

MR. DEPUTY-SPEAKER: The question is:

"That the members of this House do proceed to elect in the manner required by sub-rule (3) of Rule 254 read with sub-rule (1) of Rule 331B of the Rules of procedure and Conduct of Business in Lok Sabha, one Member from among themselves to serve as a member of the committee on the Welfare of Scheduled Castes and Scheduled Tribes for the unexpired portion of the term of the Committee vice Shri Baleswar Ram ceased to be a member of the Committee on his appointment as a Minister of State."

The motion was adopted.

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

MR. DEPUTY-SPEAKER: The House will take up further consideration of the following motion moved by Shri Shiv Shankar on the 21st November, 1980, namely:—

"That leave be granted to introduce a Bill further to amend the Monopolies and Restrictive Trade Practices Act, 1969."

Mr. Chitta Basu, you wanted to say something on this.

SHRI CHITTA BASU (Barasat): Last Friday, I opposed the introduction of the Monopolies and Restricted Trade Practices (Amendment) Bill 1980. The grounds on which I want to oppose this Bill are:

First, as I have mentioned earlier, Article 39(C) of the Constitution precisely states that the operation of the economic system does not result in

the concentration of wealth and means of production to the common detriment, that is, the Directive Principles of the Constitution.

My second argument is that this proposed Bill will result in the concentration of wealth and that would again be to the common detriment. Therefore, the spirit of Article 39C is being violated by this proposed Bill. Sir, you will know that the Bill also takes away the right of the MRTP Commission to sit in judgement as to whether a particular undertaking is a dominant undertaking. If that undertaking extends its capacity to produce goods for export and if that undertaking is engaged in extending its capacity for the purpose of export, then the wealth created, the assets created, by the process of export shall not be taken into account by the MRTP Act in the matter of determining the fact as to whether that particular Undertaking is dominant or not. Therefore, this is in flagrant violation of the basic objectives of the MRTP Act which is sought to be amended by an Ordinance. The entire purpose of the MRTP Act is being defected, is being negated by this amending proposal. Therefore, I do not say that the MRTP Act is a foolproof instrument in the matter of checking or arresting the concentration of wealth and assets. It has got certain teeth. But those teeth are being removed. That being the case, the MRTP Act will be rendered toothless, more ineffective and as a matter of fact, it will become infructuous.

My second objection is that this Bill is a deliberate attack on the Industrial Policy Resolution of 1956. I would like to stress on this point that the 1956 Industrial Policy Resolution was not merely a statement of the Government but that was also adopted by the then Parliament. That is the policy declaration of the Parliament, the higher forum of the nation. And this Bill seeks to defeat or

seeks to bring in certain deflection, not only deflection, but inter-reversal of the policy announced by the Industrial Policy Resolution adopted in 1956. This is a denigration of the Parliament: this is side-tracking of the Parliament. This is in violation of the policy frame laid down by the Parliament and the Government has got no right to denigrate that policy without a further reference to the Parliament itself. This is my second argument.

My third argument is that this is a pernicious move to give further concessions to the monopolists and multi-nationals. This Bill, if enacted, will further strengthen the stronghold of the monopolists and the multi-nationals over our national economy. Therefore, it is injurious to our national interest and national economy.

Finally, this, as I have mentioned earlier, is a complete reversal of the economic policy and that is to the satisfaction of the monopolists and multi-nationals. This is a ruinous course the Government is going to adopt. Therefore, having regard to this, I firmly oppose the introduction of the Bill at this stage.

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI P. SHIV SHANKAR): Mr. Deputy-Speaker, Sir, the ordinance was issued having regard to the urgent requirement of policy adjustment in the light of the sharp changes in India's balance of payments arising from the steep escalation in import prices particularly of oil. The Statement of Objects and Reasons makes it clear as to why the amendment is sought. My hon. friend, in the first argument, is trying to bring this within the sweep of Article 39(c) of the Constitution. What we seek to exempt is with reference to the manufacture of export items. As I said, because of the balance of trade which had not been in our favour, we had to take this decision. The question is whether

this action on the part of the Government contravenes Article 39(c) of the Constitution. While my hon. friend maintains that it does, in my submission it would not.

What is most important in Article 39(c) of the Constitution is whether this wealth and means of production is to be to the common detriment. I emphasise the expression common detriment. This amendment which is sought is only for the purpose of exports so as to enable us, our country, to be economically strong. In that background, it is not possible to argue that this amendment would be to the common detriment of the people. From that point of view, my submission will be that this does not come within the sweep of Article 39(c). As I said, the Statement of Objects and Reasons is very clear. Why exactly we are introducing this Bill, is also clear from the provisions. Dominance. I agree, if it were to be a case of dominance within the country, and not for the purpose of export, perhaps that would be something about which my learned friend has argued, but having regard to the policy and purport behind the amendment, my submission would be that it not only does not fall within the sweep of Article 39 C but it also does not cut across the industrial policy statement.

Sir, concession has to be necessarily given for stimulating export production.

My friend says that it will be in favour of the industrialists and the multi-nationals. My friend is aware that where these industrial concerns have to expand themselves, for production for sale within the country, approval is necessary from the point of view of the dominance, where relevant. There are provisions in the MRTP Act, whereunder they have to apply to the Department concerned, and in some cases the matters are for the purpose of going into the matter, whether it is necessary that the industrial concern should be given

[Shri P. Shiv Shankar]

the permission for the expansion and so on and so forth. This is one way of looking at it. In each and every individual case, where the parties approach the Department and the matters are referred to the Commission, the matter is gone into, because of the fact that they may have to play a dominant role in the industry.

But, Sir, there is a very peculiar situation which we have to face in the future, when our economic well being depends on our capacity to export. And since this concession which is given, is not going to affect supplies within the country, but is only with a view to encourage exports, and because of this background of acute balance of payments problem, I would submit that a policy decision had to be taken and the amendment had to be brought in, in order to improve our foreign exchange position.

Sir, in this view, I do not think that it could be called a ruinous course, or it could even be said as though the industrial houses are sought to be encouraged to the detriment of the common men in this country. This is my submission, Sir.

MR. DEPUTY-SPEAKER: The question is:

“That leave be granted to introduce a Bill further to amend the Monopolies and Restrictive Trade Practices Act, 1969.”

The motion was adopted.

SHRI P. SHIV SHANKAR: I introduce the Bill.

STATEMENT RE. MONOPOLIES AND RESTRICTIVE TRADE PRACTICES (AMENDMENT) ORDINANCE

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI

P. SHIV SHANKAR): I beg to lay on the Table an explanatory statement (Hindi and English versions) giving reasons for immediate legislation by the Monopolies and Restrictive Trade Practices (Amendment) Ordinance, 1980. (Placed in Library. See No. LT—1375/80]

14.25 hrs.

AIR (PREVENTION AND CONTROL OF POLLUTION) BILL*

THE MINISTER OF PARLIAMENTARY AFFAIRS AND WORKS AND HOUSING (SHRI BHISHMA NARAIN SINGH): I beg to move for leave to introduce a Bill to provide for the prevention, control and abatement of air pollution, for the establishment, with a view to carrying out the aforesaid purposes, of Boards, for conferring on and assigning to such Boards powers and functions relating thereto and for matters connected therewith.

MR. DEPUTY-SPEAKER: The question is:

“That leave be granted to introduce a Bill to provide for the prevention, control and abatement of air pollution, for the establishment, with a view to carrying out the aforesaid purposes, of Boards, for conferring on and assigning to such Boards powers and functions relating thereto and for matters connected therewith.

The motion was adopted.

SHRI BHISHMA NARAIN SINGH:
I introduce the Bill.