cent during the last three years, that is 1984, 1985 and 1986-87 respectively. The cumu-

lative effect of these three years is more than forty per cent.

What was the purpose of this enactment? The primary purpose was to break the concentration of economic power and concentration of wealth in a few hands. I think, the enactment has not been implemented and it has not served that purpose.

Then, about the restrictive trade practices, I am afraid that the objective has not been achieved. Why? I accept that liberalization is necessary and you have achieved the results; your industrial production has gone up, there has been improvement in technology. But the fact remains that we need to evolve a new strategy which shall avoid concentration of economic power and concentration of wealth. If you do not do that, you can well imagine what will happen. It was in pursuance of the basic objectives of the Directive Principles that this enactment was enacted.

There is another aspect that we are liberalising stage by stage. Has any exercise been made to see the effect of liberalization on non-MRTP and non-FERA companies. If an exercise has been made, please let us know the result?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): The amendment is not about liberalization, it is about investment and technology.

SHRI BRAJAMOHAN MOHANTY: This is a part of the liberalization policy. Even today, he said in the question hour that it is as a liberalization measure. But I do not object to the liberalization measures, but the question is whether it would mean that we will allow concentration of economic power and concentration of wealth to an extent which will totally defeat our objectives. I have studied the liberalization policy in China and Soviet Russia and other communist coun-

tries, but the fact remains that they have initially established an egalitarian society and after that they have liberalised their policies in this respect. You have to consider this and evolve a new policy. I do not say that you stop liberalization, or stop the import of technology, but you must evolve some strategy which will not allow the concentration to that extent. Of course, a little bit of concentration will be there, but it should not be to an extent that within three years, their assets should increase to such an extent. You should seriously consider the impact of liberalization on the non-MRTP and non-FERA companies. That is also important. You know how the entire purpose is being defeated. Do you know how they manage the MRTP houses and non-FERA houses? I would say that the Commission has completely failed. This has to be examined.

Another point to which I would like to invite the attention of the Hon. Minister is, and it has been widely talked about, that you have increased the limit from Rs. 100 to Rs. 200 crores. When the proposal for Rs. 100 crores was introduced, I supported it in this House. But now you are increasing it to Rs. 200.

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): Sir, there was an amendment to this and it is only Rs. 100 crores.

SHRI BRAJAMOHAN MOHANTY: What I am saying is that you may have a proposal in the Ministry to raise the limit from Rs. 100 crores to Rs. 200 crores.

SHRI J. VENGAL RAO: It is not correct, Sir.

SHRI BRAJAMOHAN MOHANTY: Sir, my submission is that today during the Question Hour the Hon. Minister said that.. *(Interruptions)*

MR. CHAIRMAN: Please let him speak.

He needs no support.

SHRI BRAJAMOHAN MOHANTY: Sir, Mr. Chatterjee's support will spoil my speech because his cause is different and my cause is different. My cause is to strengthen the democracy which strengthens socialism and his cause is only to strengthen socialism.

I was saying that today itself the Hon. Minister in reply to a question stated that there are some proposals regarding the amending Bill and what are these proposals he did not specify. He should not speak like this. It is not something which should be kept secret. Let it be discussed and debated. It is a very serious matter. We are changing the course of our economic policy. What are the proposals under consideration cannot be kept secret. Let there be a debate on these proposals. My worry is not that you are going for the liberalisation; in fact, it has been reported in the Press that by this liberalisation policy the MRTP and non-FERA companies will be benefited and in turn the economic picture, the growth of the self-generated economy would be distorted. With that background in mind I support the Bill and request the Hon. Minister to take up these measures with serious consideration and examine them in depth.

In the last I would also like to invite the attention of the Hon. Minister to the Speech of the Prime Minister as Finance Minister which he delivered on 28th December in this House. It may be taken note of.

SHRI SOMNATH CHATTERJEE (Bolpur): Mr. Chairman Sir, this seemingly innocuous and apparently desirable amendment brought forward supposedly in the national interest and by way of giving alleged recognition to the development of indigenous technology again shows the unholy alliance between this Government and its benefactors, viz. the monopoly and big

[Sh. Somnath Chatterjee] business houses. Outwardly, the Bill is as innocent looking as our hon. Minister is amiable. But it clearly exposes the fact that this Government is tied to the apron strings of a handful of industrialists and business houses who are having the best of all the worlds in this country under the present Government. It is proved by the fact that only a handful of industrialists are today controlling nearly 85 per cent of the industrial assets of this country.

Sir, never before in this country, have the monopolists and the big business houses had it so good as under the present dispensation and that is why our Prime Minister is now the young hero of those who are making money and mostly black money and also of those who are making a mockery of our industrial policy and planning process. As was rightly pointed out by Shri Madhav Reddi, the history of industrial development in this country is the history of concentration of greater and greater economic power in the hands of fewer and fewer people. That is why, we find today that a parallel economy controlled by black money to the extent of Rs. 40,000 crores or more is having greater impact on our economy than the regular economic developments in the country. And the result is havoc in our economic and industrial life. We proclaim ourselves to be a socialists republic. We are reminded of it every minute. At least by Preamble, we are socialistic. Mr. Mohanty was also talking of socialism. But what are his party and government doing?

Our Directive Principles which are held to be one of the basic structures of our Constitution provide that the Government should direct its policy to secure distribution of ownership and control of the material resources of the community to subserve the common good in the best way possible. Article 39(c) says that the operation of the economic system does not result in the

concentration of wealth and means of production to the common detriment. These directive principles are proclaimed to be the very plank of our economy and our socialist republic. But our commitment has been undermined to the extent that the policies and programmes of this Government have deviated from this commitment. I need not be the only one saying this. Mr. Mohanty who was speaking from the Treasury Benches also stated the same.

The MRTP Act was passed in 1969 with a great deal of fanfare and declaring a good deal of commitment to the basic structure of our Constitution. The Act was brought onto the Statue Book in 1969 expressly, with the object of giving effect to our directive principles and for further control of monopolists and for the prohibition of monopolistic and restrictive trade practices. Now, has the Act achieved that object? The hon. Minister cannot say that on an amendment of this nature, we cannot talk of objectives of the Act. But you have to test every proposed amendment with the touch-stone of whether that amendment will fulfil the objectives of the Act as stated in the Preamble, to give effect to the directive principles of state policy.

I am not going to the elaboration of the amendments that have already been made. But Sir, there is no doubt that this is the eighth amendment and seven amendments have already been made. This is the eighth amendment in 18 years. I would like to know from the hon. Minister whether even a single amendment has been directed towards imposing greater control over concentration of economic power, or dilution of concentration of wealth, or prevention of money power being utilised for purposes opposed to the common good.

It has to be the touch-stone of every amendment. I am not going into what Mr. Shantaram Naik had said. He thought that by

dealing with the amendments, he could make out a case.

MR. CHAIRMAN: You can continue after the lunch. The House adjourns for lunch and will meet at 12 P.M.

13.01 hrs.

*The Lok Sabha adjourned for Lunch till  
Fourteen of the Clock.*

*The Lok Sabha re-assembled after Lunch  
at seven minutes past Fourteen of the  
Clock.*

[MR. DEPUTY-SPEAKER *in the  
Chair*]

MONOPOLIES AND RESTRICTIVE  
TRADE PRACTICES (AMENDMENT)  
BILL-CONTD.

[*English*]

MR. DEPUTY SPEAKER: Shri Somnath Chatterjee to continue his speech.

SHRI AJAY MUSHRAN (Jabalpur): Sir, I want to know whether interruptions are allowed.

SHRI SOMNATH CHATTERJEE (Bolpur): If they are relevant, pertinent and intelligent.

Sir, as I was staying just before the recess, we have to consider all the amendments of this important Act from the point of view whether they subserve the objectives of this Act. As I said, the objectives of this Act are based on the mandate of the Directive principles of State policy. You have heard of that Mr. Minister, I am sure.

Therefore, what is necessary is to see whether the seven amendments which have been passed already have in any way

strengthened the proper application of the Act or whether it has loosened the grip over the big monopoly houses and big business houses. Sir, I am not going into the elaborate consideration of the previous amendments. But one amendment is very important. Sir, have you got a copy of this Act?

MR. DEPUTY SPEAKER: Yes, I have got.

SHRI SOMNATH CHATTERJEE: Section 20 of this Act in Chapter III, deals with concentration of economic power. When the Act was first brought and it became law, it said:

That the Act could be applicable to undertakings, the assets of which will be not less than twenty crores of rupees apart from other types of undertakings.

Sir, in one stroke of pen by Act 38 of 1985 under the present Government, which is looking towards 21st century, the amount of Rs. 20 crores became overnight one hundred crores and Mr. Mohanty was expressing his worry and anxiety that it might be now changed to two hundred crores of rupees.

Sir, in one stroke of pen, how many undertakings have gone out of the ambit of Section 20 of this Act, namely Chapter III which deals with concentration of economic power. Sir, I would like to know from the hon. Minister for what purpose this amendment was made by the present Government. Compared to this Government, the previous Government of Indira Gandhi was a socialist Government. Section 22 A was introduced in the Act in 1982 — Act 32 of 1982. Shri Shantaram Naik made a detailed study of this Act. What happened was that for the first time this section 22 A was introduced which gave power to the Government to grant exemption to business undertakings which are within the ambit of this Act from the

[Sh. Somnath-Chatterjee]  
 operation of the two most important provisions of this Act, viz. section 21 and section 22. Section 21 deals with expansion of an undertaking and section 22 deals with establishment of new undertakings. Therefore, if the Government wants it can exempt any company or any industrial establishment or any business house however big it may be, from the operation of these two provisions. But section 22 A earlier restricted it to certain types of industries viz. industries or services of high national priority — of course, it was vague — or for production of services meant exclusively for exports or with regard to undertakings in free trade zone. Therefore, these three types of business undertakings can be exempted from the operation of this Act. Now, what does the present Bill seek to achieve? Another type of industry is sought to be inserted into this Act which will also be totally outside, if the Government so wants by issuing a notification, the operation of the provisions of this Act. I would like to know in the name of encouraging indigenous technology whether or not Government is taking powers in its hand to grant exemption for substantial expansion of any industrial business under the section which is otherwise hit by Section 21 or establishment of new undertaking controlled by section 22 of the Act only because it is supposedly using indigenous technology. I would like to know which technology which is indigenously developed in this country has not been utilised for industrial purposes because of the MRTTP Act. What is the *raison d'être* of bringing this amendment that only big business houses or monopoly houses can exploit the indigenous technology? What steps have you taken to find out what type of indigenous technology is available? Have any efforts been made to exploit them by industrial houses which do not come within the ambit of this Act? This is very very important. Why has the Government not made efforts? It is not lack of resources. It has got all the power under the Constitution of India. Entire indus-

tries have been taken over by them by declaring industries as important for the country. They have taken away from the jurisdiction of the State Government most of the industries. Therefore, what are the difficulties in the way of this Government in encouraging non-monopoly industries or non-big business houses from utilising that technology? Why must this country always remain at the mercy of big business houses and monopoly houses who have already concentrated huge economic power in their hands for the purpose of industrial development and then we will be completely at their dictates and wishes?

A very serious charge has been made yesterday by Mr. Madhav Reddi that in the name of utilising indigenous technology what is intended to be done is really to import technology from outside and to pass it off as an indigenous technology.

Then by this the floodgates will be opened and suspiciously the imported technology will come and undertake garb, indigenous technology with the help of the proposed amendment, these technologies will be utilised and they will be outside the purview of this Act and Reddi Act as well. Now, what is the present position so far as the applicability of this Act for the last eighteen years is concerned? It is very important to know. So far as section 22 A is concerned, initially 27 industries were made eligible for exemption. Mr. Home Minister, why don't you listen something relevant? Now you have become so Boforised that you do not want to hear anything. Out of these 27 industries, 20 industries have also been exempted under the Industries (Development and Regulation) Act. That means they do not have to obtain any licence if they set up industries that are notified by the Central Government in backward districts. Another 54 industries have subsequently been added to the list — I hope this is not a news to you, Mr. Minister — bringing the total to 81.



52 industries have been delicensed bringing the total of industries to 72 which are exempt under the IDR Act. This is the achievement of the present government. Only two conditions have so far been imposed for his getting the exemption under section 22 A, that is, promoters contribution will not be less than 25 per cent — which they can easily manage — and the debt equity ratio will not be more than 2:1. These are the only two conditions which they will very happily fulfil. These big business houses are able to fulfil these two conditions. Therefore, a cursory study of the different amendments and the implementation of this law will show that there has been very fast loosening of all types of controls over these business houses and the monopoly houses. The process had started in 1980 but it has been very much accelerated since 1985 when the present Government has come into existence. In the name of increased export earnings, there is total liberalisation. If you challenge liberalisation, they will say: "Well you do not want exports." Exports to which country? We are completely at the mercy of these big capitalist countries where day by day the value of our Indian rupee is falling. Therefore, we have to export more to earn as much as we were earning earlier. Greater export is not resulting in greater earning but is resulting in earning of the same amount because of the fall in the value of the rupee.

Now, what has been the result of the functioning of this Act? Twenty of the largest undertakings in this country, in 1986, had assets equivalent to our country's annual budget of Rs. 29,000 crores in 1988-89. These twenty big houses showed a growth rate of 9.6 per cent, at the end of December, 1987, over the corresponding month in the previous year. The total assets of these houses are estimated at Rs. 25,540 crores in December, 1987, against Rs. 23,298 crores in December 1986. In one year, more than Rs. 2,300 crores have been enhanced. The turn over and profit before tax of only these

twenty houses were estimated at Rs. 26,706 crores and Rs. 1,116 crores respectively during 1987. Sixty-one big industrial undertakings within the meaning of section 20 of the MRTP Act, 1984 have been ascertained. In the past 35 years, monopoly houses have grown at a phenomenal rate multiplying their assets up to eight or nine times, exploiting legal loopholes in this Act and without attracting penal provisions of the MRTP Act. Now, one of the reasons is the ready implementation of the Act on the part of the Government. They have never allowed the MRTP Commission really to function. Sir, you will be surprised to know that although the Act gives powers to the Central Government to make reference under the Act to the Commission during 1986 — Mr. Mushran, please hear — not a single reference was made under section 21 of the Act relating to the expansion of undertakings, not a single reference was made under Section 22 of the Act which deals with the establishment of new undertakings, not a single reference was made by the Government to the Commission under Section 23 of the Act — merger/amalgamation and take over — and not a single reference was made under Section 27 of the Act relating to division of undertaking.' I am reading, Sir, the report of the Monopolies Commission itself. That shows the Government has stopped even paying lip service to the provisions of this Act, not even a pretended attempt to comply with the provisions of this important social legislation, this important economic legislation. So, what is the object of maintaining this Act? For whose benefit this Act is maintained? Sir, the MRTP Act provisions are there, but the Act is not being implemented. The sorry state of affairs appears, Sir, from the Report of the Sachar Commission. The Sachar Commission went in depth into this matter. It says:

"Out of 600 effective applications received by the Central Government from 1st June 1970 to 31st December 1977

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 under Sections 21, 22 and 23 only 59 cases were referred by the Government to the Commission. Of the 59 cases the applicant parties did not pursue 15 cases and withdrew their applications. As soon as the matter went to the Commission, they fled away. As on 31st March 1978 there were only two cases pending with the Commission under Section 21 and 22. Proceedings had not been taken in one because of the stay given by the court in the other case which was referred to in 1978."

The Commission has sent its report to the Government. The 618 effective cases consisted of Sections 21 and 354 — all of them were dealt with by the Government of India, the Central Government never sent them to the Commission — under Section 22, 183 cases, under Section 23, 81 cases. Therefore, if the Central Government seizes the power, it is the political wing of the Government, they are dealing with this, what is the good of setting up this Commission? For whose benefit? Is it for public consumption only? So, the Sachar Commission has said:

"Facts show that in the assets of the large business houses there has been a considerable increase right through all this period. The Monopolies Inquiry Commission had estimated that in 1963-64, the assets of non-government and non-banking companies amounted roughly to Rs. 5552.14 crores. The rate of increase for top 20 business houses which are registered under the MRTP Act shows that the value of assets has risen from Rs. 2430.61 crores in 1969 to Rs. 4465.17 crores in 1975; the percentage of increase of assets between 1972 and 1975 being 68.6."

Sir, the percentage of increase in the value of the assets of the top 20 large indus-

trial business houses shows that the percentage increase of 69 has been to the extent of 25.9 per cent, 38.9 per cent, 61.3 per cent and 83.7 per cent in 1972, 1973, 1974 and 1975 respectively. Now, it is much worse. Therefore, I would request the hon. Minister to tell us why this *tamasha* of sometimes coming to this House with an amendment of this Act. What is this Amendment stating that hereby you are giving importance to indigenous technology? You are not allowing the Act to operate at all.

Sir, as I said that on the plea of modernisation, now it talks of linking up production with the needs of developing western markets, the concentration on exports have totally undermined the very important principle of self-reliance in this country. Whatever is being done, whatever industrial activity we are having in this country, is directed towards giving more and more opportunities, more and more advantages to the big business houses and the monopoly houses. We do not hear any longer any talk of "import substitution" which should be a very very important part of industrial policy and economic policy. The talk of import substitution has been totally jettisoned. Import has been liberalised now. Industrial growth and modernisation has not resulted increasing the living conditions of the people is very important. I would like to know from the hon. Minister whether by their efforts, with all this modernisation, with all these benefits and conveniences given to the big business houses, the employment potential has increased in this country. You will have to answer this Mr. Minister because if there is more and more industrial activity, it should result into greater and greater employment opportunities. In fact, since 1951, however, the rate of growth of employment has remained stagnant in this country, for the last nearly 30/40 years. For whose benefit is this policy? Therefore, I would like to know from the hon. Minister this point. I am sorry we cannot applaud the Minister and the Govern-

ment because on the plea of indigenous technological development they have brought this Bill. So far as the performance of this Government is concerned with respect to monopoly houses and big business houses, it is a performance and policy of object surrender. They have special arrangement with these Business houses. They are getting the benefit from these business houses. This is the reality we find from the MRTP Commission functioned so far. The achievement of primary objective has been a big zero, nothing else is there so far as the application of this Act is concerned. Of course, we are not surprised. This is a Government which thrive on their friendship with the big business houses. We have seen how unlimited opportunities are being given to earn money by commission and how all the cohorts and loyal minions of this Government today are ruling the roost. In the name of reaching the 21st century, this country is fleeced and fleeced to the bones and marrows. We shall go on exposing this Government and I am sure that when the opportunity comes to the people of this country — I hope, sooner it comes the better — they will give their verdict and this Government will be thrown lock, stock and barrel.

[*Translation*]

DR. G.S. RAJHANS (Jhanjarpur): Mr. Deputy Speaker, Sir, I have listened to the speech delivered by Shri Somnathji very attentively. He is a good orator. But it is regretted that the same has no relevance with reality. C.P.M. has vested interest in maintaining poverty in West Bengal. They will keep sustaining their cadre and remain in power so long poverty exists there. If the people of this country may ever listen to them, their dream will never be fulfilled. They talk about concentration of wealth. It is my submission that first of all generation of wealth should be allowed. If due to this controversy wealth is not generated, the

question of its distribution will not arise. Then how the question of social justice will come up? You want to create such an atmosphere that wealth is not generated at all and if wealth is not generated than their party's rule will continue. I am in favour of generation of wealth, its equitable distribution and social justice. We should not create such an atmosphere in which wealth is not generated. My friends may be aware that there has been a revolution in the world of economics. After Keens, a revolution has come for the first time, on which Nobel prize of 1987 has been awarded. It has been mentioned in that theory that all the old doctrines have become obsolete. Only the country having advance technology will be on the forefront. Now one is not required to procure lot of raw-material, install a number of machines and employ large number of persons. Now the situation has changed. Now the country having advanced technology will make progress. The production of a small machine can be equal to production of 10,000 machines. Japan has demonstrated it. There is a book by Chairman of Soni Corporation viz. "Made in Japan" which is being discussed every where. It has been depicted therein that how Japan has promoted advanced technology. The owner of the Soni Claims that when Japanese talked about small radio, tape recorders and other small electronic goods after second world war, people used to ridicule as to how Japan will adopt modern electronic technology for their production. He further stated that once he visited U.S.A. and discussed with some one that he wanted to manufacture a small transistor and at this he was pushed out. He has explained these things very beautifully in his auto-biography. He further says that when he told Philips that he also wants to manufacture radio, the reply came, "what are you talking, your countrymen could never acquire that technology." He made up his mind that he will secure a respectable position for his country in the world and people of the whole world will talk about Japan. Now wherever you go in the

[Dr. G.S. Rajhans]  
 world, you will find electronic goods made by Soni. He has promoted indigenous technology. He says that he cannot forget that day when he was pushed out in New York because he had talked about manufacturing a small radio. Today, these very Americans are begging for our technology so that they may also manufacture those things in their country. It is an unfortunate condition of our country that our industrialists and capitalists spend little on research and development. They only show in their books that they have spent on Research and development but actually they do not do so. If so much attention is paid on indigenous technology, then expenditure on research and development is natural. The Government should provide facilities atleast once. A minor amendment should also be made that M.R.T.P. will not be applicable to those industrialists who will instal industries based on indigenous technology in backward areas. We say that many complaints have been received about Pepsi Cola. Our people are facing tremendous hardships. Best quality of the mango is grown all over the country and is also available at throw-away prices and the balance is perished. You may instal here Pepsi Coal factory and mango juice factory and observe how fast development of that place could take place, where is the need for creating such a fear that economic development is not possible without the collaboration of foreign technology. The greatest need of the hour is economic development. Youth of this country has become restless, he wants all facilities in his life and all avenues of employment... As Shri Somnathji has just asked the Government to indicate how much employment has been generated. I myself want to know as to how much employment has been generated but you have created such a fear about M.R.T.P. that the people do not want to adopt new technology. Due to this, our industrial development is not taking place. Therefore, I demand that indigenous technology should be promoted to the maximum

in this country and ensure rapid industrial growth. The raw material and human resources available in this country should be utilised to the maximum. I have visited Soviet Union and China. I have minutely observed liberalisation being introduced there. What are the Glassnost and Peristrika. These are nothing but steps towards liberalisation. Our Prime Minister has done a great job when he observed all the things in reality and took steps towards liberalisation. If we want to make economic development of the country, why is the opposition upset? Do you want to oppose every step just for the sake of opposition? Whatever Gorbochev does, is correct. Whatever happen in China, is also correct but economic development of country should not take place because this will result in concentration of power. Is it something worth while. If concentration of power take place somewhere, action may be taken against him, put him behind the bars, if he generates black money but wealth should be allowed to generate.

I want to say only one or two things more Shri Reddy has mentioned 1969, M.R.T.P. Act was enacted in our country in 1969. We have been learning from our mistakes only. The atmosphere that is prevalent today in the country is totally different from what it was in 1969. We see that the world is fast changing. Earlier those who were at daggers drawn, have now come very close to each other. Liberalisation is taking place everywhere in the world. In 1969, we had a belief that the more we go in for nationalisation, for setting up more public sector undertakings, the more our country will enjoy the fruits of socialism and it will set an example before the world that the public sector can do a lot in the third world. But our managers and officers betrayed us. Today, wherever raids are being conducted on the premises of officers of public sector undertakings, crores of rupees are being recovered from them. These officers grabbed all funds. Now a stage has come when people show a ten-

dency of hatred when somebody raises the question of nationalisation. Now what could be the justification for that? What way out is now left with us? Rather it will be advisable on our part to encourage the small scale, medium and the large scale industries instead of encouraging the public sector. It will generate wealth in the country which could be channelised for further distribution. You may please go through the economic history of Japan. Japan has made tremendous progress after the second world war. All the restrictions on industry were removed there. The industries were given full liberty to produce as much as they could and to sell their products by identifying the markets for them. When there will be no production, what will be sold? When production will take place, people will copy the new technology on a massive scale as it has been the practice in our country since long. For example, when somebody starts producing a commodity using the latest technology, other people will also start producing the same commodity within 5 to 6 months by going in for its technology. When commodities of the same kind will enter the market on a large scale, it is but natural that their prices will register a fall. If we want to compete in the export market, we must have the balancing machine as well as the latest technology. Is it not necessary for the same that we should check the import of foreign technology for a while. But I can go to the extent of saying that, you should import technology. If you want to increase your export, there is no harm if you import technology. But we must have to abandon the old things. We have to see in which direction the country is going and what the countrymen want. We will have to scrutinise the things afresh if at all we want to pay attention towards the aspirations of our people. This amendment is perfectly a suitable amendment in that context.

Finally, I would like to submit to the hon. Minister that in the amendment he has

brought forward, he should pay attention towards the backward areas in the country where people are very backward, where there is no employment for them where 90 percent of people live below the poverty line — and to set up the maximum number of industries in those areas based on the indigenous technology.

[English]

SHRI SRIBALLAV PANIGRAHI (Deogarh): Mr. Deputy-Speaker, Sir, I rise to support this Bill the Monopolies and Restrictive Trade Practices (Amendment) Bill, 1988. It has a limited purpose. Only three sections are being sought to be amended, Sections 21, 22 and another I think, Section 67. But I wonder, the way some learned Members are bringing in extraneous things into the debate as if this is a debate on the Demands of the Industries Ministry. There is a reference to monopoly houses and so many things. Even today during the Question Hour, a lot of concern was expressed about the indigenous technology on the question of energy that we are not developing our technology or not depending on our own technology; were are not trying to promote indigenous technology here and we are trying to bring in or import technology from outside. There was a question like that and also there was concern expressed like that this morning.

This is a Bill which intends to liberalise this measure. This will be a liberalisation measure for utilisation of technology developed in the public or private sector or in our national laboratories for commercial purposes. We speak something sometimes and speak something else the next moment. I don't understand that. Mr. Somnath Chatterjee has said so many things. Are they themselves in West Bengal not trying to bring in monopoly houses to set up industries? They are trying that. They are trying hard and they are making frantic efforts... (Interruptions)

**AN HON. MEMBER:** Which are they?

**SHRI SRIBALLAV PANIGRAHI:** I need not name them. Let them deny. They are trying to bring in monopoly houses to set up industries. (*Interruptions*)

**SHRI SOMNATH CHATTERJEE:** How can you ignore that? Yes, only in one case the Haldia Petro-chemical complex. He knows that. Because Central Government denied the joint venture in the petroleum sector. He knows it very well... (*Interruptions*)

**THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO):** In Haldia, they entered with Shri R.P. Goenka for a joint venture. (*Interruptions*)

**SHRI SOMNATH CHATTERJEE:** Yes, you tell the House... (*Interruptions*)

Do not mislead. (*Interruptions*)

**MR. DEPUTY-SPEAKER:** You continue.

**SHRI SRIBALLAV PANIGRAHI:** Unless there is calm, how can I continue. There is a big drain of foreign exchange in importing technology. The previous speakers have dealt with that. I need not repeat. But we are a major industrial country in the world, admittedly. Nobody can deny that we are one among the ten industrially most advanced countries of the world. We have also a large number of scientists in our country. Our scientists abroad are doing wonders. But in our country since adequate facilities are not there, they are not in a position to produce such miracles. Our scientists as you know are getting Nobel Prizes outside the country while they devote themselves to scientific research.

Although we are a major industrial country, yet we should not ignore that we are

not that developed in the matter of technology. Unless we make a lot of remarkable strides in the field of technology, we cannot help but import the technology by and large.

Therefore, sometime back there was an amendment in this House for earmarking certain percentage to be spent on R&D. Probably it was in the last year. There was an amendment to this effect in the relevant laws making every entrepreneur however big or small to spend about 5%—or something like that if I remember correctly—on Research and Development. In this background it is a welcome amendment.

The amendment that has been proposed in this Bill also is welcome. But at the same time I would like to request the Hon. Minister to keep in mind our national objective. Our national objective is growth with social justice. We have opted for mixed economy and that is also after careful consideration. A mixed economy admits of private sector and also monopoly houses. They will be there; but they will have to work under certain conditions. To create such constitutions the MRTPC has been conceived to serve as a watch-dog. Now the question is whether this MRTPC is serving that purpose. There is this question and we have our own reservations. Many people have their reservations and I also have my own reservations.

This MRTPC was launched to serve two purposes; firstly to ensure that the ownership and control of material resources of the community are so distributed as best to subserve the common good and secondly the operation of the economic system does not result in concentration of wealth and means of production to the common detriment. This is very very important.

As you know our objective is growth with social justice. We have to fight out imbalances and the social injustice. At the same

time there is an allegation that our policy is such that all the areas of the country are not allowed to develop equitably. There are some imbalances and backward areas. So, it is very important and of paramount requirement that certain industries should be set up in the backward areas. That is why we give incentives to the big houses and industrial enterprises—small or big—to go to the backward areas. Actually it is in the national interest. If we do it in the national interest there is nothing wrong. At the same time it is painfully observed that the concentration of wealth is on the increase. I don't want to go into the figures. The dominating undertakings are defined as ones with assets between one crore and hundred crore rupees and 25% share in a particular product. There are 1663 companies which are assessed over Rs. 100 crores. As in the land sector we have concentration in the hands of 20-25 per cent farmers who control 80 per cent of the total agricultural cultivable land similarly in the field of industry 20 per cent of the big industrial houses control 80 per cent capital of the entire country.

This is a very bad sign and Government must control this. Government must come with a heavy hand to put down this trend firmly, otherwise the national objective as set by our leaders like Pandit Nehru and others wanted, namely, democratic socialism will get frustrated. I would request the hon. Minister that it is time for the Government to look at the situation afresh and come out with remedial measures.

14.53 hrs.

[SHRI SOMNATH RATH *in the Chair*]

SHRI THAMPAN THOMAS (Mavelikara): This amending Bill proposed to the MRTTP Act is an amendment to Section 21 and 22 to exempt the industries on the basis of development of indigenous technology. I feel in the present context it will annul the

purpose and spirit of the MRTTP Act. The MRTTP Act is in furtherance of a Constitutional guarantee contained in the Directive Principles that wealth should not be concentrated in certain hands and the society should not be held at ransom by capitalists. The earlier speaker said that this Act has been amended several times after 1969. All the amendments were for the purpose of helping the monopoly houses and industrial houses and this also, I think, is to help someone especially at this point of time. Indigenous technology, I would like to submit, at any cost is to be promoted. I am not against but unless you give definition, unless you give restrictions, unless you say who are the persons who are going to be benefited by this and unless you say what are the types of indigenous technology which you are going to promote through this amendment the very word 'indigenous technology' will be misused by the industrial houses. That is my fear. The technology which was prevailing in the recent times was a screw-driver technology. Things were being imported from outside and the workers was getting an opportunity to drive in a screw and assemble it which is construed as indigenous production. Because the worker is involved for driving the screw and calling it an indigenous technology will you exempt it on that ground? Today I find after computerisation this Government has changed the screw driver technology to labelling technology. The maximum effort that is being made is only to bring forth machinery from abroad. The technology, which is obsolete in those countries, is imported into this country and just labelled as 'Indian' brand and then supplied to the industrialists. Whether this 'label technology' and 'screw-driver technology' will be considered as an indigenous technology is my simple question to you.

Are those also going to be exempted? Then, who are going to be benefited out of such exemption? No doubt, the persons like Reliance, the persons like Tatas, and per-

[Sh. Thampan Thomas] sons of other large industrial houses of this country will be benefited by that. What safeguards have you made in bringing this amendment to see that it is really meant for indigenous technology which we have to develop for the rest of the nation. That is not there.

Unfortunately I know in my State certain equipments were imported from Canada for the purpose of producing electricity from the hydel project. It is called Idukki Hydroelectric Project. This machinery was brought from Canada. About 25 years ago, they had abandoned that technology. But that was purchased over here. Some technology was added to that and it was said that it was indigenous technology. But now the fate of the Idukki Hydroelectric Project is there. Last year, four generators were not working. Power shortage was there and power-cut had to be imposed.

Similarly, it is happening in the case of many other things. In the telephone industries, you find that telephone machinery was imported. In Italy and other places, the new system has been developed. But the system which they have thrown out, has been imported. And you change somewhere here and there and put it as 'indigenous' technology. Now you say that that has to be protected by this amendment. If that is meant, I totally oppose it. There is nothing but to oppose in that case. The very purpose of the MRTP Act is not to have economic growth in certain hands. But what is the economic position today in this country? The position now is that 75 big houses are having 90 per cent of the wealth of this nation. Who else controls? They are big people. How they became rich? They became rich by taking the public money, accruing funds from the public and utilising it for their purpose. They take loans from the banks. Ten per cent or 20 per cent is the coverage money. They get the Reserve Bank money. With that, they build

new industries and the subsidiaries. Finally, some fine morning, they will find it inconvenient to them and they put the workers out of the employment. Such things are going on but their wealth is not affected. Still they could accrue wealth and save it for their purpose and control the economy of this nation.

This has been brought to light that these big business houses are completely controlling the money and its marketing in this country. We could not do much in those things. These Acts are not effective for that purpose. Recent developments are that now we have landed into a position wherein these monopoly industries find their safeguards in Swiss Banks. We are not in a position to find out because the accounts are in Switzerland. How many monopoly industrialists have started their accounts there and accrue money there? It was reported sometime back that about Rs. 15,000 crores were in deposit in Swiss Banks which belonged to Indians. When such questions were raised earlier in this House, it was told that it belongs to non-resident Indian—Indians who are working abroad. Some break-up was given two years back in this House. When we really look into this, we find that the companies are being controlled by the non-resident Indians and those who purchase the shares in companies are from India. They are people like Swaraj Paul and others. How do they control the industry and money? Hinduja and such other industrialists, who are based in Switzerland, get the money from there. Mass wealth accrues to them. They drain it back to the Swiss Banks and keep it there. The MRTP Act in effect could not prevent it.

15.00 hrs.

Now, the exemption which are going to be given will give them further handle to take away the money, unless you also bring certain controls and checks in this regard. My



predecessor was speaking about. the changes in Russia, changes in China, the approach in China and so on. May I tell you one thing? If you compare an industrialists of India with an industrialist of America, you will find that the industrialist in India is much more privileged than the industrialist in America. Here, there are no checks and balances. If you have influence, if you can get the MRTP Act amended seven or eight times, then you can get anything.

Recently a case came to my notice. I hope Sir, You are also aware of this case. The Symson Group of Companies announced one fine morning that they are going to sell imported Bedford trucks. These trucks were defective and there were no people to purchase them. But they published an advertisement stating that any person with a driving licence can come and buy the truck. This advertisement appeared throughout India. The State Bank of India advanced the money. Many innocent people pledged their houses and properties and raised money to buy these defective trucks. And they did find out that these trucks would not run. This was the result of screwdriver technology! Many of these poor people who purchased the trucks on the basis of the advertisement are in difficulty. I also know that a case in this regard is pending before the MRTP Commission. But I do not know what action is taken on this. They have given petitions to the Government, even to the Finance Minister and the Industry Minister. They approached the Government stating that they were cheated by the Bank in collusion with the Symson Company. All these things have happened but nothing has happened to the company. Only those poor truck-drivers, who thought of earning a livelihood were cheated. What I want to say here is that in such cases even the MRTP Commission could not function effectively because of the restrictions placed on them. The Government must pull up the offenders. There should be certain rules and norms

prescribed. The Ford Truck Drivers' Association approached me in Delhi to present a memorandum to you. Throughout India, they have formed an Association because though this thing had happened in Madras, the problem is nationwide. All this sort of things are happening throughout India and poor people are being cheated.

Either by taking money from the banks or collecting it from poor people, a section of the society are becoming rich and wealthy. On the whole, if you look at the problem you will find that these people comprise the top 15 per cent of the population. They already have some sort of livelihood. All the benefits of plan schemes etc. flow only towards them. And we are not able to do anything effectively to stop this concentration of wealth. Wealth is not only being concentrated in a few hands, but it is also being drained out of the country. With this amendment, in the name of indigenous technology, further wealth would be drained out of the country. There should be certain safeguards.

I am for developing indigenous technology. It must come up and it has to be built up. All support has to be given for that. But this should not be for the purpose of helping the type of industrialists who are exploiting the nation hitherto.

The second amendment appears very simple, that is the salary increase to be given from 1-1-1986...

SHRI J. VENGAL RAO: It is only because of the Fourth Pay Commission.

SHRI THAMPAN THOMAS: I am not opposing it. The only thing that I would like to tell you and request you is that this principle shall not only be applicable to the higher echelons of society.

Earlier when I took part in the discussion, the same criterion was made appli-

[Sh. Thampam Thomas] cable to the Supreme Court Judges and the High Court Judges. Now it is for the Members of the MRTP Commission. I am not opposed to it. I say that it has to be given. But please remember the poor workers in the country.

SHRI J. VENGAL RAO: We gave them interim relief. They are also getting good scales.

SHRI THAMPAN THOMAS: No, they are not given fully. The interim relief is going to be taken back.

SHRI J. VENGAL RAO: It will be adjusted in future.

SHRI THAMPAN THOMAS: I was also there in the discussion. You were also there. I am pleading for the workers who work as Clerks—anybody in the office or anybody in the factory.

SHRI J. VENGAL RAO: We are interested more in the welfare of the workers than in the MRTP.

SHRI THAMPAN THOMAS: The treatment should be equal; it shall not be confined only to the highly placed people like judges, Commission Members and all that. It should be made applicable to all the workers. I do not like that even the salary of the MPs should be increased in accordance with that principle from 1.1.1986. The arrears should also be paid according to the principle of the Fourth Pay commission; it should be done not only in the case of MPs but for every one.

SHRI J. VENGAL RAO: Are you going to accept the salary also?

SHRI THAMPAN THOMAS: Surely. I want something more on that. The principle in second amendment proposed in your Bill should be made applicable to all sections of

the people so that there is also no monopoly. The real principle of the MRTP Act should be made applicable in that case also. Thank you.

[Translation]

KUMARI MAMATA BANERJEE (Jadavpur): Mr. Chairman, Sir, I rise to support the M.R.T.P. (Amendment) Bill. The Bill, which has been brought forward by the Government to liberalise their policies, will be beneficial to all of us. In spite of that, the Government will have to scrutinise thoroughly to see that the monopoly houses do not govern the Government, rather the Government should govern the monopoly houses. The Government should exercise control over all the monopoly houses. Only then development of the country could be ensured.

There are no two opinions about it that the assets of the monopoly houses have been increasing constantly. But the Government will have to ensure that these assets are utilised for the development of the country and should not benefit any particular individual or any particular industrialist. The position in this regard should be reviewed from time to time. The Government will have to ensure that the monopoly houses work for the development of the country and in the interest of the working classes. The Government should make the optimum use of indigenous technology for country's development and there should not be any restrictive provision in this regard in the M.R.T.P. Act. The amendment Bill introduced by the Government appears to be most appropriate.

The Government should make all arrangements to set up the maximum number of industries based on indigenous technology in the backward areas of the country. This will give impetus to industrial growth in the country. A number of textile as well as other industries have become sick in the

country. A large number of industries have been identified. The Government should try to revive these industries by utilising indigenous technology and help these industries to be self reliant. To-day this thing is very essential. We had raised this point in the House this morning also. Whenever any monopoly house sets up an industry in India it gets good markets and the industry also runs well. As soon as some new product comes into the market to compete the product of the monopoly house, most of these big industrial houses divert the funds from that industry and set up some new industry. They start a new industry with a new name and hardly pay any attention to their old industrial units. As a result thereof the workers working in their old industrial units do not get anything and that unit also becomes sick. Almost all the monopoly houses in the country cause one industrial unit to be sick in this manner and go on setting up new industries in its place. But the Government does not pay any attention to it. In this connection, I would like to cite an example. The M.M.C. company belongs to a very big industrialists in West Bengal. A new company of this concern called the Machinery Manufacturing Corporation is located in Calcutta in my constituency. Till such time this textile industry earned profit, it invested money in Hyderabad and Bombay and set up industries. Now when these industries have become sick, the M.M.C. company say that they will not revive these industries. Earlier, they managed these industries well and earned huge profits. The Financers who financed the Machinery Manufacturing Company now say that they will not finance the textile units. However, they are prepared to advance loan to the M.M.C. company if the company starts any new industry. They are not prepared to advance loan for the revival of the old sick industry. For example, an industrialist starts a big industry. When the industry becomes sick, the industrialist abandons it and goes in for setting up a new industry. These industrialists diversify one industry and go in for

another industry and those who do not invest money in the sick industries, invest it in the new industries. Every institution advances loan to set up new industries. Even the I.D.B.I. gives loan for new industries. But what about the sick industries? None comes forward to help the sick industries. When industries become sick, the workers face difficulties. Nobody pays attention towards it and nobody invests funds in the sick industries. I, therefore, request the Government to take note of such industrialists and not allow them to do so. The workers are not solely responsible for the sickness of the industries. The industrialist is also equally responsible for that. If this will be the attitude that workers are solely responsible, how industrial growth will take place in the country. I have spoken to the hon. Minister a number of times in this regard and also held meetings with him. The hon. Minister had told me that joint meetings are also being held for this purpose. He further said that he has referred this case to the V.I.F.R. which is looking into the problems of sick industries. I would like to say in this connection that the V.I.F.R. invites big industrialist and they enter into an understanding with the industrialists. In this way, the decisions taken by them go against the workers' interests. No case can be made out against the big industrialists. The company takes recourse to liquidation by treating it a case of closure. Thereafter, the big industrialist starts getting loans from the financial institutions but the workers continue starve. Workers were shot dead by the police in Malda in West Bengal. Such incidents are taking place in my State. This is the outcome of your policy liberalisation.

I appreciate the move that there should be more and more industries in the country. More preference should be given to the backward classes and priority should be accorded to them in the 'No Industry Districts'. At the same time it has to be seen as to what is the policy of the Government in this regard. Big industrialists do not take up small

[Kumari Mamata Banerjee]  
 industries. But the Government's policy stipulates that big industries should be merged with the sick industries. But nothing has been done so far in this direction. In this connection, the Government should hold talks with the monopoly houses to merge some sick industries with the healthy ones so that, at least some industries could be saved from becoming sick in future. Due to industrial sickness, the situation has deteriorated in West Bengal and workers are starving. It is not a matter of joke. At least two to three hundred workers who have nothing to eat have decided. Industrial growth will be possible only when there is development of working class. This is a very important issue for us. Many textile industries in our state are becoming sick and are facing closure. For this, Government should introduce indigenous technology and should tell the monopoly houses that though the Government is liberalising the policy yet they should also extend help to the Government. This will be a step for the better.

I only want to say that existing industries in the country should be modernised. They must possess modern equipment. It is true that Government has brought forward 8 amendments in the last 18 years but there are a very few field workers for this purpose. We say that God increases wealth, law protects it but the labourers curse their own fate and only shed tears. This is exactly what is happening in our country. Therefore, it will be better if the hon. Minister pays some attention to our suggestions on the proposed amendment.

Our colleagues of the C.P.M. were saying a short while ago that the Central Government is providing assistance to the big industrialists whereas the State Government is doing nothing of sort. The State Government is responsible for the conditions prevailing in our state. Some multinational industrialists like Chhabria and

Dunlop company declared illegal lock-outs about two months back. Recently when these companies lifted the lock outs the management forced the workers to sign agreements which have not only caused loss to the workers but are also insulting to them. The State Government has no control over them. If there is no control over the industries, they will continue to function as they are. In the event of closure of the company, they will say that workers and labourers are responsible for it. The present state of affair will continue in the country if the industrials keep on accusing the workers and the Government remains satisfied merely by setting up big industries.

I believe that the amendment which the Government has brought forward in the MRT P Act for introducing indigenous technology will prove beneficial but the Government will have to pay attention to indigenous technology. Some sort of compulsory control should be exercised on sick industries and there should be a set of instructions under which closed industries could be revived.

[English]

PROF. SAIFUDDIN SOZ (Baramulla):  
 Mr. Chairman, I will say one or two things very briefly.

If Shri Indrajit Gupta wants to speak, then he will speak before me.

SHRI INDRAJIT GUPTA (Basirhat):  
 Certainly I want to speak. I will hear you first.

PROF. SAIFUDDIN SOZ: Mr. Chairman, I want to know from the hon. Minister through you, as to how he is going to do by effecting this amendment. Section 22A has already empowered the Government. I want to know, though it has power, whether it will make Section 21 or Section 22 applicable or not.

By this amendment, it is proposed to amend Section 22A so as to empower the Central Government to issue certain directions in relation to proposals based totally on indigenously developed technology. Certainly it appears to be a liberalisation measure and I welcome it because it is only to develop indigenously developed technology in the public or private sectors in national laboratories for commercial purposes. This is a good measure.

I want to know from the hon. Minister as to how he will make sure that the particular technology has been developed in India indigenously; and how he will ensure that the benefit will not flow to the big industrial houses. At there was no check sometimes, they can say that it was indigenously developed. So there is a loophole and I feel the hon. Minister should convince us on this point. He cannot convince us by merely saying that it is a liberal attitude towards the industry. We must know how he will feel satisfied that a particular technology has been developed indigenously. So he will have to throw some light on the implementation of this measure. As far as this amendment is concerned, it is a vague one. He should make it clear. Even now he can come forward and give a broad assurance that very soon he will come before the House and convince us by introducing another measure whereby it will be ensured that it is the real indigenous technology and he will make sure that the benefits will not flow to already very big industrial houses in India.

Mr. Thampan Thomas has pointed out that you are giving some hike in salaries and other perks to Chairman and members. Of course, it is the recommendation of the Fourth Pay Commission. But giving it retrospective effect I do not feel convinced about it.

**SHRI J. VENGAL RAO:** The same clause applies to the Supreme Court and

High Court judges. MRTP Chairman and members are the judges and not ordinary people.

**PROF. SAIFUDDIN SOZ:** By virtue of their being judges they cannot claim retrospective effect.

**SHRI J. VENGAL RAO:** The recommendation of the Fourth Pay Commission has been applied to the High Court and Supreme Court judges from 1.1.1986. And after all it is a question of Rs. 19,000 only.

**PROF. SAIFUDDIN SOZ:** But it will have a demonstrative effect. Anyway, it is a minor issue. The major issue is that this liberal attitude is only meant for the promotion of indigenous technology. If there are these loopholes, I agree with Mr. Thomas that the benefit will flow to the big industrial houses.

[*Translation*]

**SHRI SHANTI DHARIWAL (Kota):** I welcome the M.R.T.P. (Amendment) Bill. In short, I would say that the way the MRTP houses have been favoured to push up the exports and the policy has been liberalised, it is indeed a welcome step. But this amendment will serve some purpose only if proper verifications are made every time concessions are given to the M.R.T.P. houses. Otherwise, the result will be that 20-22 M.R.T.P. houses presently existing in the country will avail of all the facilities and thereby increase their wealth by 10-20 times. I have to submit, in brief, that economic power should not be allowed to concentrate in some pockets. This is the eighth amendment Government has brought to the Act. Sometimes it has been done in the name of boosting exports or increasing production and the other time on some other ground and every time the amendment has given fresh benefits to monopoly houses. The amendment brought forward in 1984

[Sh. Shanti Dhariwal] authorised even the smallest consumer to lodge a complaint before the M.R.T.P. Commission. But it is observed that though consumers make many complaints, yet they do not come before the commission. The Government will have to go into the reasons why the complaints did not reach the commission. The reason is that there is some flaw in the procedure somewhere. I make the complaint but I cannot dare to register my complaint with the commission. In such a situation, it becomes the duty of the Government to try to help the consumer to come forward to register the complaint before the commission whenever he has a genuine complaint or objection, so that he could get a redressal from the commission. The Government has already amended the MRTP Act 7-8 times and every time some concessions were given to monopoly houses, which has resulted in concentration of economic power with them. You have given concessions to some people for increasing exports, but in the process, they have increased their wealth 2-3 times. All the speakers who have expressed their views on this amendment, have expressed their doubts that the Government should be cautious lest the monopoly houses should increase their wealth and misuse the concessions proposed through this amendment in the name of indigenous technology.

Shri Soz raised a genuine points when he asked how the Government would verify whether the used technology is indigenous or not. These people will try to take undue advantage by importing technology from abroad and declaring it to be indigenous. Therefore, there is a need to verify every case seriously before according sanction. If this amendment is used by the Government properly and concessions are given after proper verification, then only it will prove effective to boost exports, give initiative to the backward areas and increase the pace of industrial production. Since it is the duty of

the Government to provide social justice, I hope that efforts will be made to take these things into consideration and proper verification will be carried out in every case while according approval.

This is the point on which I want to give maximum emphasis. Having said this, I conclude my speech.

[English]

SHRI INDRAJIT GUPTA (Basirhat): Thank you, Mr. Chairman. I thought you might have decided to pass me over. I shall confine myself to this Bill and not go into a general review of the working of the MRTP Act over the last few years, though that is a very tempting subject. My friend Mr. Somnath Chatterjee has discussed that at some length and I agree with most of what he said.

Government has enacted this piece of legislation as though it is meant to restrict the growth of monopolists, That is why it is called MRTP Act—Monopolies and Restrictive Trade Practices Act. But the experience shows that actually it is just the opposite. In spite of this Act, there is tremendous growth in the power of the monopoly houses, in the concentration of wealth, and in the political clout that these big business houses enjoy in the life of the country. I would like to ask the Minister one question. On the face of it, this Bill might appear to be quite innocuous, namely that it will give a boost to indigenous technology. What is wrong with this? It is very good. But I would like to ask one question whether the Government has ever thought of acquiring any legislative powers to ensure that these MRTP companies do not go in for imported technology when that technology is already available within the country.

Have you ever thought of that? For example, just now there is a case pending, I am sure the Minister knows about it, where

the Tatas, the Tata Iron and Steel Company proposed, or already carried it out, I don't know, to import a second-hand blast furnace costing about Rs. 150 crores, of which Rs. 28 crores is the foreign exchange component, although the Heavy Engineering Corporation which is a prestigious public sector undertaking in our country is already capable of manufacturing that type of blast furnace and has already supplied them to the Vizag plant and to the Bhilai plant. Why Tatas should be allowed to go in for this second-hand foreign plant where, I believe that even the date of the manufacture of that plant is not known? It is not a new thing, it is an old plant. But they are prepared to bring that spending foreign exchange and paying Rs. 150 crores for it rather than availing of the indigenously developed and manufactured blast furnace which is available with the Heavy Engineering Corporation. So, the question of self-reliance and import substitution and all these things which my friend talked about really lost all relevance now. Moreover, I would like to know incidentally whether the Tata's proposal was ever made known, whether their requirements were ever made known to the Heavy Engineering Corporation. I can understand if the Heavy Engineering Corporation says that 'we can't supply you' or something like that. We were told they were never consulted, even the Directorate of Public Enterprises was never consulted and it is the Steel Ministry or the Steel Department and the Director General of Technical Development (DGTD) which is under the hon. Minister's care who has pushed this proposal, approved it, recommended it and pushed it. So, what is the point in setting up all these costly plants in our country for manufacturing capital equipment if you are going to allow these MRTP Companies to ignore them and to import from outside even second-hand stuff which I am sure is not very good at a huge cost of foreign exchange?

As far as the technology developed in

India is concerned, this amendment of Section 22A seeks to insert this clause which reads as follows:

"... which is based totally on technology developed in India."

I wish he had said after "India", "totally developed in India in public sector laboratories and research institutes." That is not stated here. This technology developed in India may be developed not only by public sector laboratories or by our publicly funded research institutes, there can be something which is sought to be shown as being developed in the in-house R&D laboratories of private companies. Admittedly, they don't spend very much on R&D in this country. But there are these associates and subsidiaries and branches of multi-national companies who are operating in our country and one example that comes to my mind is the Hindustan Lever. The original Unilever whose Headquarters are in England is known to be a very powerful multinational company, its branch operates in India, the Hindustan Lever, they claim to have an R&D laboratory in Bombay where they are supposed to be developing all sorts of technologies. But all those technologies—can they be called purely indigenous, Indian? Is there no foreign interest involved in that when there is a branch of the multinational company? So, I think it would have been better if clause 2(a) is read like this. This should be, "which is based totally on technology developed in India in public sector laboratories and research institutes". Then it would have some meaning. We know that many of these laboratories are also languishing for want of people to put their new designs and development to commercial use. Some years ago, I had the privilege of serving as a Member of the Committee which went into the working of the CSIR which was presided over by Mr. Justice Sarkar and we had gone into the working of all the CSIR laboratories in India. We found one of the main difficulties they

[Sh. Indrajit Gupta were facing was—not that they had not done any work, they have developed many things indigenously—but the industrial sector or the commercial sector was very very tardy in taking these things and applying them to commercial and industrial use. A large body of young scientists, committed scientists are working in these laboratories who feel thoroughly frustrated and disappointed because their work is not being encouraged by commercial application:

SHRI J. VENGAL RAO: I want to say one thing. If you kindly see the statement of object and reasons, you will find that it is proposed to amend this Section 22A to empower the Central Government also to issue directions in relation to proposals based totally on indigenously developed technology. This will be a liberalisation measure for the utilisation of technology, developed in public or private sector or in national laboratories for commercial purposes.

SHRI INDRAJIT GUPTA: I am not concerned with your Statement of Objects and Reasons. I am concerned with the Bill.

SHRI J. VENGAL RAO: This statement is enclosed with the Bill.

SHRI INDRAJIT GUPTA: But what prevents you from putting it in the Bill, when making your intention beyond all questions.

SHRI J. VENGAL RAO: Our intentions are good.

SHRI BASUDEB ACHARIA: It will not serve the purpose unless you put it in the Bill.

SHRI INDRAJIT GUPTA: My point is that MRTP companies which are connected or which have collaboration agreement with foreign multi-national corporations operating in India can conceal imported technology

as indigenously developed in their own in-house R&D establishments. How do you ensure that actually indigenous technology which requires encouragement, which is being developed in your public sector laboratories and institutes are going to benefit from this Bill? There is nothing to guarantee or ensuring it at all. Certainly the MRTP companies should not acquire any monopoly over the use of publicly funded R&D technologies. Suppose some company wants to use this technology, they should not be in a position to monopolise it. As my friend, Mr. Chatterjee was saying, there are non-monopoly companies, so many of them in this country, a majority of them, even medium scale industry, even small scale industries can benefit from the use of these technologies which are indigenously developed. But there is no legislation or any move being taken by the Government to give those industries any incentives to use this indigenous technology. It is only the monopolies who have been brought out to be offered incentives.

SHRI J. VENGAL RAO: For other industries, there is no need for any permission. Since these industries are under MRPT, we are amending this Act.

SHRI INDRAJIT GUPTA: I am not talking about permission. I am talking about incentive. Permission, of course, is not required. The point is, whether you want to give any positive incentive to the non-monopoly companies. Apparently, you do not.

Another question is, it is a very difficult, practical question. There may be a company which is producing a number of products and the company is one but it has many products. It has diversified range of products. In one particular product, it may use either imported technology or indigenous technology.

It may not require it for some of its other



products. You had not made clear here whether that company comes under the benefit of this Amendment or not. It may not use that technology for all its products. It may use it for one product out of 15 products. Then, does it mean that that particular company will benefit from this, that this restriction will not apply to it any more this Act? It is not made clear.

How to ensure that a particular technology is one hundred per cent Indian, indigenously developed and within Indian control—I mean the technology is developed within Indian control? Patented technologies are being imported from abroad through the process of technical collaboration with many MRTTP companies and the Government has no means of verifying or monitoring or ensuring that these are not passed off as totally indigenous. For this purpose, I would suggest that there must be an adequate monitoring or verification machinery and that should be under the Directorate of Scientific and Industrial Research. Some sort of a Board or something should be set up under the Directorate of Scientific and Industrial Research. My suggestion is that Board should also include in it some eminent, independent scientists who are not necessarily Government scientists but who are known to be eminent people in a particular discipline or particular field.

It seems that Government's main concern is to provide more and more incentives for the growth of the monopolies. That is the part of a liberalisation policy which has been initiated by our Prime Minister. Cabinet Secretary Mr. Deshmukh, in a statement made only a few days ago, has said that "our commitment to open up the economy is unequivocal"—those words I am quoting—he was speaking, of course, where a number of American businessmen were also present—"and the process of liberalisation will be taken to its logical end." That is what the Cabinet Secretary has said. I must take his

words with due weight. This means that there is at present an outlook of unrestricted and unchecked so called liberalisation. That is, all restrictions are to be removed. All these big companies, monopoly houses, are both foreign MNCs and MRTTP companies. As Shri Somnath Chatterjee has pointed out, clearances are being given by the Government without referring to the Commission. This has been stated by the Commission itself in its report. You can say, as somebody said here, that the Commission has got the power *suo motu*, if it wants, to go into any case. But that is not the same thing. The point is it does not show any concern on the part of the Government to get a particular application at least gone into, verified and cleared by the Commission which has been setup for this purpose under the Act.

SHRI J. VENGAL RAO: It is a quasi-judicial body.

SHRI INDRAJIT GUPTA: So, what has it to do with it?

SHRI J. VENGAL RAO: It can act independently.

SHRI INDRAJIT GUPTA: Anyway, the Directive Principles of our Constitution are being violated right and left. Concentration of economic power and wealth is being allowed to go unchecked under this MRTTP. The Directive Principle should be removed. The MRTTP Act itself has become meaningless. A few days ago, there was a report—I do not know whether it is correct or not—that one of the panels of the Planning Commission has recommended in the 8th Five Year Plan that this MRTTP Act should be scrapped. It is going in that direction. It is no longer any use keeping it as a restrictive, controlling or regulatory measure. Actually, FICCI and the Associated Chambers of Commerce, as you know very well, their spokesmen, their Chairmen and their Presidents, are campaigning openly in the press every day

Sh. Indrajit Gupta through their statements and speeches directed against this MRTP saying that it should be further liberalised, its scope should be further restricted. They are saying that they do not want the Commission. They want an absolutely unchecked and untrammelled path on which they can go ahead. A few days ago, at some seminar organised by FICCI, I think the hon. Minister himself was there. The subject which they were discussing was "Liberalisation the next step." I do not know what exactly the Minister said there. I do not go by the Press reports except that he is reported to have told them that the Power Sector is going to be opened up to the private houses. In the name of liberalisation it may mean so. But he did say one thing which is reported in the Press that the philosophy of liberalisation will mean a steep rise in our import bill. It will mean that we have to import more capital equipment from abroad; more raw-materials which go into the products which are meant eventually for export—whether they are exported or not; components and technology at prices which are rising all the time. The world prices are not within our control. So, if liberalisation is going to mean more and more import of these things, the cost is going to go up further while the rupee is depreciating all the time against the foreign currency. You know very well to what extent the rupee has depreciated against the foreign currencies. So, this means that in order to help these monopoly houses through the liberalisation policy, the Government is even prepared to allow this trade deficit that we are suffering from, to become more acute because exports are not going to grow to the extent imports are growing. Everyday, the Ministers are complaining and wailing that exports are not picking up as they should, in spite of so many incentives being given to these people. Whereas, liberalisation of imports means that the gap between imports and exports value will increase, trade deficit will grow. But, anyway, this is the philosophy which the Government is pursuing.

Sir, this latest amendment, I am afraid, can only be regarded as a link, one more link in a chain—there is a dangerous chain, I should say—of mortgaging the economy, at least the industrial economy to these houses. Only a few days ago, in reply to a question here, the hon. Minister himself was complaining—it is a question regarding prices of tyres—and he himself said here that there are five or six tyre manufacturers who have formed a kind of group or cartel and they are dictating everything; they are dictating the prices and they are raising the prices.

SHRI BASUDEB ACHARIA (Bankura): They have no control over that.

SHRI INDRAJIT GUPTA: They are dictating everything. When people ask questions here the Minister says that the Government have no control over them and they cannot do anything and, they have decided to import from outside. This is the only way they thought that they can cope with these people. So, if the monopolies grow the way they are growing, the way they are encouraged to grow, and you think that the remedy is to encourage more and more imports; then you will be caught in the other dilemma which is that the trade deficit will increase much more and many industries which are indigenous in our country are going to be harmed by; they are already being harmed. Even the capital equipment industries are feeling. I mean, the managements are complaining that all these plants were set up to make machine building and manufacturing capital equipment so that we can be self-reliant and stand on our own feet but now by liberalising the whole policy, you are allowing any Tom, Dick and Harry to import all these machines and capital equipments from, abroad. What is going to happen to the Public Sector Plants?

SHRI J. VENGAL RAO: We are not allowing the import of any machinery which

is indigenously available here. (*Interruptions*)

**SHRI INDRAJIT GUPTA:** The Tatas are allowed. Even second hand plants are allowed to be imported by Tatas. The HEC can supply them.

**SHRI J. VENGAL RAO:** Without verification, I cannot say about that. (*Interruptions*)

**SHRI INDRAJIT GUPTA:** Sir, we cannot consider this amending Bill to be an innocuous and harmless thing. It is one more link in the whole chain of strengthening the monopoly and their grip on the economy. Therefore, I totally oppose this Bill. (*Interruptions*)

**DR. DATTA SAMANT (Bombay South Central):** Sir, what I am observing in the last four years is that this Government is having this type of economy which is working for a few big houses in this country. Giving Concessions in the income-tax going in for export-orientation by allowing lots of imports and all the amendments done to the MRTP Act is nothing but that you are just bothered about 20 or 30 houses of this country, irrespective of what they do. I am afraid, when yesterday I talked something that this Government is in the pockets of big houses, my friends did not like it. When you talk about the growth of this country, the industrial growth, you talk about the growth of 20 or 30 houses. I would like to know whether these big people are behaving properly and whether that growth is related to the average man of this country whose lot is to be improved. The Hon. Minister may say that it is out of question. But has all this growth of multi-nationals anything to do with the employment that is generated in this country? There is no proper proportion. On the contrary, in the big houses, employment remains stagnate or it goes down by one or two per cent. The petrochemical unit, which is a big multi-national

unit of Reliance, which is coming up at Gujarat is of Rs. 1200 crores. But the employment potential is only 500. You take Thapper's unit which is coming in Goa. The employment potential is only 300. You are just giving these big people a lot of concessions in all the aspects which are being discussed in this House and gradually leaving this country in the hands of a few people and thereby increasing the black-money by about Rs. 40,000 crores.

In the Congress session, I think, Mr. Sathe had said that every year in this country about Rs. 40,000 of black money is being generated. All these big houses are the major culprits for creating such a huge amount of black money in this country.

Coming to certain points relating to this Bill, you have given incentives to all these people. But if the indigenous technology is developed, then from the depreciation allowance you will get only 50 per cent. There is a limit of Rs. 100 crores and we are going to raise it.

Regarding the export orientation, number of statements have been made during the last Budget and in the name of exports, a lot of import is allowed. They have signed a lot of undertakings. I want a categorical reply from this Government. More than hundreds of these big bosses have not fulfilled their export orientation programme. They have taken the loans and they have fulfilled only their import obligation. It is very dangerous. Your deficit is increasing. Openly they are taking this country to a calamity in spite of the concessions that you have been giving to them everybody. There is no control over these big houses. The Sachar Committee which was appointed to study the growth of these monopoly houses, has shown that between 1970-77, 618 applications for amalgamation and other transactions were received by the Government, but only 593 were sent to this Committee. More

[Dr. Datta Samant]  
 than 500 applications were dealt with directly by the Government. These big houses are not coming to you. They are not going to the Monopolies Commission. They are not going to the Minister. They straightway go to top people and deal with them and get their licences. Whatever dealing is done there, it comes to this public House to just discuss and talk.

In your Annual Report of last year, what is the R & D development in this country?

The indigenous development in this country is totally negative. The indigenous research and development is totally negative.

I have seen all these big houses. Except in the Hindustan Lever, everywhere you are importing everything. I want to ask a categorical question as to which technology do you encourage and which is helpful? They are selling it in the scrap. Where is your indigenous technology and the need for developing it? What happened to your procedures and planning for indigenous technology development? Your research effort is totally negative. This Government is absolutely having no planning and therefore in the name of indigenous technology you get 99% hired technology manipulated by the big houses. Again without monopoly commission they will be given the licences. You are opening the window for these big houses to create blackmoney, to spoil the Indian economy. Therefore I totally oppose tooth and nail this Bill.

[Translation]

SHRI RAM NARAIN SINGH (Bhiwani):  
 Mr. Chairman, Sir, on the face of it, the

amendment to M.R.T.P. Act appears to be good but it does not fulfil the objective of the Principal Act. Therefore, everybody has raised doubts whether this amendment will yield any benefit, because no restrictions were imposed on monopoly houses after the principal Act was passed. It is a debatable question and you can go into it. But this much is very clear that there are 25-26 big houses like Tatas, Birlas, Singhanias and Reliance all of whom are big industrialists. Ever since this Act was passed, its objective has not been realised. The condition of the poor has not changed. No industry has been set up in the backward area. But at the same time, the imports are increasing. In this way, the position of our balance of trade is increasing by becoming unfavourable. We should stop imports in the interest of trade so that their prices are kept in check and the poor could get some benefits. It is apparent that M.R.T.P. Commission has no restriction on the big houses under its control and permission for imports is granted without its approval. These big houses exploit the people by using foreign technology in the name of indigenous technology and, thus, entire wealth of the country has concentrated in their hands. The country is being harmed in this way. The commission should be given more powers for the implementation of this amendment. There are independent scientists in India who can distinguish between indigenous technology, imported technology or foreign technology. Our country has produced distinguished scientists, some of whom have won even the Nobel prize. A board should be constituted by properly selecting such scientists who should conduct proper verification whether a particular technology is imported or not.

Stress should be laid on proper implementation, then only the amendment would be meaningful. Otherwise, it will be of no use.

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