

Tamil Nadu has already requested the Government of India for the formation of a Cauvery river dispute Tribunal. The Government of India has not yet constituted the Tribunal so far. The Cauvery issue is a very important one and the Centre has to come forward immediately for the formation of the Cauvery water tribunal.

- (vii) **Need to appoint a committee for suggesting proper Indian names to the towns and villages of Union Territory of Goa, Daman and Diu.**

SHRI SHANTARAM NAIK (Panaji) : The Union Territory of Goa, Daman and Diu was liberated on 19th December, 1961 after 450 years of Portuguese rule. Obviously traces of European culture still exist in some form or the other. However, these traces are bound to vanish in the course of the years.

But, one thing that will not change unless it is done by positive act of Government are the names of towns and villages which are still written under portuguese spelling and pronounced in portuguese tone. For instance, names like Pernem, Bicholim, Sanguem, Quepem, Mormugao, Valpoi, Margao etc. have to be Indianised.

I, therefore, urge upon the Central Government to appoint Committee consisting of historians and other experts for the purpose of suggesting proper Indian names of the Goan towns and villages in consultation with the local Government.

MR. DEPUTY SPEAKER : We now adjourn for lunch and reassemble at 2.05 p.m.

*The Lok Sabha then adjourned for Lunch till Five minutes past Fourteen of the clock.*

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

[SHRI VAKKOM PURUSHOTHAMAN *in the chair*]

INDUSTRIAL FINANCE CORPORATION (AMENDMENT) BILL—*Contd.*

[*English*]

MR. CHAIRMAN : The House will now take up further consideration of the Industrial Finance Corporation (Amendment) Bill.

Shri Janardhana Poojary.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : My reply is over, Sir.

MR. CHAIRMAN : The question is :

“That the Bill further to amend the Industrial Finance Corporation Act, 1948, be taken into consideration.”

*The motion was adopted.*

MR. CHAIRMAN : The House will now take up clause-by-clause consideration of the Bill.

Clause 2—Amendment of Section 2

SHRI MOOL CHAND DAGA (Pali) : I beg to move :

Page 1, line 13,—

*add at the end—*

“including batteries” (4)

Page 2,—

*omit lines 11 to 13. (5)*

[*Translation*]

In my view all have supported the point and all the Hon. Members present here have said that the work of hire—purchase is not an industry.

SHRI GIRDHARI LAL VYAS (Bhilwara) : What good will come out of it ?

**SHRI MOOL CHAND DAGA :** If no good is coming out of it, even then let it remain on record. What other good is coming out of it ?

**SHRI BALKAVI BAIRAGI (Mandsaur) :** Dagaji, I want to know from you why you speak in an angry tone ?

**SHRI MOOL CHAND DAGA :** Mr. Chairman, Sir, I am not angry. All the Hon. Members including myself who participated in the debate have identified the sources of generation of black money. The dealers who deal in hire and purchase of the machinery...

**AN HON. MEMBER :** Marwaris have more money.

**SHRI MOOL CHAND DAGA :** Marwaris do have money but what about brahims ? They possess only dhoti and lota. They have nothing more than this. By the grace of God they only know how to sit by the bank of the river Ganga and nothing else.

I would like to submit that almost all the Members have opposed leasing, sub-leasing, giving on hire and purchase as an industry. This is a kind of business in which people purchase machines and then further give it on hire thus generating income. In fact, it helps neither in the development of industry nor in technology and science. It is simply buying one thing and giving it further on hire. There are many such mill owners who have installed their own machines there and they say that they brought it on hire. They purchase the machines with their black money and say they are paying interest on it and thus they also pay less amount by way of income tax.

In the end, I would submit that when in the opinion of the majority of Members this is no industry, I hope Shri Poojary will agree to it. He should not think that only that Bill is acceptable which has been brought by them or has been formulated by the bureaucrats. The views expressed in the House by the Hon. Members should also be taken into consideration.

You want development of batteries. Batteries are also essential for energy and

electricity. This comes under industry. I have given two amendments to clause 2. I hope you will accept them.

[English]

**SHRI JANARDHANA POOJARY :** Yesterday, I have stated in details (I do not know whether the Hon. member was present at that time) about the importance of these leasing companies. I will be very brief and I will be able to complete in just two sentences. Now, when we are allowing the leasing companies to lend their machines or any equipment to industrial units, they can use the equipment for certain period and when it becomes obsolete, they can give it back and they can go in for new equipment also. Apart from helping these units, particularly the self-employed persons to have the machines, the leasing companies will have independent business of leasing these machines to a particular unit and for hire also. In this way, we are helping the people. Not only that. As you are aware, sometimes we receive complaints that the machines have become obsolete and are not in a position to give better service. In such circumstances, these units, particularly, the owners of these units are in a position to replace the old machines by going in for new machines. This benefit is also available for the units. We feel that the amendments proposed by the honourable and efficient Member of Parliament, Dagaji are not acceptable to us.

**MR. CHAIRMAN :** Are you withdrawing your amendments ?

**SHRI MOOL CHAND DAGA :** Yes.

**MR. CHAIRMAN :** Has the Hon. Member leave of the House to withdraw his amendments ?

**SEVERAL HON. MEMBERS :** Yes.

*Amendments Nos 4 and 5 were, by leave, withdrawn*

**MR. CHAIRMAN :** The question is :

“That clause 2 stand part of the Bill.”

*The motion was adopted.*

Clause 2 was added to the Bill.

Clause—3—Amendment of Section 4

MR. CHAIRMAN : Shri Ayyapu Reddy.  
He is absent.

Amendment made .

Page 2, line 29,—

for "1985" substitute "1986".(3)

(Shri Janardhana Poojary)

MR. CHAIRMAN : The question is :

"That Clause 3, as amended, stand  
part of the Bill."

*The motion was adopted.*

Clause 3, as amended, was added to  
the Bill.

Clause—4—Amendment of Section 10

SHRI MOOL CHAND DAGA : I beg  
to move :

Page 3,—

after line 11, insert—

"(bbb) one Director each to be  
nominated by the Speaker, Lok  
Sabha and Chairman, Rajya Sabha,"  
(6)

DR. CHINTA MOHAN (Triputi) : I beg  
to move :

Page 3,—

omit lines 7 and 8 (16)

SHRI MOOL CHAND DAGA : Sir, so  
far as the nomination of the Directors is  
concerned, I request that one Director should  
be nominated by the Speaker, Lok Sabha  
and the other Director by the Chairman,  
Rajya Sabha. These two Directors should be  
there on the Board. I would also propose—  
and an ex-Finance Minister also proposed it  
—that Members of Parliament should be  
appointed as Directors. So, Members of

Parliament should be included as Directors  
in the Board. Therefore, I have recommended  
it, and so many young Members have also  
supported this point Why should you deprive  
the MPs of this ? You can appoint anybody  
as the Director—including Government emp-  
loyees. Why should MPs not be appointed  
as Directors ?

MR. CHAIRMAN : Now Dr. Chinta  
Mohan.

DR. CHINTA MOHAN (Tirupati) : My  
point is that the Managing Director and  
Chairman should not be one and the same  
person. There should be two different persons.  
Otherwise such a person can misuse the  
powers.

SHRI JANARDHANA POOJARY :  
Parliament is the supreme body. As an Hon.  
Member said earlier, we are the watch-dog.  
You know what had happened in the case of  
Reliance. If Hon. Members of Parliament  
also remain part and parcel of the manage-  
ment while granting loans to individuals...

SHRI PRIYA RANJAN DAS MUNSI  
(Howrah) : No, no. Had MPs been there,  
such a thing would not have happened Don't  
blame like that.

SHRI JANARDHANA POOJARY : I  
have not blamed anybody. I have not blamed  
Mr. Das Munsi. He should have patience.  
We thought if MPs are there at the time of  
granting loans etc.—MPs are respectable  
persons—and if there is fault or deficiency,  
would it look all right ? Parliament is a body  
which goes into all these things, into this  
aspect also. In these circumstances, it has  
been felt that it is not desirable to have MPs  
on the Board of Directors. Hence this amend-  
ment is not acceptable to us.

Regarding the point made by Hon. Dr.  
Chinta Mohan, I fully agree with him that  
the Chairman should be different from the  
Managing Director. We agree there. Hence  
in IFC, it will not be the same person work-  
ing as the Managing Director and the Chair-  
man.

**SHRI PRIYA RANJAN DAS MUNSI :** One thing I note is that the Minister has said that the bank loan sanctioned to Reliance was absolutely wrong. At least he has admitted that thing in the House. It should be recorded.

**SHRI JANARDHANA POOJARY :** I want to say that I am not going to be trapped by Mr. Das Munsi, because I know what type of representation he has made earlier during the debate as well. A high-level committee has been appointed. It is going to look into all matters relating to Reliance. We are also not going to be defensive insofar as Reliance or any other matter is concerned. We are not going to allow any person to go scot-free also. At the same time, innocent persons also will not be punished.

**MR. CHAIRMAN :** Mr. Daga, do you withdraw or press your amendment ?

**SHRI MOOL CHAND DAGA :** This is a point to be considered. If he does not to accept it, well and good.

**MR. CHAIRMAN :** Has Mr. Daga the leave of the House to withdraw his amendment ?

*Amendment No. 6 was, by leave, withdrawn.*

**MR. CHAIRMAN :** Dr. Chinta Mohan, do you press your amendment ?

**DR. CHINTA MOHAN :** Yes, Sir; I thank the Hon. Minister for accepting it.

**SHRI JANARDHANA POOJARY :** Not the amendment; I accepted the principle. Even as it is, it will not be like that. There will be different personalities. Particularly, the Managing Director will not be the Chairman. We are going to create a second-line management there.

**MR. CHAIRMAN :** Dr. Chinta Mohan, are you withdrawing your amendment ?

**DR. CHINTA MOHAN :** Yes.

**MR. CHAIRMAN :** Has Dr. Chinta Mohan the leave of the House to withdraw his amendment ?

*Amendment No. 16 was, by leave, withdrawn.*

**MR. CHAIRMAN :** The question is :

“That Class 4 stand part of the Bill.”

*The Motion was adopted.*

**Clause 4 was added to the Bill.**

**Clause 5—Amendment of Section 10A**

**SHRI MOOL CHAND DAGA ;** I beg to move :

Page 3, (i) line 20,—

*for “such term not exceeding”*

*substitute—“a term of”*

(ii) lines 20 and 21,—

*omit “as the Central Government may specify in this behalf”(7)*

Page 3, line 33,—

*omit “or the Chairman”(8)*

**MR. CHAIRMAN :** Mr. Ayyapu Reddy is not here. Dr. Chinta Mohan, are you moving your amendments ?

**DR. CHINTA MOHAN :** Yes; I beg to move :

Page 3, lines 14 to 16,—

*omit “and, in a case where the same person is appointed to function both as Chairman and as Managing Director, such person”(17)*

Page 3, line 45,—

*add at the end—*

*“but in every such case, he shall, as soon as may be after the action is taken, make a written report to the Board containing a statement of the action taken and the circumstances under which it was taken.”(18)*

**SHRI MOOL CHAND DAGA :** It is said in the Bill ;

[Shri Mool Chand Daga]

“(3A) The Managing Director shall exercise such powers and discharge such duties as are assigned to him by this Act or as may be delegated to him by the Board or the Chairman”

why by the chairman? He can delegate powers to the members. I say, the powers should be delegated only by the Board. It says here as follows :

“The Managing Director shall exercise, such powers and shall discharge such duties as are assigned to him under this Act as may be delegated to him by the Board.”

You say that the power should be delegated by the Board. It is the Board which takes a decision ; it is the Board which takes certain measures and it is the Board which enforces them. Now, you say that powers are given to the Board or the Chairman. If the Chairman delegates powers, what are the powers which are given by the Board? So, I don't think it is necessary that we should give powers to the Chairman and that he should delegate those powers only to the Managing-Director. Therefore, I request you to accept this amendment. Secondly, the term should not be less than five years. Why do you keep it like this? The Chairman and the Managing-Director hold office for such term not exceeding five years. It means that it is not certain whether he wants to keep him for one year or two years or three years. I say, at least, you give him a chance. When you want to employ a Chairman or a Managing-Director, at least, you must give him some time to work ; otherwise he does not know when his term will be expired ; his term may be expired at any time. Therefore, I request you that you must at least give him time to work. If you say, not exceeding such and such period, it does not mean anything. If a member comes to Parliament and says that he will not remain as a member exceeding five years, what does it mean? Does it mean that he should not be made a Member of Parliament for five years? Otherwise, he may not know what is to be done. This is not the way of putting an amendment. These bureaucrats have framed this Bill and you insist that you would not accept it. That is

all right. Anything can be said on both sides. So, please see that at least the Managing Director or the Chairman or the members work for five years and not less than five years ; and they can be removed if they are found corrupt and dishonest ; then you can serve a notice on them and ask them to resign.

DR. CHINTA MOHAN (Tirupati) : There should not be any member from the Congress or the ruling party on the Board. There are so many Congress Members who are on the Board, and they are utilizing these banking resources. So, they should not be there on the Board.

PROF. N. G. RANGA (Guntur) : I have a word to add here. I am in agreement with my Hon. friend, Shri Daga, in regard to his suggestion that there should be at least a minimum period. Certainly you can have the maximum period, that is five years, but there should be a minimum period of three years or two years or something like that. There is a lacuna. I am afraid, these people who are responsible for formulating this Bill need not give sufficient thought to this matter. I would like my Hon. friend either to take some time to consider it or to agree to an amendment which is already there suggesting that there should be a minimum period of three years.

SHRI JANARDHANA POOJARY : We have considered the very good point, the pertinent point, made by the Hon. member and our veteran leader Prof. Rangaji and also Shri Dagaji. As you are aware, there is a criticism also saying—even in the course of the debate here—that some of the Chairman and Managing Directors are not effective and there should be a provision also that we should not give them a longer period. That is one type of an argument that has been advanced ; The other type of argument that has been advanced is that we have to give a definite period and at least it should be a minimum period. Here I will take into consider the suggestion made by our leader and definitely at the time of appointment we will give them sufficient time. Already you know that in some cases we will not give them less than three years.

At the same time if he is not effective, then we have to remove him. That provision

is also there. At the same time we will give him the maximum period and if he is going to be effective, we will keep him. If the man is not going to be effective then only there may be some provision. He will have an apprehension that his tenure is not certain. If he is an effective and efficient man, we assure Parliament that his term will be extended. Five years is not all his only time. The only thing is his effectiveness and also the efficient discharge of the duties is to be considered. I request the Hon. Members not to press for this amendment.

MR. CHAIRMAN : Mr. Daga, do you press your amendment ?

SHRI MOOL CHANDA DAGA : He has accepted our views.

MR. CHAIRMAN : Is it the pleasure of the House that amendment moved by Shri Mool Chand be withdrawn ?

*Amendment No. 7 and 8 were by leave,  
withdrawn*

MR. CHAIRMAN : What about you, Dr. Chinta Mohan, are you withdrawing your amendment ?

DR. CHINTA MOHAN : Yes.

MR. CHAIRMAN : Is it the pleasure of the House that the amendment moved by Dr. Chinta Mohan be withdrawn ?

*Amendment No. 17 and 18 were by  
leave, withdrawn*

MR. CHAIRMAN : The question is :

“That clause 5 stand part of the Bill.”

*The motion was adopted*

Clause 5 was add to the Bill

MR. CHAIRMAN : The question is :

“That Clauses 6 to 9 stand part of the Bill.”

*The motion was adopted*

Clauses 6 to 9 were added to the Bill

Clause 10 – Amendment of section 17

MR. CHAIRMAN : Clause 10. There is an amendment of Shri Daga. Are you moving it Mr. Daga ?

SHRI MOOL CHAND DAGA : I beg to move :

Page 4, lines 17 and 18,

*Omit* “any other Director nominated by the Chairman in this behalf and in the absence of such nomination” (9)

MR. CHAIRMAN : Shall I put it to the vote of the House ?

SHRI MOOL CHAND DAGA : I just want to say one word. If the Chairman or any person is unable to attend a meeting of the Board, the Managing Director or in the event of the both the Chairman and the Managing Director being absent or being unable to attend the meeting, any other Director nominated by the Chairman on his behalf can attend the meeting.

Supposing the Managing Director is absent, the Chairman is absent, then the Chairman can nominate any member and then in the absence of such/nomination any Director or any other Director can preside over the meeting. So, this is all right. Why should a Chairman remain absent or the Managing Director remain absent, when the other Directors are present ? Other Directors are elected and any of them has the power. But if there is any Director nominated by the Chairman, he will preside over the meeting. The only way is that the remaining Directors should elect their Chairman and he will preside over. I want that these words,

“any other Director nominated by the Chairman in this behalf and in the absence of such nomination”

to be omitted.

SHRI JANARDHANA POOJARY : The Hon. Member has studied the Act effectively and now his suggestions and the spirit in

[Shri Janardhana Poojary]

which he is making the suggestions are known to us. Let us see how it works, but I am not in a position to accept this amendment.

SHRI K. S. RAO (Machilipatnam) He can not say like that. It makes the Director's post null and void.

MR. CHAIRMAN : This type of intervention is not allowed. Do you press your amendment, Mr. Daga ?

SHRI MOOL CHAND DAGA : He says, he will consider it.

MR. CHAIRMAN : Has Mr. Daga leave of the House to withdraw his Amendment No. 9 to clause 10 ?

SOME HON. MEMBERS : Yes

*Amendment No. 9 by leave, was  
withdrawn*

MR. CHAIRMAN : The question is :

"That clause 10 stand part of the Bill"

*The motion was adopted*

Clause 10 was added to the Bill

Clauses 11 and 12 were added to the Bill

MR. CHAIRMAN : Clause 13—Shri Mool Chand Daga—not present. There are no amendments to clauses 14 to 17. So, I will put them together.

The question is :

"That clauses 13 to 17 stand part of the Bills"

*The motion was adopted*

Clauses 13 to 17 were added to the Bill

MR. CHAIRMAN : Clause 18—Shri Mool Chand Daga—not present. There are no amendment to clauses 19 to 22. So I will put them together.

The question is :

"That clause 18 to 22 stand part of the Bill"

*The motion was adopted*

Clauses 18 to 22 were added to the Bill

Clause 1—Short Title and commencement

*Amendment made—*

Page 1, line 4,

for "1985" substitute "1986" (2)

(Shri Janardhana Poojary)

MR. CHAIRMAN : The question is :

"That clause 1, as amended, stand part of the Bill"

*The motion was adopted*

Clause 1, as amended was added to the Bill

Enacting Formula

*Amendment made*

Page 1, line 1,

for "Thirty-sixth" substitute "Thirty-seventh" (1)

(Shri Janardhana Poojary)

MR. CHAIRMAN : The question is :

"That the Enacting Formula, as amended, stand part of the Bill"

*The motion was adopted*

The Enacting Formula, as amended, was added to the Bill

The Title was added to the Bill

SHRI JANARDHANA POOJARY : I beg to move :

"That the Bill, as amended, be passed"

MR. CHAIRMAN : The question is :

"That the Bill, as amended, be passed"

*The motion was adopted*

— — —

14.39 hrs.

DISCUSSION RE : COMMUNAL SITUATION IN VARIOUS PARTS OF THE COUNTRY—CONTD.

[English]

MR. CHAIRMAN : Now we take up further discussion on the communal situation in various parts of the country.

[Translation]

SHRI BALKAVI BAIRAGI (Mandsaur): Mr. Chairman, Sir, I was saying yesterday that India had welcomed all the religions, as per her tradition. Christianity arrived in India in 52 A.D, and we gave it every opportunity to flourish. The followers of Christianity lived in India and they worshipped Gods in accordance with their own rites. About 1,250 or 1,500 years ago, Islam arrived in our country and our ancestors welcomed it also. Mr. Chairman, Sir, a number of religions flourished in this land of India. In all these religions, emphasis was laid, in their own way, on maintenance of peace. No confrontation took place any time. No. exhortation was ever made from any mosque, temple, Gurudwara or any place of worship to resort to violence or to hate each other.

Mr. Chairman, Sir, we shall do justice to our cause if we keep this in mind. We find that with the development of democracy in the country and with the spread of education after independence, there was increase in tension on religious grounds. It resulted in

the eruption of riots which have been on the increase. It is said that our ancestors were more sensible than us. They had no formal school or college education. They never quarrelled with one another.

I recall my childhood days. This happens even today in my village. Probably you may agree to this. During Muharram, my mother used to pray for my welfare and on the day of rakhi festival, Muslim brothers used to come to our house and get rakhis tied on their wrists and our sisters accepted cash offering as a token of love. Even today that practice is being observed and on the occasion of Muharram procession, my mother used to kneel before the Muharram sharief and pray for our welfare. Never such thing has happened due to which we would have put blame on others or others would have put blame on us.

I can give you thousands of such examples. Even today, in our villages the persons who guard our houses profess a religion other than that of the persons living in these houses. I can quote you thousands of such names. My sikh brethren may not believe me but I am saying this with all seriousness that 50 to 60 years ago, in my region Malwa if some woman was molested the elderly persons of the village used to hold a meeting in which money was collected from all and a delegation of the village was sent to a nearby gurudwara for requisitioning the services of a sikh from the Granthi so that he may guard the village for ensuring the honour of the women living there. A large number of such sikhs are settled in our villages who acted as caretaker of the villages and did not allow wrong things to be done there. They never allowed the religious fanaticism to flourish. Even today they recite Gurbani in the Gurudwaras.

Mr. Chairman, Sir, what has happened all of a sudden ? Gradually religion got linked with politics at some level whether before independence or after independence. It resulted in creation of ill feelings. Religion is not a week thing. The Hon. Members sitting in this august House may agree or not but I would say that those who say that they would defend the religion, are not the true followers of that religion. I would deem it