

प्रदेश व मध्य प्रदेश से लगा हुआ है तथा यहां का मुख्य उत्पादन सेंद्रुपत्ता तोड़ना है जिसकी उन्हें उचित मजदूरी नहीं मिल पाती। इसी का परिणाम है कि इस क्षेत्र में नक्सलपांथियों का प्रभाव तेजी से बढ़ता जा रहा है। यदि सरकार ने तत्काल इस ओर कोई उचित ध्यान नहीं दिया तथा मजदूरी उचित नहीं दिलाई तो स्थिति बहुत अधिक बिगड़ जाएगी। आज भी हालत यह है कि न तो अधिकारी और न ही व्यापारी वहां डर की वजह से जाते हैं।

इसके साथ ही मेरा सरकार से यह भी अनुरोध है कि इस स्थिति में सुधार लाने के लिए वहां कुछ बड़े उद्योग लगाए जायें। सुरजगढ़ में भिलाई, राउरकेला और दुर्गापुर की भांति एक स्टील प्रोजेक्ट लगाया जा सकता है। इसके लिए आवश्यक पोटेंशियलिटी है। लकड़ी कोयला तथा लोहा वहां उपलब्ध है और 30 साल से एक बड़ा जोह उद्योग की यहां योजना प्रस्तावित है।

यहां न तो सड़कें हैं और न पुलिया, न बिचाई या संचार साधन की व्यवस्था है। बरसात में इस जिले का शेष देश से सम्पर्क कट जाता है। औद्योगिक वातावरण निर्माण होने से ही यहां लोगों में जागृति आ सकती है जिससे नक्सलपांथियों का आतंक और प्रभाव कम होने में राहत मिलेगी।

अतः मेरा सरकार से अनुरोध है कि इस अविकसित और पिछड़े जिले की तरफ यथाशीघ्र ध्यान देकर नौ-इन्डस्ट्री डिस्ट्रिक्ट होने के नाते इस जिले में कोई रोजगार पोटेंशियलिटी वाला पर्याप्त रोजगार उपलब्धता की क्षमता का एक बड़ा उद्योग खोले और इसमें नियुक्ति में यहां की जनता को प्राथमिकता दी जाए।

14.10 hrs.

### INDUSTRIAL RECONSTRUCTION BANK OF INDIA BILL-Contd.

MR. DEPUTY SPEAKER : The House will now take up further consideration of the following motion moved by Shri Pranab Kumar Mukherjee on the 6th August, 1984 namely :

“That the Bill to provide for the establishment of the Industrial Reconstruction Bank of India, and for the transfer to, and vesting in, the said Reconstruction Bank, of the undertaking of the Corporation known as the Industrial Reconstruction Corporation of India Limited, with a view to enabling the said Reconstruction Bank to function as the principal credit and reconstruction agency for industrial revival and to co-ordinate similar work of the other institutions engaged therein and to assist and promote industrial development, and to rehabilitate industrial concerns, and for matters connected therewith or incidental thereto, be taken into consideration.”

Prof. Rup Chand Pal to continue his speech.

PROF. RUP CHAND PAL (Hoogly) : Sir, the Bill has been drafted very shabbily. As you can see it, as many as 75 corrections have been included in the Corrigenda.

This Bill is there to provide for the establishment of the Industrial Reconstruction Bank of India in place of Industrial Reconstruction Corporation of India. It has been said that this Bill will enable IRBI to function as the principal credit and reconstruction agency for industrial revival, and its function will also be one of coordination.

This Bill touches only the fringe of the problem, i.e. of the growing incidence of sickness which we have discussed so many times on the floor of the House. Very

(Prof. Rup Chand Pal)

recently, the hon. Minister has also stated that it is a very serious problem. Roughly, as many as 439 large units and more than 29,000 small scale and tiny units have grown sick over the years, but this IRCI could do very little in that respect, although claims have been made very recently that 70% of the sick units assisted by the IRCI have been resurrected, and made viable. I do not agree with such claims. This Bill has come to replace the earlier Corporation and to establish a Bank. But I do not find any basic change in the character of, and approach to this problem. So, I do not think this piece of legislation is going to help us in respect of this growing sickness, in any considerable way.

Till to-day, the figures are not available. I am going by the figures given by the hon. Minister, inside the House or outside, upto June 1982 regarding the performance of IRCI, that this IRCI had given loans to the extent of Rs.2723 crores by way of helping the industrial units.

There are other figures also. The large scale units which have become sick, have taken loans from commercial banks, as on 31.12.1982, to the extent of more than Rs.1804 crores; medium units to the extent of Rs.207 crores, and small scale units to the extent of Rs.567 crores. The total is Rs.2578 crores. There are loans given by other agencies also to the sick industries.

To make an industry sick has become a very good business to-day. Inside the House, we have discussed it many times, and said that deliberately unit, even industries considered to be coming under MRTP, deliberately make industries sick, have taken money from IRCI and other agencies, did not pay back the money, siphoned off the money, diversified it and set up new industries in areas of quicker return.

According to a statement made by the hon. Minister himself, not long back but on 3rd August last year in the other House, IRCI has given loans to 123 units.

Who have not returned the money within the time they were expected to give. Regarding the other financial institutions, here there is little scope to discuss about them. If we analyse the role of the public financial institutions like IDBI, it is on record, according to the Minister's statement in the other House, that Tatas and Birlas there two houses alone owe to IDBI more than Rs.100 crores. This is not the time to go into detail and discuss the role of public financial institutions. But to make industries sick has become a very good business for these industries and IRCI, to say the least has connived somehow with these people to give them money. This is not my say. This has come out through enquiries by those who know things.

14.17 hrs

(SHRI N.K. SHEJWALKAR *in the Chair*)

In this respect the least that can be said is that IRCI has miserably failed to revive the sick units and has become a den of corruption and pilferage defeating the very purpose of the formation of IRCI. This has come out in many reports which have been submitted. Many enquiries have been demanded in this House and in the other House regarding IRCI regarding its activities, its collusion with some private sector people and how money has been drained out and how it has not come back.

Regarding growing sickness and how to meet it, the Government has its policy guidelines issued in October, 1981. And, according to the policy guidelines, I think the Government is moving. There in the policy guidelines they state that the financial institutions have been instructed to monitor. Only the other day the hon. Minister has also stated that the remedy to this growing sickness is early diagnosis. But instead of that indifference is shown to take remedial measures at an early date to stop it. But although there have been persistent demands from all quarters, from the trade unions, from the common people, from people's representatives, that there should be a standing committee, at least it may be attached to

the Finance Ministry or to the Industry Ministry, whose job it will be to see that if there is any sign of sickness it should be considered seriously even at the very incipient stage, initial stage and adequate measures should be taken and although it has been stated in the policy guidelines, neither the IRCI, nor any other agency did that job. All that money was given and the sickness could not be prevented, it could not be recovered or the industries could not be revived.

Sir, we have seen that the Government through its policy has added to the confusion, added to the complexity of the problem instead of helping the sick industries to come out of it. Because the Government, according to the many statements that have come out over and help only viable units. Now it is being proved that these industries may be returned back or sold out or leased out. Does it mean that the Government believes more in the philosophy of hospitalisation? For the fraudulent practices to continue, the industry should be allowed to become sick deliberately, financial and other assistance should be provided and after they are made viable they will be returned back to the owner or some monopoly houses.

There is a reference to social objectives. What social objective will be served if only viable units, which are considered viable are helped or assisted or taken over and after what I say as hospitalisation returned back to the country? The social objective lies in considering those which are not considered to be viable, to see how they can be made viable with the help and cooperation of the workers themselves. Because the workers' stake is the most in the industries. They lose their bread. When there is a closure, the workers have no say, either in this Industrial Reconstruction Bank of India that is being proposed, or in the Advisory Committee for the units taken over. Is it the way the Government's policy functions? The workers' participation, genuine participation of workers in management is being mentioned. I am referring to page 8 where the composition of the Board has been stated. There is everyone, a Chairman, to be appointed by the Central Government, representative of the Reserve Bank, Directors from the other places, other

financial institutions, non-official members, etc. but there is no elected representative of the workers. Is it the way the Government is honouring its own policy of workers' participation in management? The same is true about the advisory committee regarding the units to be taken over or assisted. There is no workers' representative there also. There workers on whose active cooperation the revival depends so much or with whose cooperation the sick industries can be made viable, have no say.

I request the hon. Minister to see to it that the workers are adequately represented through election in democratic manner.

Now let me refer to page 16, where there is a reference to the reconstruction assistance fund. It has been said that everything said and done, for granting of any such loan or advance to the industry concerned or for entering into any such agreement, the Industrial Reconstruction Bank shall obtain the prior approval of the Central Government. On political considerations if they think that this concern will be helped, they will be helped, otherwise it will not be helped. And moreover, from experience we notice the role of IRCI during all these 13 years. There are some political pressures. There are political considerations and some times-I cannot resist myself from saying-that sometimes considerations are made how much will come to the offers of the political party ruling at the Centre.

SHRI MOOL CHAND DAGA : Why talk of our Government? Why not in West Bengal?

PROF. RUP CHAND PAL : Because it is the Central Government that is involved. If that is so, it is going to influence the role of this IRBI because everything will be trickling from here. The Chairman can be appointed from here. It seems that it will function at their sweet will.

The Chairman will always look to the Centre. What they think proper about the sickness of an industry, how to revive it, how

(Prof. Rup Chand Pal)

to make it viable, that will not be the major consideration. For this big and serious job where 29,000 small and tiny units, more than 439 large units have gone sick as of today, a large number of them totally closed and lakhs and lakhs of workers are in the streets starving and dying, you have not listened to their suggestions. Now, you have come out with this piece of legislation that the authorised capital of the Bank, a principal credit and reconstruction agency, would be Rs.200 crores and paid up capital Rs.50 crores. With this money, they are supposed to fulfil this gigantic task as a principal credit and reconstruction agency. I very much like the hon. Minister to raise this amount because with this meagre amount nothing can be done.

Lastly, I have no illusion that this piece of legislation is going to solve any problem because sickness in industry is related to fundamental and basic Government policy pursued by this Government. They are pro capitalist, pro multi-national, pro landlord, etc.

SHRI SATISH AGARWAL : Anti-West Bengal :

PROF. RUP CHAND PAL : In spite of that they cannot do anything because people are with us.

I conclude by saying that there are so many recommendations. I am not referring to that. There are many other unanimous suggestions and recommendations and memorandums given by all the trade unions. But you have not listened to the suggestions of workers. In spite of that, you have come out with such a piece of legislation. It will touch only a fringe of the problem. I request you to come out with a comprehensive measure which can meet this problem of growing sickness.

SHRI XAVIER ARAKAL (Ernakulam) : This Bill seeks to convert the Industrial re-construction Corporation of India into a

new entity. Of course, the reasons given in the Statement of objects are basically two. One is to get over the difficulties which it has been experiencing for the last 12 years. And the second point is important as far as this Bill and its objectives are concerned. I quote :

“to invest the Reconstruction Bank with effective powers to tackle and contain the growing malaise of industrial sickness”.

On this subject, I think, many other Members have also participated quite often and suggested many solutions. Nevertheless, the industry plays a vital role in our total economic growth. If you refer to the Sixth Five Year Plan period growth rate you will see that there is a remarkable growth in the industrial sector.

I must say that the Government, with their wisdom and prudence, have come forward with liberalised budgetary provisions and legislation in this direction. Now we are having the Approach Paper of the Seventh Five Year Plan as well. In this context, it will be advisable to refer to some of the facts and figures which I quoted yesterday while participating in another Bill. The L.K. Jha Committee's Report is out, and an editorial also appeared in one of the dailies in which it is stated that nearly Rs.30,029 crores Government alone have invested in 209 enterprises and the growth is rather dismal. That Committee has stated two basic reasons for this firstly, the excessive centralisation and, secondly, the bureaucratic control. This is the crux of the problem which is facing the industrial sector in our country. Of course, we have achieved very high position in international industrial world, I do not doubt it. What I am suggesting is that the growth would, have been much faster had we taken into consideration some of the recommendations of the various Committees and put them into effect. I would deal with the public sector for a little while because the Bureau of public Enterprises has published many Reports. The public Enterprises Survey for 1982-83 has mentioned about 184 running commercial and industrial undertakings

excluding the financial institutions, out of which 82 have made a profit of Rs.1,517 crores and the remaining incurred a loss of Rs.821 crores. In this context, the Eighth Finance Commission's Report, which we have all gone through, has stated on page 37 that the return on Governmental investment is at the rate of 0.84 per cent. If this is the case of the public sector, then we should have a second thought about this sector as to how to improve it. The Bill aims at giving credit facilities but credit facilities alone, according to me, are not sufficient, something deeper has to be probed in and implemented.

Now, coming to industrial sickness, Rs.25,000 crores have been invested in large, medium and small scale industries. Amazingly, as I said yesterday, the financial institutions alone have invested, or locked in Rs.2,389 crores in 1982 and when we come to 1983, the figure of investment that is locked in jumped to Rs.3,179 crores. May I ask the hon. Finance Minister what are the causes for this, how are we going to utilise this money and is there any possibility to recover it? This is a very vital aspect when we deal with the industrial credit system. I am not surprised to not that the West Bengal Government has the maximum number of sick industrial units whether large or small.

(Interruption)

In our country there are 26,226 small scale units, which produce per year over Rs.27,7000 crores worth of end products. There are the facts and figures about the industrial situation in the country. One hopes that once this Bill is enacted by Parliament, Government will come forward with a practical procedure for dealing with them.

I would say that there should be regional offices wherein they can make final decision. Now the decision is very much delayed. Time factor is very important, though we seldom appreciate the importance of time. If one has to get some credit facilities, it is just like a camel passing through the hole of a needle. Such delays should be avoided. For that the procedure should be simplified. If you have the bitter experience of some of

those enterprises, then you will understand what I mean by simplification. Unless these two basic objectives are served by this Bill, I am afraid it would not achieve what the Government desire to achieve.

We have so many financial institutions and agencies for the development of industry. I would suggest that we should have similar institutions for investment in the agricultural sector, which is equally very important.

I will not go into all the causes for industrial sickness or the difficulties in getting finance or credit. I hope the hon. Minister will take note of these three suggestions and take proper measures in this matter.

With these words, I welcome this Bill.

श्री जगपाल सिंह (हरिद्वार) : सभापति महोदय, हम भारतीय औद्योगिक पुनर्निर्माण बैंक विधेयक, 1984 पर चर्चा कर रहे हैं। पिछले साढ़े चार सालों में केन्द्रीय सरकार ने कितने ही रुग्ण उद्योगों को अपने हाथ में लिया, आर्बिनेंस के द्वारा या बिल ला कर, और हमने उस पर चर्चा की। मैंने कई बार इस सदन में कहा है कि पता नहीं, केन्द्रीय सरकार इस देश को किस तरफ ले जाना चाहती है, क्योंकि उसने जो व्यवस्था पैदा की है, उसमें देश के चन्द लोगों के हाथों में पैसा ऐक्युमुलेट हो रहा है। हिन्दुस्तान के उद्योगपतियों ने एक तरीका निकाल लिया है कि कारखाने के उत्पादन से मुनाफा कमा-कमा कर काला धन इकट्ठा करते जाते हैं और जब कारखाना रुग्ण हो जाता है, केन्द्रीय सरकार के व्यूरोक्रेट्स के साथ साजिश करके उसे केन्द्रीय सरकार पर थोप देते हैं। केन्द्र सरकार करोड़ों करोड़ रुपया उन रुग्ण उद्योगों के ऊपर लगा करके और फिर उनको नया बना करके देती है। आज इस बिल में भी आप सफाई से यह नहीं कह रहे हैं कि जिन रुग्ण उद्योगों को जिन उद्योगपतियों के पास लेकर केन्द्र सरकार सहायता

(श्री जगपाल सिंह)

देकर उनको नया बनाने का काम करेगी उनको उन्हें वापस नहीं देगी। कभी आप इस बात को नहीं कहते। मैं आज भी आप से यह कहना चाहता हूँ कि उन उद्योगपतियों के खिलाफ जब तक आप सख्त कदम नहीं उठाते जो उद्योगपति अपने प्राफिट का 25 प्रतिशत अपनी इण्डस्ट्री पर नहीं लगाते हैं तब तक यह समस्या खत्म नहीं होगी। आप उनके खिलाफ इस सदन के द्वारा कानून बनाइये, हम पूरे अपोजीशन के लोग उस का समर्थन करेंगे। वे रुग्ण क्यों होते हैं? क्योंकि वह उद्योगपति आज अपनी इण्डस्ट्री के प्राफिट का कोई परसेंट उन पर नहीं लगाता। केन्द्र सरकार को इस पर बिज लाना चाहिये कि हर उद्योगपति अपने टोटल प्रोडक्शन के प्राफिट का 25 प्रतिशत अपने उद्योग पर लगायेगा। आप कब तक इन पूंजीपतियों के पुराने और बेकार उद्योगों को लेकर हिन्दुस्तान के लोगों पर थोपते रहेंगे? आज एक तरफ देश में भुखमरी पैदा हो रही है, इस देश के लोगों को आप पानी भी नहीं दे पा रहे हैं, कपड़ा नहीं दे पा रहे हैं, मकान नहीं दे पा रहे हैं और दूसरी तरफ पूंजीपतियों के रुग्ण कारखानों के ऊपर करोड़ों रुपया खर्च करके नया बनाकर फिर उनको वापस देने का काम कर रहे हैं, यह कब तक आप करते रहेंगे? मैं माँग करता हूँ कि इस बिल में आप यह ले आइये कि जो इण्डस्ट्रियलिस्ट अपने कारखाने के ऊपर अपने प्राफिट का 25 प्रतिशत खर्च नहीं करेगा उसको ब्लैक लिस्ट किया जायेगा। ऐसे उद्योगपतियों को ब्लैक लिस्टेड करके नये लाइसेंस उनको दूसरे उद्योग खोलने के लिए मत दीजिए।

इससे हमारे देश के अन्दर मजदूरों की जो हालत होती है वह भी सोचनीय है। वह उद्योगपति धीरे-धीरे अपनी पूंजी निकालते चले जाते

हैं और दूसरी तरफ मजदूरों को तनख्वाह भी नहीं मिलती है। तो वर्किंग क्लास के इन्ट्रस्ट का भी सवाल है। आप उनको गारण्टी दीजिये कि जो वर्किंग क्लास की हालत इस प्रकार के उद्योगों में होती है कि उनको तनख्वाह भी नहीं मिलती है, समय पर बोनस नहीं मिलता, उनकी ग्रेज्यु-इटी की भी व्यवस्था नहीं होती है, गवर्नमेंट ऑफ इन्डिया या स्टेट गवर्नमेंट कोई भी सरकार इसके लिए गारण्टी नहीं दे पाती है, तो वह गारण्टी आप उनको दीजिए। कोई नहीं देखता कि उनके साथ किस तरह का सलूक होता है। मैं वर्किंग क्लास के इन्ट्रस्ट की एक बात कहना चाहता हूँ कि भारत सरकार को इस बात की कोशिश करनी चाहिए कि इस तरीके के उद्योगों को मजदूरों की साझेदारी से आप चलवाने की कोशिश करें। अगर एक बार आप मजदूरों को अपने पैरों पर खड़े करके इन उद्योगों को चलवाने की कोशिश करेंगे तो यह स्थिति फिर नहीं आने पाएगी। वर्किंग क्लास को आप अच्छी ट्रेनिंग दें। आखिर कारखानों को मजदूर ही चलाते हैं, पूंजीपति नहीं चलाते हैं। मैनेजमेंट के लोग जो मध्यम श्रेणी से आते हैं, जो नौकरशाही के लोग हैं। और मजदूर जो किसानों और मजदूरों के बेटे हैं वही मिलकर कारखाने को चलाते हैं। आप एक बार उनको अपने पैरों पर खड़ा करके उनको असिस्टेन्स दे करके कोशिश कीजिये कि मजदूर अपनी भागीदारी से उन कारखानों को मैनेजमेंट के साथ मिल कर चलाये। मेरा सुझाव है यह कोशिश आप कीजिये। मैनेजमेंट और मजदूर को बराबर का साझेदार बनाकर कारखाने को चलाने की प्रथा आप चलायेंगे तो हिन्दुस्तान का कोई इण्डस्ट्रियलिस्ट यह हिम्मत नहीं करेगा कि वह पूंजी के नाम पर या मशीन की खराबी के नाम पर या बिजली न मिलने के नाम पर, किसी भी नाम पर कारखाने को रुग्ण घोषित करके चला जाये। एक बार आपको

हिन्दुस्तान के कैपिटलिस्ट्स के मन में, यहां के उद्योगपति के मन में, यहां के मोनोपली हऊसेज के मनमें यह डेरर पैदा करना होगा कि हिन्दुस्तान के कैपिटलिस्ट ही हिन्दुस्तान के कारखाने को नहीं चला सकते, मजदूर भी जो डाउनट्राडेन क्लाम से आया है, जो हजारों साल से दवा और पिसा है उनके अन्दर भी यह क्षमता है कि वह भी कारखाने को चला सकता है। जो मैनेजमेंट के लोग हैं वह कोई बड़े घरानों से नहीं आते हैं। बड़े घरानों के लोग तो हाथ पर हाथ रख अपनी कोठियों और बंगलों में बंठे रहते हैं। मजदूर और मैनेजमेंट के लोग मिल कर कारखाने को चलाते हैं। एक बार यह डेरर आप यहां के कैपिटलिस्ट्स के माइण्ड में पैदा करिये ताकि कोई कैपिटलिस्ट अपने उद्योग की पूंजी निकाल कर और ब्लैक मनी कमा करके बन्द न कर सके और गवर्नमेंट ऑफ इण्डिया पर बोझ न डाल सके। आप कितने उद्योगों को लेंगे? अभी आपने बम्बई की टेक्सटाइल मिलों को लिया, कुछ शुगर फैक्ट्रीज को भी लिया और अमृतसर में एडिबल आयल्स की इण्डस्ट्री को लिया। इन इण्डस्ट्रीज की पूंजी कहां चली गई? जब तक आप सरूत कानून नहीं बनायेंगे हालत सुधरने वाली नहीं है। इस काम में पूरा अपोजीशन आपको समर्थन देगा। आप उद्योगपतियों के खिलाफ कानून बना कर उनके खिलाफ सरूत कार्यवाही कीजिए।

दूसरी बात मैं यह कहना चाहता हूं कि इस प्रकार के उद्योगपतियों को आप रिजर्व बैंक या दूसरे फाइनेंशियल इंस्टीट्यूशंस के द्वारा कोई भी असिस्टेन्स मत दीजिये। एक तरफ तो आप उनकी सिक इण्डस्ट्रीज को ले रहे हैं और दूसरी तरफ उनको आप नयी इण्डस्ट्रीज के लिए लाइ-

सेंस भी दे रहे हैं। फाइनेंशियल इंस्टीट्यूशंस के द्वारा उनको करोड़ों रुपए मिलते हैं। आप यह सब बन्द करके नयी इण्डस्ट्रीज को पैदा कीजिए।

आप टोटल बजट का सिर्फ 8 परसेंट ही एग्रीकल्चर पर खर्च कर रहे हैं। यह भारत सरकार की बहुत गलत नीति है। इण्डस्ट्रीज के ऊपर जितना आप खर्च करते हैं उतना ही खर्चा आपको एग्रीकल्चर पर भी करना चाहिये। बिना एग्रीकल्चर के बढ़ाए हुए कब तक आप तेल और दूसरी खाने की चीजों को इम्पोर्ट करते रहेंगे? आप विदेशों से गेहूं चीनी आयात कर रहे हैं। यहां तक कि सुवर की चर्बी भी आपने बाहर से मंगाकर इस देश के लोगों को खिला दी। इसलिए मेरा सुझाव है कि 8 परसेंट के बजाय टोटल बजट का कम से कम 25 परसेंट आप एग्रीकल्चर पर खर्च करें। आप देश में अधिक एडिबल आयल्स पैदा करने की व्यवस्था करें। देश में अधिक गेहूं पैदा करने की व्यवस्था करें। चावल और दूसरी चीजें पैदा करने की व्यवस्था करें। लेकिन आप तो हर चीज विदेशों से ला रहे हैं। हमारे देश की जो बैकबोन है एग्रीकल्चर, उस पर आप केवल 8 परसेंट ही खर्च करते हैं। इसलिए मैं मांग करता हूं कि यह जो स्थिति है इसको बदलिये। यह जो बिल है इसकी भावना से तो मैं सहमत हूं, इसका विरोध नहीं करूंगा लेकिन मेरी यह मांग है कि टोटल बजट का 8 परसेंट के बजाय कम से कम 25 परसेंट आप एग्रीकल्चर पर खर्च करें।

इन शब्दों के साथ ही मैं अपनी बात समाप्त करता हूं।

\*SHRI S. T. K. JAKKAYAN (Periakulam) : Mr. Chairman, Sir, on the Industrial

(Shri S.T.K. Jakkayan)

Reconstruction Bank of India Bill, 1984 I wish to make a few suggestions on behalf of my party the All India Anna Dravida Munnetra Kazhagam.

The Industrial Reconstruction Corporation of India Ltd. was constituted in 1971. Due to inadequacy of resources, this Corporation could not function as effectively as it was expected. The objective was to rehabilitate the sick industrial units with loans and to nurse them back to life. When the Government found out that the Industrial Reconstruction Corporation Ltd. was unable to generate adequate resources for this purpose, the decision to convert this Corporation into Industrial Reconstruction Bank was taken. I need not say that a banking institution can generate resources adequate enough for the purpose of rehabilitation of sick units. This Bill seeks to convert the Industrial Reconstruction Corporation Ltd. into Industrial Reconstruction Bank of India. I am sure that this Reconstruction Bank will be an effective and purposeful institution for restructuring the industrial environment in the country. I extend my full support to this Bill.

I demand that a Regional Office of the Bank should be set up in Madras with powers to take decisions on the merits of the case. This financial institution should be enabled to have the necessary autonomy for effective functioning. There should be decentralisation as the industrial needs vary from State to State.

In Madras the large textile mill, the Buckingham and Carnatic Mill, is remaining closed for months together now. Similarly, the Angla-French Textile Mill in Pondicherry has been closed for nearly 14 months now. There are some Textile Mills in Coimbatore which are also closed. Besides this, hundreds of small industrial units are sick in Tamil Nadu. The primary reason for industrial sickness is paucity of funds. Thousands of workers are on the verge of starvation deaths. In fact, some 30 workers of Anglo-French Textile Mill in Pondicherry have committed suicide. It is not merel a ques-

tion of rehabilitating the sick industrial units; it is a question of giving succour to the starving workers. I demand that the Industrial Reconstruction Bank of India should advance loans to the sick textile mills in Tamil Nadu and also to small industrial units remaining closed for want of funds.

In this Bill I find that the authorised capital of this Bank is Rs. 100 crores and the paid-up capital is Rs. 50 crores. I suggest that the sum of Rs. 100 crores should be converted into paid-up capital so that this Bank has enough money for rehabilitating the sick industrial units.

With these words I conclude my speech.

श्री कृष्ण दत्त सुल्तानपुरी (शिमला) : माननीय सभापति जी, भारतीय औद्योगिक पुनर्निर्माण बैंक विधेयक, 1984 का मैं स्वागत करता हूँ। इस के उद्देश्य में जो परिभाषा दी है, वह बहुत ही अच्छी है। हमारे जो उद्योग हैं, उनकी स्थिति को आप देखें। इस संबंध में मैं यह कहना चाहता हूँ कि हमारे जो कार्यक्षेत्र में जो कारखाने हैं, उनमें बड़ा भारी घाटा हो रहा है। घाटा इसलिए नहीं हो रहा है कि कोई उसका प्रबन्ध ठीक नहीं है। प्रबन्ध ठीक है, लेकिन वहां जो लोग लगाए जाते हैं, वे कोई इंजीनियर नहीं होते हैं। मैं इस बारे में आपको कई मिसालें दे सकता हूँ।

हिमाचल प्रदेश में एक कारखाना एक सौ साल से नहान-फाउंड्री के नाम से चलता है। वह कारखाना भारत सरकार के अन्डर भी रहा है और इसके बाद वह राज्य सरकार के पास आयी है। और अब यह जो भी बेकार मजदूर हैं उन सबको सरकार को तनख्वाह देनी पड़ती है जो नए कारखाने लगे हैं, उनमें भी घाटा ही घाटा हो रहा है हमारी राष्ट्रीय पालिसी अच्छी है, इसके लिए जब तक टार्गेट फिक्स नहीं किया

जाता है, ठीक पेदावार नहीं बढ़ सकती और यह भी बात है उसमें जब तक मजदूरों को भगीदार नहीं बनाया जाता है, तब तक मैं समझता हूँ कि वे आगे नहीं बढ़ सकते हैं। जो बोर्ड बना है। उसमें भी जानकर आदमी होने चाहिए ताकि वे कारखाने को चलाने का ठीक से इन्तजाम करें। जहां तक इनको मदद देने का सवाल है, इस दिशा में माननीय मंत्री जी ने बड़ा अच्छा कदम उठाया है।

कारखानेदार लोग जब कारखाना लगाते हैं तो उस वक्त मजदूरों की तादाद बता देते हैं कि इतने मजदूर लगायेंगे। बड़े से बड़ा नक्शा बनाकर सब्सिडी ले लेते हैं और फिर बाद में उसका मिसयूज करते हैं। कई तो इस प्रकार के लोग होते हैं जो भारत सरकार से लाइसेंस ले लेते हैं और फिर बाद में कारखाना नहीं लगाते हैं। जैसा कि कई माननीय सदस्यों ने कहा है कि बहुत सी जगहों पर मजदूरों का शोषण होता है। मैं हिमाचल प्रदेश के परमाणु क्षेत्र के बारे में आपको बताना चाहता हूँ, जहाँ पर कि उद्योग की दृष्टि से विकास हो रहा है। वहाँ मजदूर कारखाने के मालिक के खिलाफ नारे लगाते हैं और बदतमीजी से पेश आते हैं। मेने उनको कहा कि भाई आप ऐसा मत कीजिए और जो आपकी मांगें हैं, उनको आप सामने रखिए विपक्ष कहते हैं मजदूर हमारे बहुत अच्छे दोस्त हैं। वे लोग जो उनसे हमदर्दी करते हैं और बड़े अच्छे होटलों में रहते हैं, सरकार को यहां कोसते हैं, विपक्ष कम से कम मजदूरों को सिखाए कि वे ऐसा न करें। अभी बंगाल के बारे में बात आई तो बंगाल में तो बैंक खुल रहा है। प्रोफेसर साहब कह रहे थे कि हमको शिकायत है कि नहीं बना है, लेकिन वहाँ पर बन रहा है। मैं कहना चाहता हूँ कि देश के लाखों मजदूरों को बेकार रखना हो तो इसी तरह से रहने से उद्योगों को, नहीं तो यदि धन

का ज्यादा से ज्यादा प्रावधान होगा तो वे सुचारु रूप से चलेंगे। लाठी चार्ज और झगड़ा होने की वजह से पंजाब के सारे उद्योग बन्द हैं और वे लोग अब हिमाचल प्रदेश की ओर आ रहे हैं। राजस्थान के चोग भी हिमाचल प्रदेश की ओर आ रहे हैं, क्योंकि वहाँ पर बिजली उपलब्ध है। इसी प्रकार केरल की भी स्थिति है। जहाँ बिजली है वहाँ की तरफ आप ध्यान नहीं देते हैं, लेकिन जहाँ कुछ भी नहीं है, चूँकि वहाँ के लोग शोर शराबा मचाते हैं, इस लिए उन की तरफ ध्यान देते हैं। इस लिए हिमाचल प्रदेश का जो बार्डर एरिया है, पंजाब लगता है वहाँ से इन्डस्ट्रीज को हटा कर हिमाचल राज्य के बीच में उन इन्डस्ट्रीज को लगाया जाय, क्योंकि पंजाब का जो झगड़ा है, वह हमको बहुत तंग करता है। आज बार्डर एरियाज में जो उद्योग बन्द पड़े हैं, चाहे वे पंजाब में हों, हिमाचल में हों, उत्तर प्रदेश के पहाड़ी क्षेत्रों में हों, अगर उनका उद्योग ठीक प्रकार चलाया जाय तो भी उनकी पूरी कीमत मिल सकती है, जब कि सरकार को उन में लगे रूपये पर करोड़ों रूपयों का ब्याज देना पड़ता है। 26 हजार ऐसे उद्योग हैं हमें देखना चाहिये कि उनमें कितना प्रोडक्शन होता है। हमें उनके प्रोडक्शन पर ध्यान देना चाहिये।

हम जिस बिल को पास करने जा रहे हैं हमें यह भी देखना चाहिये कि जो उसका बोर्ड बनेगा उस में ऐसे लोगों को लेना चाहिये जिन को उस काम के बारे में जानकारी हो और साथ ही वे उस इलाके में रहते हों। आप बोर्ड में ऐसे लोगों को लें, जिनके यहां बैंक की एक भी ब्रांच न हो, जैसे कश्मीर से किसी को ले लिया जाय जब कि वहाँ एक भी ब्रांच नहीं है तो इस से कोई लाभ नहीं होगा। जहाँ इस निगम को काम करना है वहाँ के लोगों को इस में लेना

(श्री कृष्णदत्त सुल्तानपुरी)

चाहिये जिस से उस इलाके की जानकारी का लाभ उठाया जा सके।

आप जिस निगम को बनाने जा रहे हैं, यह बहुत अच्छी बात है लेकिन ऐसे अफसरों को लिया जाय जिनको उस काम की जानकारी हो ऐसा नहीं होना चाहिये कि इन्डस्ट्री फटिलाइजर की है और उस में पुलिस के किसी एस० पी० को लगा दिया जाय जिस को उस काम के बारे में कुछ पता ही नहीं है या एग्जीक्यूटिव पर बेस्ट कोई कारखाना हो और उस में किसी आइ०ए०एस० आफिसर को लग्न दिया जाय जो उस के बारे में कुछ भी नहीं जानता, तो इस तरह से वह इन्डस्ट्री नहीं चल सकती है। हमें ऐसे लोगों को लेना चाहिये जो उस काम के माहिर हों ताकि ऐसे उद्योग कामयाब हो सकें और हमारा देश तरक्की कर सके। कृषि इस देश की शक्ति है लेकिन अफसोस यह है कि किसानों को कोई सब्सिडी नहीं मिलती है। यह ठीक है - आई. आर. डी. पी. के प्रोग्राम हैं और उससे लोग लाभान्वित होते हैं लेकिन सही मायनों में देखा जाय तो आम गरीब आदमी को उससे कोई फायदा नहीं होता है इस की तरफ हमारा ध्यान जाना चाहिये। आज कठिनाई यह है - अगर कोई फ्लोर मिल खोली जानी है तो उस का लाइसेंस बड़े-बड़े सेठों को मिल जाता है और वे क्या करते हैं। सिविल सप्लाइज से कनक खरीद कर और उसमें पंजाब का न० 2 का सड़ा गन्धुम मिला कर पीसते हैं और बेचते हैं। इसलिये, मंत्री जी, आप को थोड़ा सतर्क हो कर काम करना चाहिये। अपोजीशन वाले तो इसी तरह बोलते रहते हैं, इन की मुखालफत पर तबज्जह न दीजिये, हमारे पास प्रोग्राम है, आज जगह जगह छापे पड़ रहे हैं जिन से मुल्क में तहलका मचा हुआ है। कई लोग जानबूझ

कर अपने उद्योग में घाटा डालते हैं - इन सब को देखना चाहिये।

इन शब्दों के साथ मैं अपने बिल का समर्थन करता हूँ।

SHRIG. L. DOGRA (Jammu) : Mr. Chairman, Sir, whatever little time you give me I try to complete my speech.

I congratulate the hon. Finance Minister because he has done many good things. Our Finance Minister has taken many a step for stabilisation and development of Indian economy. It is also a measure which has very great and beneficial implications.

15 00 hrs.

It is said that many industries have become sick because the capital has been taken away by their promoters and their directors. At present, there is no institution whose duty it is to study how the sickness develops in a particular industry or in a particular area or in a particular organisation. We have crossed the stage where we were promoting industries and the number of units opened every year were many. When one of the parliamentary committees went to advanced States like Gujarat, they found that the number of new units they were opening annually was about a lakh, but as to how many units were sick, how many units were healthy and how many units were closed, they did not know and there was no agency which could study this and which could tell us what they were producing and how it was being marketed.

The hon. Finance Minister has brought forward a measure for setting up a Bank the sole duty of which is to see that the industries are promoted and they are run properly. It will not only see that the industries are promoted and rehabilitated but it will also provide service by the way of consultancy, technical, managerial, legal, administrative and marketing assistance. All this help will be provided by this Bank. This is a unique

institution which was much awaited. The people who come from advanced States may not be able to appreciate it. But the people who come from backward States like that of ours and the backward areas in advanced States even will appreciate what type measure it is, how beneficial it will be and how long awaited it was.

It has also many other beneficial roles to play. It will act as an agent of the Reserve Bank and also of the State Bank. It will also, at the same time, coordinate similar activities being performed by various other agencies. There are a number of agencies. But there is no institution to coordinate their activities. The people who have some influence are taking the benefit of each and every agency but the people who have no influence and who really require assistance and guidance are just left in the wilderness.

This is a very important measure. The more we deeply study it, the more we like it. Anybody who studies it would like it. I do not know where the competition with agriculture comes in. Agriculture also requires assistance. But without the promotion of industries, we cannot have even development. We cannot rely only on agriculture. Unless we have industrial development and we see that the industries develop properly and are not allowed to fall sick particularly in the backward areas which are numerous and which are very vast, the country cannot develop. I must congratulate the hon. Finance Minister for this measure which, I must say, is a belated measure. Excepting that you criticise the Finance Minister that he should have come earlier with this measure, I cannot conceive of any other honest criticism about this measure.

With these words, I support this measure and I, once again, congratulate the Finance Minister for bringing forward this Bill. It will be a boon for the whole country and particularly, for the backward States and even backward areas in the advanced States.

15.05 hrs.

(SHRI R.S. SPARROW *in the Chair*)

श्री केयूर सूषण (रायपुर) : आदरणीय सभापति महोदय, वित्त मंत्री जी द्वारा भारतीय औद्योगिक पुनर्निर्माण बैंक विधेयक 1984 का समर्थन करते हुए उनको बधाई देना चाहता हूँ और इस संबंध में जो मेरे विचार हैं, वह मैं आपके सामने प्रस्तुत कर रहा हूँ। मुझे ऐसा लगता है कि रूग्ण उद्योगों को फिर से खड़ा करने के लिए इस विधेयक को लाया गया है या उद्योग की तरफ बढ़ते हुए पिछड़े हुए अपने देश में विकास करना और औद्योगिक क्षेत्र में उनका संरक्षण करना।

इस दृष्टिकोण से हमारा यह कर्तव्य है कि जो उद्योग शासकीय या अशासकीय क्षेत्र का है, उसे कमजोर न होने देना। इस दिशा में शासन पूर्ण रूप से जागरूक है। बहुत से उद्योगपति उद्योग लगाने के नाम पर आकर्षक या राष्ट्रीय हित के उद्योग हैं, उनको सामने रखते हैं। फिर उसमें कठिनाई दिखाकर, दूसरे उद्योग जिससे उनको लाभान्वित होना है, उसकी तरफ पूंजी का परिवर्तन शुरू कर देते हैं और इस उद्योग को घाटे का या बीमार उद्योग बता देते हैं, इसलिए, इस चीज को जाचने और देखने की व्यवस्था होनी चाहिये। मैं वित्त मंत्री जी से यह निवेदन करूंगा कि यह देखना चाहिए कि हम कौन उद्योग को मजबूत बनाकर आगे बढ़ा सकते हैं कहीं ऐसा तो नहीं है कि उद्योग को कमजोर करने के लिए जान-बूझ कर प्रयत्न किया गया है। जिस तरीके से ग्रामीण बैंक का निर्माण किया गया है, उसी तरीके से इस मामले में भी सावधानी बरतना जरूरी है। मेरा सूझाव है कि हम उन उद्योगों को एक राष्ट्रीय उद्योग के ऊपर ले जाएँ और उसकी एक पूंजी निश्चित कर ले

## (श्री केयूर भूषण)

उसके अन्दर जो बचत है, वह स्वयं की उसकी पूंजी है बाकी समाज, उसमें पूंजी निहित कर रहा है। उस पूंजी को एक शेयर के रूप में रख दिया जाए। जो पूंजी शासन लगा रहा है, वह शासन की पूंजी रहेगी उसी तरीके से जो उसकी बचत है, वह केवल मात्र उसकी रहे। ज्यादा से ज्यादा उद्योग रूग्ण होनेसे सबसे ज्यादा नुकसान वहां के कर्मचारियों को होता है। उसे भागीदार के रूप में सामने लाया जाना चाहिए पूंजी के अन्दर छोटे से छोटे भागीदार को भी आगे लाना चाहिए तब जाकर इस उद्योग को खड़ा करना चाहिए। यह ठीक है कि जो रूग्ण उद्योग हैं, उन्हें हम देख रहे हैं। बहुत से नए उद्योगपति हैं जो उद्योग की समझ रखते हैं। जिनके पास थोड़ी पूंजी होती है, यदि ऐसे शिक्षित नौजवान और बेरोजगार लोग यदि बैंकों से सहायता प्राप्त करके अपना कोई उद्योग लगाते हैं तो पूंजी कम होने के कारण उनके सामने कई तरह की दिक्कतें पैदा हो जाती हैं और कुछ समय बाद उनकी हालत खराब हो जाती है। जैसे पानी का बुलबुला होता है, बारिश के समय उठता है और फिर समाप्त हो जाता है, बैसी ही हालत उनकी भी होती है और कुछ समय पश्चात इनका अस्तित्व ही समाप्त हो जाता है। इसलिए हमारी सरकार को ऐसे छोटे उद्योगों को संरक्षण प्रदान करने की दिशा में कदम उठाने चाहिए जो कि राष्ट्रीय दृष्टिकोण से तथा हमारी औद्योगीकरण की नीती को बढ़ाने में भागीदार होते हैं। लेकिन आज कम पूंजी वाले उद्योगों को कहीं से गारन्टी नहीं मिलती और वे अपनी पूंजी लगाकर बर्बाद होते हैं। सरकार की ओर से संरक्षण मिले बिना उनका विकास नहीं हो सकता और वे अपने पंख पर खड़े नहीं हो सकते।

दूसरा निवेदन मैं यह करना चाहूंगा कि जहाँ हम विकास की ओर जा रहे हैं, हमारा देश औद्योगिक उन्नति कर रहा है, यहां उद्योगों का विकास हो रहा है, जैसा हमारे कुछ पूर्व-वक्ताओं ने कहा, हमारा ध्यान इसके साथ साथ कृषि के विकास पर भी जाना चाहिए और जहाँ की भूमि में उपज ज्यादा होती है, वहाँ पैदा होने वाली चीजों पर आधारित उद्योगों को उसी क्षेत्र में लगाने की आवश्यकता है। यदि वहाँ कृषि पर आधारित उद्योग नहीं होंगे तो इससे कृषि के विकास को धक्का लगता है, किसानों को उनकी कृषि का लाभ नहीं होता। उदाहरण स्वरूप मैं अपने क्षेत्र की ओर आपका ध्यान दिलाना चाहता हूँ। वहाँ आजकल गन्ने की खेती सिंचाई के साधन उपलब्ध होने के कारण, बढ़ती जा रही है, मगर वहाँ शक्कर का कारखाना एक भी नहीं है। यदि हमारी सरकार उन स्थानों पर शक्कर के कारखाने लगाये, जहाँ गन्ना पैदा न होता हो और उन स्थानों पर गन्ने की पैदावार बढ़ाये जहाँ शक्कर का कारखाना न हो तो ऐसी स्थिति में खेती और कृषि का विकास सही मानों में नहीं हो सकता और न ही उद्योगों का विकास हो सकेगा। हमारे देश में ऐसे कई क्षेत्र हैं जहाँ कृषि पर आधारित काम तो हो रहे हैं, लेकिन कोई उद्योग नहीं है। इसलिए मैं चाहता हूँ कि हमारी सरकार को कृषि के सही मायनों में विकास के लिए यह आवश्यक है कि जहाँ जिस चीज की पैदावार होती है, उसी पर आधारित उद्योग वहाँ लगे।

अन्तिम निवेदन मैं यह करना चाहता हूँ कि आप कृषि को भी उद्योगों की तरह मानकर बढ़ावा दीजिए। जिस तरह सिक उद्योगों को अपने पैरों पर खड़ा करने की दिशा में यह सरकार काम कर रही है जो उद्योग कमजोर है, उनको लाभांशित करने की दिशा में सरकार ने

कई कदम उठाये हैं, मैं चाहता हूँ कि उसी तरह कृषि के विकास पर भी सरकार का ध्यान जाना चाहिए। जब तक हम कृषि को उद्योगों के समान दर्जा नहीं देंगे, किसानों को वैसी सुविधायें नहीं देंगे जैसी सुविधायें छोटे उद्योगों के विकास के लिए दी जा रही हैं, तब तक हमारी कृषि लाभकारी सिद्ध नहीं हो सकती क्योंकि जब कोई किसान अपनी फसल पैदा करता है तो उसको पानी और सिंचाई की आवश्यकता होती है, वहाँ ट्र्यूबवैल लगाने की जरूरत होती है। यदि उसको सिंचाई पानी की सुविधाएं न मिलें तो खेती में वह जितना पैसा लगाता है, देख रेख नहीं कर पाता और वह ऋणी होता जाता है। क्योंकि जितना पैसा ऋण के रूप में वह प्राप्त करके अपनी फसल तैयार करने पर लगाता है, उससे उसकी मुक्ति नहीं होती। मेरा उद्योग मंत्री जी से निवेदन है कि कृषि के क्षेत्र में जो लोग आगे बढ़ रहे हैं, जिस तरह की सुविधाएं आप उद्योगों के विकास के लिए उपलब्ध करवाते हैं, वैसी ही सुविधाएं कृषि के विकास के लिए भी उपलब्ध करवाई जाएं। यही मेरा निवेदन है।

SHRI CHITTA BASU (Barasat) : Mr. Chairman, Sir, this Bill relates to a very important phenomenon in our country today which is industrial sickness. I am glad that the hon. Minister has been pleased to mention in the statement of Objects and Reasons :

“to invest the Reconstruction Bank with effective powers to tackle and contain the growing malaise of industrial sickness.”

I am glad that this particular phenomenon of industrial sickness has attracted the attention of the Government and the Government has come forward with a Bill to take certain measures to tackle the problem.

At the outset let us understand as to what is the magnitude of industrial sickness today. I have got some figures at my disposal which indicate that in 1979 the number of sick industries was 22,366 and it rose to 28,230 in 1980. There may be an impression that sickness has occurred or is occurring only in the small sector. But that is not so. It has spread in the big sector also. I have got some figures by which it is proved that in 1979 the number of big units which were hit was 378....(Interruptions) It is not the question of West Bengal. I will come to Kerala also. Your Chief Minister, Mr Karunakaran made a request to your Government that more than 10000 units in Kerala are sick. It is not only the problem of West Bengal, it is the problem of the country and yours also. Can you deny that ?

While the sick units in the big industries was 378 it rose to 422 in 1981 and in 1983 it rose further. It was 485. Therefore it is not only the small industry which has been affected by this phenomenon. One unfortunate thing is that it has also hit the big units some of which are run by the MRTP houses. Some figures have been quoted wherein it has been stated that more than Rs. 3000-crores of capital have been provided by financial institutions and banks. I am not going into that aspect of the problem. But what is more disturbing is this that the sickness has spread and is also spreading in the traditional industries of ours. Jute industry has been infected by sickness. Cotton textile industry has been affected by sickness. Paper industry has been infected by sickness. Tin industry is also infected by sickness and engineering and some chemical industries are also infected by this disease of industrial sickness. It is a very disturbing and disquieting feature and I think everybody will agree.

Now naturally it raises the question as to what are the reasons for this spreading sickness. You may accuse me that I have got some political predilections. Naturally I have to resort to certain surveys and reports which show or which identify the basic reasons for this industrial sickness which is growing. The Reserve

(Shri Chitta Basu)

Bank of India recently surveyed 100 sick industrial units and made some startling revelations. It says, '2 units became sick because of labour disputes.' You are very much enamoured of that very word that West Bengal problem is there because there are labour disputes. But the RBI says that out of 100 sick units in the big sector, only 2 were sick because of labour disputes. '23 were affected by slackness in the market 9 were sick because of power shortages and inadequate supply of raw materials and the rest were victims because of their own mismanagement.' Therefore, majority of the cases has been the cases of mismanagement. The Reserve Bank has also gone further into the matter and said that the banks also have a role to play. Banks have invested their money and they say that if the banks had intervened at the proper time, the situation may not have arisen at all. Now, some of our friends may have the idea that sickness is always with the public sector undertakings. If we analyse we find that of all the sick units all over the country 70 per cent of the units are in the private sector and as I have said earlier about 60-63 per cent are due to mismanagement. Therefore, the disease is to be diagnosed properly.

Some of my friends were mentioning that it is the private sector people who were taking advantage of the situation, that is, creating sickness and deriving benefit out of it. Let me amplify. You have taken over thirteen textile mills in Bombay and it was found that the total capital was worth Rs. 12 crores only and they had taken loans from the financial institutions and banks to the tune of Rs. 270 crores and ultimately you had to take over those sick textile units. This is also a very disquieting feature. It causes concern to everybody particularly in view of the fact that eleven big industrial houses have invested only Rs. 126 crores but are having control over a capital of Rs. 26,000 crores. If this figure is correct - I am open to correction then by investing a very very small amount of money as capital these big industrial houses are utilising the public

financial institutions investment and are having overwhelming control over the management of the industrial units. If there is mis-management in those, sickness is bound to follow and if sickness is there, I think, the necessary protest from our side would be "save the workers from becoming jobless" and take over those units. And you get very much angry with us when we say all this. Therefore, this is the thing which requires further probe and in-depth study.

Sir, generally, some allegations are made against the State Governments of which West Bengal Government is always at the receiving end. I know the largest number of sick units happen to be in our State. But I would like to point out that whereas the Central government has got all the powers of issuing licences and making investment by public financial institutions the State governments have no power - neither financial nor otherwise. I think the hon. Minister will agree with me that you have got Industrial Development and Regulation Act by which the Government can exercise by which the Government can exercise some regulatory measures in the matter of management. If there is any mismanagement, you can hold an enquiry. You can take some corrective steps. You can warn the Banks, you can do this thing and that thing. But does the State Government possess any power in this regard? The State Government does not possess any authority in this matter. You cannot simply accuse the Government of West Bengal or for that matter any State Government for the sickness of a unit. It is because of the policy of the Government of India that leads to the sickness of a particular unit and the sickness cannot be looked after or nursed by the State Government. Has the State Government got any regulatory measures to be applied in the private sector or in any other unit in the State? Can the State Government issue any order to any management regarding certain measures to be taken for the better management of a unit?

SHRI GIRDHARI LAL VYAS : You can recommend to the Central Government,

SHRI CHITTA BASU : But the State Government cannot *sub motu* enquire into the matter. Does the State Government possess the power to have *suo motu* an enquiry into the affairs of a management of a particular unit? No, Sir. It is the Central Government who will have to institute an enquiry and if they find that there are certain mismanagement, they can exercise certain regulatory and corrective measures. Then how can you accuse the State Government? The State Governments have got neither the financial powers nor the regulatory measures under the law to take corrective steps or to issue even a warning to the management. Therefore, ultimately, the State Government has got only to bear the brunt and not to find a solution. Anyway, I want that this background should be taken note of by the Government and having regard to this fact, although an effort is being made to have a Bank called to Industrial Reconstruction Bank of India, I do not oppose this motion. But certain steps are to be taken. But my question to the hon. Finance Minister is: Is this possible for the State Governments to cope with the situation arising out of the growing industrial cities? That is the question I would like to pose to the hon. Finance Minister.

Sir, you have got a capital of Rs. 50 crores only and it may be possible for you to replenish this amount. There is no doubt about it because you have got the resources of the public sector financial institutions and banks and all the resources can be mobilised. But merely with this particular step of converting the I.R.C.I. into I.R.B.I., the problem cannot be solved. The problem is very big. The problem has spread and to meet that problem the instrument with which you are going to use through this Bill is very meagre, very small. The problem is very big but the instrument that you are creating by this Bill is very small. It cannot cope up with the present situation. Therefore, I say that if the Government is honest and sincere enough to fight the growing menace of the industrial sickness some other methods, comprehensive method, to meet the situation will have to be worked out.

Coming to the Bill proper, I have got one point to make, that is, Article 49. There, I find the old clause, namely, that the Government of India can suspend any agreement, any settlement or any contract, to begin with for two years, and which can be extended by another term of two years. Supposing this bank takes over a particular unit, there was an agreement between the workers and the management. You have got the right to suspend the operation of that agreement for two years to begin with and it can be suspended subsequently indefinitely. It is not to help the workers.

PROF N. G. RANGA: In how many cases have they done?

SHRI CHITTA BASU : I do not know but they want to have this power.

This attitude of the Government is not desirable. The workers are entitled to have certain conditions of work; the workers have certain rights to have agreements, settlements, awards etc and if you want to have the right to suspend the operation of it, I think, it will hit the workers hard. The Government, therefore, should give a second thought to this if they are interested to see that the welfare of the workers is protected.

श्री मूलचन्द डागा (पाली) : सभापति जी, मैं आपका आभारी हूँ कि आपने मुझे समय दिया। इस बिल की भावना का समर्थन करते हुए मैं पूछना चाहता हूँ कि आपने 50 करोड़ की पूंजी किसलिए रखी है ?

In the Statement of Objects and Reasons, it is stated:

“The Bill seeks to convert the Industrial Reconstruction Corporation of India Ltd. which was established as a Company under the Companies Act, on 12th April, 1971”

(श्री मूलचन्द डागा)

1971 के बाद क्या काम किया गया ? 1971 में आपने एक कम्पनी बनाई उसने क्या काम किया ? उसने काम यह किया कि सिकनेस और बढ़ गई। आपने एक बड़ा अच्छा काम यह भी किया कि इस कम्पनी को बनाने के बाद अब 30 हजार से ज्यादा इण्डस्ट्रीज सिक हो गई हैं।

So many industrial units were on the sick list at the end of June locking bank funds of about Rs. 30,000 crores.

आपका 30 हजार करोड़ ब्लाक हो गया है। इतनी ज्यादा इंडस्ट्रीज बीमार हो गई हैं तो इसके लिए कौन जिम्मेदार है। (व्यवधान) मैं अपने बंगाल के साथियों से कहना चाहता हूँ कि आपके कारण इस देश का बड़ा नुकसान हो गया है। चेतावनी के रूप में नहीं बल्कि एक दोस्त के नाते कहता हूँ कि आपकी वजह से इस देश की बैंकें खाली हो जायेंगी। आज 30 हजार करोड़ रुपया ब्लाक हो गया है। एकसाइज ड्यूटी कम हो गई है, सरकार की अप्रॉक्सिमेट में कमी आई है और यह सब मिसमैनेजमेन्ट की वजह से हुआ है। आज सरकार एक बिल लेकर आ गई है। जब भी सरकार अपने काम में सफल नहीं होती है तो एक बिल ले आती है। यह जो मरी हुई इंडस्ट्रीज हैं उनको आप क्यों जिन्दा करते हैं ? जिनमें खून नहीं है, जो तपेदिक की बीमार हैं उनको मरने दीजिए। यह क्या तरीका है कि सिक इंडस्ट्रीज को आप पैसा देते चले जायें जो वायबल इंडस्ट्रीज हैं जो आगे अच्छा काम कर सकती हैं उनको आप पैसा दीजिए, सिक इंडस्ट्रीज को क्यों देते हैं ?

श्री राम प्यारे पनिका : आपके बिचार से बीमार को दबा न दी जाए ?

श्री मूलचन्द डागा : आप बैठिए। (व्यवधान) मैं यह भी कहना चाहता हूँ कि सिक इंडस्ट्रीज पर आपका कंट्रोल क्या है और वे सिक होती क्यों हैं।

Surely in a poor country like ours, it is a critical situation where crores of rupees of public funds are not being utilised in the productive process. Not only this, it also means that thousands of workers have been rendered jobless because of mismanagement.

एक बात यह भी है कि मिस-मैनेजमेंट की वजह से प्रिवेंटिव मेजर्स क्यों नहीं लिए गए। जब इंडस्ट्रीज सिक हो गई, तो उसको एक स्टैचूटरी कारपोरेशन बना दिया। हिन्दुस्तान की हालत को देखते हुए क्या आपका 50 करोड़ या 200 करोड़ का कैपिटल सफिशियेंट होगा। यह सवाल है, जिसकी ओर मैं आपका ध्यान आकर्षित करना चाहता हूँ।

एक बात यह है कि

Industrial growth has not helped the poor.

हिन्दुस्तान में आपने काफी इंडस्ट्रीज बढ़ा ली हैं, लेकिन अभी आपके सामने आया है कि—

Studies of International Labour Organisation have shown that the share of lower income group in the aggregate income has tangentially declined even during periods of rapid industrial growth.

इतना रूपया लगाने के बाद भी गरीब आदमी की आर्थिक हालत नहीं सुधरी है। मैं आपको हिन्दुस्तान टाइम्स के 6 अप्रैल 1984 की कोटेशन दे रहा हूँ -

“Industrial growth has not helped the poor.”

सिक इन्डस्ट्रीज में जो वायबल यूनिट्स हैं जो कुछ आगे बढ़ सकती हैं, उनको आप फाइनेंस कीजिए आपने जो बोर्ड बनाया है, उसमें हमारा रिप्रेजेंटेशन नहीं है। सारे के सारे नोमिनेटेड हैं, जो कि कागज पर आफिस में बैठ कर काम करते हैं और तनखाहें पाते हैं। उन्होंने इन्डस्ट्री कभी नहीं चलाई। पब्लिक अंडरटेकिंग्स पर श्री प्रणब मुखर्जी जी के बहुत भाषण सुनेंगे, एफ सी आई में कई बार भाषण दिए हैं कि हम पब्लिक अंडरटेकिंग्स का घाटा बर्दाश्त नहीं करेंगे। बड़ी खुली बातें कही हैं। कहते हैं कि वहीं तनखाह उंची ले सकता है, जो ठीक तरह से काम कर सकता है। काम के आधार पर तनखाह होगी। आपने जो भाषण दिए हैं, उनमें चिन्ता व्यक्त की है। मैं कहना चाहता हूँ कि चिन्ता को व्यक्त करते हुए आप सोशियल आब्जेक्टिव को पूरा कर पायेंगे या नहीं। एक मौका आफिसर लोगों को मिल गया, आफिसर लोग मिल कर इन्डस्ट्री को सिक कर देते हैं। सिक करने के बाद आपके यहां एकट बना हुआ है, उसके मुताबिक काम हो जाता है। लेकिन वे लोग दूसरी कंपनी बना लेते हैं और काम भी कुछ नहीं होता। आपका जो बोर्ड है, उसमें इन्डस्ट्रियलिस्ट और लेबर के लोग होने चाहिए और एक्सपर्ट्स का नोमिनेशन होना चाहिए। जो प्रैक्टिकली काम करते हैं, उनको ज्यादा अनुभव होता है। किताबी ज्ञान और प्रैक्टिकल ज्ञान में काफी बड़ा फर्क होता है। आपने किसी आफिसर को मुक्ति कर दिया और काम सुपुर्द कर दिया और वह थोड़े दिन बाद कहेगा कि जैसी पहले हालत थी और अब भी वही हालत है। यह कानून 1971 में बना था, आज 13 साल के बाद आप यह बिल लेकर आये हैं। इस की सब ने सराहना की है और कहा है कि यह नया कदम है और जो इन्डस्ट्रीज बीमार हो रही हैं यह उनकी सहायता करेगा।...

श्री राम प्यारे पनिका (राबर्टसगंज): सराहना तो आपने भी की है।

श्री मूल चन्द डागा: मैं भी सराहना कर रहा हूँ लेकिन साथ ही यह भी कहना चाहता हूँ कि आप थोड़ा सावधानी बरतें। हमारे अधिकारों को सुरक्षित रखें बोर्ड में ऐसे लोगों को लें जो काम करने वाले हों। दो चार इन्डस्ट्रीज को लेकर खुद भी चलायें जब गवर्नमेन्ट कहती है कि हम काम कर सकते हैं तो फिर गवर्नमेन्ट खुद क्यों नहीं करती है। इस बैंक को कहिए -10-20 इन्डस्ट्रीज को चला कर देखे, तब आप दुनिया के सामने कह सकेंगे कि हमारा मैनेजमेन्ट एफिशियेन्ट है, लेबर ठीक काम कर रही है। हम मार्डन टेक्नालाजी को काम में ले रहे हैं।

मैंने जो सुझाव दिये हैं उनका आप ध्यान रखें। मेरा नाम बोलने वालों की सूची में नहीं था, लेकिन आपने कृपा कर मुझे मौका दिया इसके लिये धन्यावाद।

SHRI SATISH AGARWAL (Jaipur): Sir, The House is currently debating the Industrial Reconstruction Bank of India Bill, 1984. I will not take much of your time, but I am of the firm opinion that any new piece of legislation having a bearing on certain vital issues should invariably be referred to a Joint Select Committee.

About this particular Bill which is under discussion now, many Members, including my friend Mr. Daga, have concentrated on one aspect of the matter, as if this particular Bill is meant for the revival of the sick units. This according to me, does not seem to be the case; and the hon. Finance Minister will bear with me, and will vouch later on that the ambit of this particular Bank is not only to finance the industrial sick units; if that is the only objective, then the name of the Bill should not be Industrial Reconstruction

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Bank of India Bill, but it could have been: 'Industrial Medical Bank of India Bill', or something like that.

I have cursorily gone through the provisions of the Bill, because I was asked only half an hour before, by the Whip of my party Mr. Shejwalkar that I must speak on this Bill. Earlier, Mr. R L P Verma was to speak on it, but subsequently our Whip wanted me to speak. So, within half an hour's time, I have gone through the various provisions in the Bill; and I find that the provisions contained in this Bill are not meant for the revival of the industrial sick units only. That is one of the objectives but the ones which are contained in Clause 18 of the Bill are much wider, and probably it is for the first time that the Government is floating a bank of its own. It is a Government bank. Government will provide Rs.50 crores by way of initial paid-up capital, with an authorized capital of Rs.200 crores. If anything more is required by this particular bank hereafter, it will be the Government alone which will provide funds; and subject to Government's approval, some shares etc. may be issued, and some loans and advances may be taken by this particular bank. The operations of this bank are not confined to India; they extend to foreign countries.

The function of this bank is not to provide assistance to industrial sick units alone, but for industrial development also. In that particular connection, without taking much of your time, I would deal with the principal features of this Bill. I will draw the attention of the House to clause 18 of the Bill makes a mention about the objects and business of the Reconstruction Bank.

This makes the whole thing clear as to what are the functions of this Bank; and now, this is for the hon. Finance Minister to explain to this House as to whether this particular Bank is being charged with the responsibility of not only financing or reviving the industrial sick units but also for industrial development and carrying on certain

other activities like research, techno-economic studies, providing consultancy to the government as to how this industrial sickness has to be met and so many other things concerning the total industrial development in this country.

To quote a few, in this connection, I would like to draw the attention of the House to clause 18 on page 11 of the Bill. It reads as follows:

"The Reconstruction Bank shall function as the principal credit and reconstruction agency for industrial revival by undertaking modernisation expansion, re-organisation, diversification or rationalisation of industries, and by co-ordinating similar work of other institutions engaged therein, and shall assist promote industrial development, reconstruction and revival, and undertake rehabilitation or industrial concerns, by providing or procuring assistance and operating schemes for the same, and may, for attaining the said objects, carry on and transact all or any of the following business, namely;—"

In this particular clause, they have stopped from a to w; x, y and z, they have left out. Otherwise, they have covered from a to z; and they have mentioned in this, to quote a few here, clause (b) as follows:

"Guaranteeing, counter-guaranteeing, or providing indemnity, as the case may be, in respect of- i, ii, iii, and c."

Then on page II, it further says as follows:

"Providing credit to any State level agency or other prescribed institution, or agency for grant of loans and advances to industrial concerns."

No question about sickness. It further says as follows:

"Providing or obtaining credit from other public financial institutions, scheduled banks and State co-operative banks, for grant of loans and advances to or to furnish guarantees on behalf of the industrial concern,

"Providing infra-structural facilities and raw materials".

The area of operation of this bank is much wider. Then it further says as follows :

"Providing machinery and other equipment on lease or hire-purchase basis."

The area of operation is still much wider. This will be functioning as a leasing company more or less, because you will be providing machinery or other equipment on lease or hire purchase. So, it is not only dealing in financial terms, this Bank will not be only advancing loan, they will be providing machinery, equipment on lease or hire purchase, that is, they will be more or less entering into a trading area also, that is the business activity also. On page 12 of the Bill, it further says as follows :

"Accepting or discounting of bills of exchange and promissory notes, made, drawn, accept or endorsed by any industrial concern or by any person selling capital goods manufactured by one industrial concern to another industrial concern."

Here it is on a broker type of thing that you will be performing the job. Then it further says as follows :

"Providing managerial assistance to industrial concerns including nationalised undertaking by deputing officers from its own cadre or a separate management pool constituted for the purpose"

So, this Bank will also act as a catalyst for providing managerial assistance to the

nationalised sector as well as to other units also and they will be charging the fee for that also. It further says as follows :

"Undertaking research and surveys for evaluating or dealing with marketing or investments, carrying on techno-economic studies in connection with reconstruction and development of industry and establishment of institutes for such purpose including training of personnel, Collecting information from all concerned agencies relating to industrial sickness and industrial development."

So, the only emphasis with regard to the provisions of this Bill in the background of industrial sickness will not be proper ; this has much wider area ; and that is why I wish to warn this government and caution the hon. Finance Minister.. (Interruptions) I am not opposing the Bill. Prof. Ranga, you know my habit for the last 4½ years If I am convinced that the provisions of the Bill are good, without hearing as to what others would say, I have welcomed them; and the same thing I expect from you also in that behalf.

Now I draw your attention to Clause 23. Clause 23 deals with loan, in foreign currency.

23 (1) Notwithstanding anything contained in the Foreign Exchange Regulation Act, 1973 or in any other enactment for the time being in force relating to foreign exchange, the Reconstruction Bank may, for the purpose of granting loans and advances under this Act, borrow, with the previous consent of the Central Government, foreign currency from any bank or financial institution in any foreign country or as otherwise prescribed.

(2) \_\_\_\_\_

(3) All loans and advances granted by the Reconstruction Bank out of foreign currency borrowed under subsection (1),

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shall be expressed in terms of foreign currency as equivalent of Indian currency, calculated in accordance with the rate of exchange prevailing in India at the time of grant thereof, and the amount due thereunder shall be repayable in equivalent Indian currency, calculated in accordance with the rate of exchange prevailing in India at the time of repayment of such loan or advance."

Now, Sir, the loss will be normal if there are market fluctuations, and what is the interpretation of subclause (3)? Now, under this Provisions this authority, this particular bank shall be authorised to borrow money in foreign markets. Now the Government itself will not have to go to borrow money from international market. It will be through this agency that the Government will be borrowing money. Ofcourse, the Government consent will be necessary, the Government's approval will be necessary. Now, in this particular clause, I am not sure, but I do hope that the Government will continue to be as conservative as up to now, with regard to allowing a very blanket borrowing from the foreign markets, in view of the IDBR assistance going down with China coming into the picture, and they will have a different view, IMF having a different attitude, the foreign banks in foreign countries trying to blackmail us — they cannot do that — but they are trying to twist and have more interest rates, India having more creditworthiness in the international market, I think, I do not know to what extent this area of operation has been extended to, but the provision has been made in subclause (3) which the House has to appreciate and I would like friends like Prof. Ranga to Comment on this. Here whatever foreign currency is borrowed, that is there with the Bank. When it is made available to the bank concerned here, at the time of advancing that foreign currency to an industry concerned the rate that shall be charged from them will be available here. Supposing we borrow one hundred dollars, and we advance to Mr. Panika, then how much do we get from Mr. Panika? The exchange

rate which is prevailing today, is supposing Rs.10/- a dollar, the bank will debit his account by Rs.10/. He has to repay the sum after three years. After three years he has to repay one hundred dollars, for Rs.1,000/- because the rate is Rs. 10/-. And supposing after three years the dollar rises to our misfortune, then the rate will become Rs. 15/-. Then the Government will have to Pay Rs. 1,500/- in foreign exchange to the foreign bank, whom we have borrowed it under clause, and from the bank will have realise only Rs.1,000 from Mr. Panika and the bank will have to incur Rs.500, sofar as this particular transaction is concerned. Just let us consider this aspect, I do not know how you have done it. This is my interpretation. This is my understanding. Because Clause (3) mentions —

- (3) All loans and advances granted by the Reconstruction Bank out of foreign currency borrowed under sub-section (1) shall be expressed in terms of foreign currency as equivalent of Indian currency calculated in accordance with the rate of exchange prevailing in India at the time of grant thereof, and the amount due thereunder shall be repayable in equivalent Indian currency, calculated in accordance with the rate of exchange prevailing in India at the time of repayment of such loan or advance."

You may clarify the position. If this is not the position well and good. Because, furthermore you have stated who should decide. In the explanation you have said :

"If any question arises as to whether any fluctuation as aforesaid is a normal fluctuation or not, the same shall be decided by the Central Government whose decision thereon shall be final."

Because, earlier you said that this is normal in respect of market fluctuations in foreign exchange and shall be reimbursed by the Government in respect of fluctuations other than what the normal market fluctuations permit.

It means, there has to be a re-imbusement. The Government will have to re-imburse the Bank in case of abnormal market fluctuations. But in case of normal market fluctuations the Bank will have to bear this particular loss. Reading the whole clause as one with the Explanation I understand that in this particular way if we are going to borrow funds from abroad, advancing them for the development of trade and industry which I do not oppose, then this particular provision in sub clause (3) you kindly clarify. The Bank should not be made to incur a loss on this account and the Government should not be made to re-imburse. If the Government has to re-imburse it, it means the whole country has to re-imburse it.

Clause 24 says that the Bank may receive gifts and donations. I fail to understand this. I do not know from whom this Bank will receive gifts and donations. Who is going to make donations? Where is the question of making gifts and donations to this particular Bank either by the Government or by anybody else? But you have made a provision like this in this particular clause.

Similarly, you have made a provision in regard to audit that the auditor shall be appointed by the Government. You have also made a provision that the Government can ask the Office of the C&AG of India to carry out the audit in special circumstances if the Government so feels. I once again demand, as generally I do, that the governmental spending or governmental activities or commercial corporations whereby the Government and in this particular case has got hundred per cent interest, even then the Government investments are more than Rs. 5 or 10 crores, normally the audit is carried out by the organisation of the C&AG of India.

The area of operations of this particular Bank is very wide and a lot of risk is also involved because its activities are not going to be restricted within the country, but this particular Bank has been authorised to carry on its activities abroad also. It may make advances to State agencies and other banks

also. It may stand as guarantee. It will underwrite debentures, shares, treasury bills, deposits, promisory notes and what not. In view of this, I would humbly suggest that the account should invariably be got audited by the C&AG of India. It is true that the report shall be placed on the Table of the House. This is one good feature in this particular Bill. But then I would sincerely wish that in relation to a bank which is of its own kind and being floated for the first time by the Government of India for specified purposes and having such varied activities in its sphere and jurisdiction, I think, it will be a wise thing to have the accounts audited by the C&AG of India.

I welcome the measure. I am not opposed to it. But the objectives that have been mentioned in the Bill seem to be very laudable. If this particular Bank is able to start training institutes for managerial purposes, is successful in having managerial cadre and able to provide efficient management to our nationalised industry and public sector undertakings, then I do hope that in this particular case, this Bank will be doing a great service so far as industrial revival and industrial development is concerned. I think, this is going to be a nodal point for the Finance Ministry, Finance Minister and the Government for the total overall industrial development.

Lastly, I would again wish to caution you that never utilise the provisions of take over of this Bill out of any ill-will against any one. There are provisions and there is an authority. That has to be there in some cases. But then it is not necessary that you are always there. Somebody else may come over there. So, any misuse of the provisions or authority being granted to the Governments or to this Bank in this particular Bill for take over, should not be there to de-stabilise a better management in the garb of a particular fault or lapse on the part of the concern. I am one with the Government and I am one with you on this.

16.00 hrs.

Those erring units should be taken to task and I can go a step further that if you are going to take over one sick unit of a big industrial house, take over one healthy unit also of the same industrial house. Make a provision that in case their industry is going down, if it is going to fall sick, they must inform the Government in advance that consecutively for the last three years their profits are going down and that they are apprehending a sickness in their industry, so that the Government can take some preventive measures. But it so happens that the industry falls sick. Till it gives milk, the cow is milched by those owners and proprietors and when it becomes useless, it is sent to the *gaushala* which is owned by the Government, the *pinjrapole* which is owned by the Government. So, the Government of India should not become a *pinjrapole* for all sick units. Not that the time has not come, the time has come now when this Parliament will have to give a new thrust to our take over business so far as the sick units are concerned. You are taking over units because 5,000 people will become jobless, they will be on the roads but have you ever cared for those five lakhs people being on the roads who are in the rural sector? You are worried about the 5,000 people who are in the organised sector but you are not worried about those lakhs of people who are in the unorganised sector and we too are to be blamed for that. Just because they are in the unorganised sector, should they be thrown on the roads? I do not say that workers should be made jobless. Some sort of a mechanism has to be evolved. I am against it. With regard to lock-outs, lay-offs or strikes, I have got a different thing to say, but the workers' interest should be safeguarded. Just because these workers are going to be jobless, you are going to take over. You must find out as to why they are becoming jobless. It is because the industry is going to be closed. Now, why the industry is going to be closed? It is because it has become sick. For how many years it was sick, why no preventive measures were taken, who is responsible for this, all that must be found out. So, a cautious approach has to be

there with regard to this indiscriminatory and arbitrary take-over and nationalisation of all units whichsoever falls sick. After all, this is a drain on the entire economy of the country, so everybody has to bear the burden and the brunt of the nationalisation and take over of these sick units. So, we have to go deep into the whole measure and find out the causes and provide a remedy whereby these units are not made to be sick—they become sick that is all right, but they are not made to be sick. Just to have the comforts and luxuries of Willingdon Hospital, if I go and admit myself in the new Nursing Home, nobody would appreciate it. So, in this particular context, I would request the hon. Finance Minister that he should keep in mind and should give a flip to the various objectives that have been embodied in the various provisions of the Bill, particularly Clause 18 but we should be very cautious about the powers being misused by the banks so far as the foreign borrowings are concerned. The interest rates are going up, people are bent upon extorting more money from us, the money can go down the drain and that may ultimately result in losses and then the whole country will have to bear the burden. So, with all that I welcome the measure and wish this Government to sincerely and successfully carry out the provisions that are contained in the Bill.....  
(Interruption).

AN HON. MEMBER : How Long ?

SHRI SATISH AGARWAL : How long I am not much worried about it. How much difference does it make if one single man has ruled this country for fifty years or if one party rules it for hundred years or five or ten years, it is immaterial. The material aspect is whether we are able to serve the people or not. According to me we have not been able to serve the people. As rightly pointed out by Mr. Sathe at one point of time, it is hardly ten million people in this country who are reaping the fruits of development in this country. Mr. Sathe may be remembering his words. I am one with him on this score that by and large people are deprived of the

fruits of development in this country and so we have to find out ways and means so as to make available the fruits of development to each and every citizen in this country. With these words I welcome the measure and caution the Government about the misuse of the provisions of this Bill.

श्रीमती विद्या चन्नुपति (विजयवाड़ा) : सभापति महोदय, मैं इन्डस्ट्रीयल रीकंस्ट्रक्शन बैंक आफ इंडिया बिल का समर्थन करती हूँ।

बैंकों द्वारा जिस इंडस्ट्री की इम्प्रूवमेंट के लिए पैसा दिया जाए, उसकी व्यवस्था को ठीक करना भी आवश्यक है।

16.06 hrs.

(SHRI SOMNATH CHATTERJEE in the Chair)

इंडस्ट्री के डेवेलपमेंट के लिए बैंक बहुत पैसा दे रहे हैं उसके लिए हम धन्यवाद देते हैं, लेकिन हमें इस बात पर भी विचार करना चाहिये कि जिस इंडस्ट्री के लिये पैसा दिया जा रहा है, उसके लिये रा मैटीरियल और मार्केटिंग की ठीक व्यवस्था है या नहीं। इसके साथ साथ बैंको को लोकल इंडस्ट्रीज और विशेष रूप से स्माल-स्केल इंडस्ट्रीज को एनकोज करना चाहिए गवर्नमेंट को अपनी जरूरत का सामान ऐसी इंडस्ट्रीज से ही खरीदना चाहिए। हम देखते हैं कि यथापि बोल्ट और नट आदि लोकल इंडस्ट्री से लिए जा सकते हैं, मगर उन्हें दूर कलकत्ता से मंगाया जाता है। चूंकि लोकल इंडस्ट्री से सामान नहीं खरीदा जाता है, इसलिए वह सिक हो जाती है, लोन को वापस नहीं कर पाती है और इसलिए उसको पैसे देने से कोई लाभ नहीं होता है।

जहां तक हो सके, इंडस्ट्री में लोकल लोगों को एम्प्लायमेंट देना चाहिए। सरकार इंडस्ट्री लगाने के लिए जमीन लेती है, मगर यह व्यवस्था नहीं करती कि जो लोग उस जमीन पर खेती करते हैं, उन्हें इंडस्ट्री में एम्प्लायमेंट दी जाए।

इंडस्ट्रीज के डेवेलपमेंट के लिए स्टेट लेवल के साथ साथ डिस्ट्रिक्ट लेवल पर भी सेमिनार और वर्कशाप होने चाहिए, जिससे इंडस्ट्री चलाने वालों को टेकनिकल एडवाइस और टेकनिकल नालेज मिल सके। उन लोगों को बैंकों से लोन दिया जाता है, लेकिन यह नहीं देखा जाता है कि उन्हें टेकनिकल एडवाइस मिलती है या नहीं। बैंकों से लोन लेने में बहुत टाइम लगता है और अनएम्प्लायड एजुकेटेड यूथ फेड अप हो जाते हैं। वे लोन के लिए एप्लिकेशन देते हैं और लोन मिलने में महीनों लग जाते हैं। इस लिए यह आवश्यक है कि इंडस्ट्री आफिस में बैंक के प्रतिनिधि और टेकनिकल आफिसर को भी बैठना चाहिए, ताकि वे देख सकें कि इंडस्ट्री फ्रीजिबल है या नहीं। सारा काम एक ही आफिस में हो जाना चाहिए।

अनएम्प्लायड यूथ्स को हर एक आफिस में, बैंक में, टेकनिकल आफिस में हर एक जगह घूमना पड़ता है। इसलिए उनको एनकरेजमेंट देने के लिए प्राइम मिनिस्टर ने जो यह स्कीम इंट्रोड्यूस की है अनएम्प्लायड एजुकेटेड यूथ्स के लिए उसके लिए हम बहुत कोशिश कर रहे हैं लेकिन अभी भी अनएम्प्लायड लोग बहुत हैं। अनएम्प्लायमेंट को कम करने के लिए यह एक सुझाव मैं दे रही हूँ कि इस में जल्दी करनी चाहिए और जल्दी उनको जवाब मिलना चाहिए। हम इतना आगे तक तो आए हैं, इस का लोगों ने स्वागत किया है लेकिन और ज्यादा स्वागत लोग करें इस के लिए इतना और हमें

(श्रीमती विद्या चेन्नूपति)

करना पड़ेगा कि उनको हर एक आफिस में और इधर उधर घूमना न पड़े।

वीकर सेक्शंस लोन्स के बारे में मैं कुछ कहना चाहती हूँ। उसके लिए कुछ स्पॉन्सर्ड एजेंसीज का काम लेते हैं, उन के जरिए से देते हैं। लेकिन हमारे यहां सब्जी बेचने वाले या टोकरी बनाने वाले होते हैं, उन को पांच छः सौ से ज्यादा नहीं चाहिए। उस के लिए भी उन को किसी न किसी स्पॉन्सर्ड एजेंसी के पास जाना पड़ता है मेरा सुझाव है कि एक हजार के नीचे जो लोन देते हैं इस के लिए उनको स्पॉन्सर्ड एजेंसी के पास जाने की जरूरत नहीं पड़नी चाहिए। उनको डायरेक्ट ही बैंक से दे सकते हैं। वीकर सेक्शंस के लिए स्पॉन्सर्ड एजेंसी के पास जाना और बर्कर्स के पास जाना, फिर डिपॉजिट देना इन सब में बहुत मुश्किल पड़ती है। इसलिए मेरा सुझाव है कि बैंक वाले स्पॉन्सर्ड एजेंसी से बात कर लें या नहीं तो स्पॉन्सर्ड एजेंसी वाले बैंक से बात कर लें दोनों के पास जाने में वीकर सेक्शंस को बहुत मुश्किल पड़ती है। मेरा सुझाव है कि यह जल्दी होना चाहिये, उनकी अप्लीकेशन मिलते ही तुरंत उनको मिलना चाहिए।

इन्डस्ट्रीज में जो बर्कर्स काम कर रहे हैं उन के लिए हाउसिंग की बहुत बड़ी प्राबलम बन रही है। हाउसिंग के लिए उनको लोन देना पड़ेगा। अगर उनके पास थोड़ी बहुत जमीन हो तो उन को मकान बनाने के लिए लोन देना चाहिए। हम तो यह सोचते हैं कि उनको बना कर दे देंगे लेकिन उममें बहुत समय लगेगा। अगर उनके पास जमीन हो तो थोड़ा मकान बनाने के लिए उन को लोन देना पड़ेगा। उस से उनकी इन्डस्ट्री में काम करने में सुविधा मिल जायगी।

इस में बोर्ड आफ डायरेक्टर्स को मंने देखा है 15 डायरेक्टर्स आपने रखे हैं लेकिन मेरा यह कहना है कि कहीं भी किसी भी बोर्ड में किसी महिला को डायरेक्टरशिप आप नहीं देते हैं। इसमें भी आपने एक भी महिला को नहीं रखा है। महिलाओं ने छोटी छोटी काटेज इन्डस्ट्रीज अपने अपने घरों में बना रखी हैं। मेरा यह अनुभव है कि महिलाओं की जो प्राबलम होती है वह मर्द से ज्यादा महिलाएं जानती हैं। इसलिए फाइनेंस मिनिस्टर साहब से मेरा निवेदन है कि ये जो 15 डायरेक्टर्स आप ने रखे हैं इन में कम से कम एक महिला को आप आवश्यक रख दीजिए।

प्रो० सत्यदेव सिंह : एक नहीं एक से अधिक को दीजिए।

श्रीमति विद्या चेन्नूपति : एक से अधिक को रखिये तो हमें खुशी होगी। लेकिन अभी जो है उसमें तो 15 में से एक भी महिला को नहीं रखा है। मैं आशा करती हूँ कि हमारे फाइनेंस मिनिस्टर बहुत ही डायनामिक हैं, वह इसमें कम से कम एक महिला को जरूर रखेंगे। एटलीस्ट वनबूमन जरूर पन्द्रह डायरेक्टर्स में होनी चाहिये। आप दो दे दें तो हमारे लिए बहुत सुविधा होगी क्यों कि एक महिला को तो हर एक मीटिंग में बैठने में बहुत मुश्किल होगी अगर दो दे दें तो सुविधा हो जाएगी। जो फील्ड में काम कर रही हैं उन में से एक महिला को आप जरूर इसके बोर्ड आफ डायरेक्टर्स में रखें।

दूसरी बात यह है कि जो फील्ड लेवेल पर काम करते हैं, सीसाइटी में काम करते हैं उन के लिए तो जरूर एक डायरेक्टरशिप आपको देनी चाहिये। आपने तो सारे आफिसर्स को ही रख दिया। इन 15 डायरेक्टर्स में सारे के सारे

आफिसर्स रखे हैं। उत में आपने स्पेशल नौलेज रखा है, और एक्सपीरिएंस रखा है। स्पेशल नौलेज में जो लोग समाज में काम कर रहे हैं उन में से एक को रखिये। वरना जो भी बैठते हैं उनको प्रॉक्टिकल नौलेज बिलकुल नहीं होता है। हम समाज में काम करती हैं हमें यह मालूम है कि कहां-कहां गलतियां हो रही हैं।

इसलिये मेरा अनुरोध है कि महिला सामाजिक कार्यकर्ताओं में से एक महिला को अवश्य रखा जाये। मुझे ऐसा लग रहा है कि हमारे फाइनेन्स मिनिस्टर साहब हमारे इस सुझाव को जरूर मान लेंगे। मैं आशा करती हूँ कि मैंने जो और सुझाव दिये हैं उनके सम्बन्ध में अपने उत्तर में वे जरूर कहेंगे। आपने जो मुझे बोलने के लिये समय दिया उसके लिये आपको धन्यावाद।

**SHRI NARAYAN CHOUBEY (Midnapore):** Sir, this Bill is in fact a replacement and further extension of IRCI, which came into being in 1971. Many friends from this side and that side have repeated one question: How did this IRCI function? What is your estimate of its functioning? Sir, in many places the IRCI has become ILCI, which means, Industrial Liquidation Corporation of India; Sir, many friends have told, and of course it is a fact that in clause 18 of this Bill you have extended the purview which was not present in the case of IRCI. But sickness is one of the factors which you have to fight, for which this Bill has been brought. As Comrade Rup Chand Pal has stated very categorically, to declare an industry as 'sick' has become an industry itself and the RBI itself stated that the reason for sickness is mismanagement. In this connection the West Bengal question has always been raised. There is some movement of working class in West Bengal. It is logical that when the Left front Government has come there fighting for their demands, sometimes there may be excesses on the part of the labour but despite all these things, the RBI

has come to the conclusion that only 2 per cent of the sickness is due to labour. But most of the sickness is due to mismanagement. Naturally, this should be borne in mind. In this connection I beg to submit one thing. What are your proposals for preventing this sickness? Shri Satish Agarwal has lauded this Bill by quoting clause 18.

**SHRI K. BRAHMANANDA REDDY:** (Narasaraspet); In a very constructive way.

**SHRI NARAYAN CHOUBEY:** It is a big thing. But we from our own experience know that many bad things can be done by making many laudable announcements. I don't expect that this thing will happen here. But simply by announcing good and laudable things we do not achieve them. Some 20 years ago you have given the slogan of a socialistic pattern of society. But I think you don't even mention 'socialism' now. (Interruptions). I ask what is your 'socialism'? What do you mean by 'socialism'?

**SHRI K. BRAHMANANDA REDDY:** It is not yours.

**SHRI NARAYAN CHOUBEY:** What is yours? I want to know what is yours.

(Interruptions)

**SHRI SATYASADHAN CHAKRABORTY:** Socialistic capitalism.

**SHRI NARAYAN CHOUBEY:** My socialism means socialization, my socialism means black money won't remain, my socialism means land to the tillers and their cooperatives, my socialism means...

**SHRI K. BRAHMANANDA REDDY:** Collaboration with America.

**SHRI NARAYAN CHOUBEY:** Sir, we don't collaborate with American imperialism. He is a little bit agitated. Day before yesterday it came out in the press that Shrimati Indira Gandhi mentioned one American agency for creating troubles in

(Shri Narayan Choubey)

Punjab. But out of fear, today she has stated that she has not mentioned that. (Interruptions). So, who are defending... (Interruptions).

SHRI GIRDHARI LAL VYAS : She has not mentioned the name of the country, that is what she has said.

SHRI NARAYAN CHOUBEY : Let me conclude. Swraj Paul, a blue eyed industrialist, whom you have supported too much, the news about him has come in to-day's newspaper. (Interruptions) only to-day, he has perhaps brought out a book on Shrimati Indira Gandhi and our Rashtrapati has been kind enough to give a forwarding note to it in releasing this. (Interruptions)

SHRI K. BRAHMANANDA REDDY : Is it relevant. (Interruptions)

SHRI NARAYAN CHOUBEY : Perhaps in his eyes he has seen red. Eleven big houses control Rs. 28,000 crores, investing only Rs. 145 crores. Do they not make any profit? They make profit. He says that they make profit to the tune of at least Rs. 5500 crores a years. These eleven Houses, it is his information. That they have kept Rs. 25,000 crores of black money in European banks. This is what he has stated.

I want to know what are the provisions in this Bill to stop it. Unless you make a provision to stop it, whatever money you can put in the channel, it will go.

You are from Bengal. I would like to submit about ICRI. How does it function in Bengal? Actually 'Caterpillars, Containers and Closures are closed down, de-nationalised. There is lock out in Bangodaya Cotton Mill. Bengal Pottery is in a very critical situation. Their future is un-certain. You are bringing this Bill. You should immediately nationalise this which is working with 40% capacity. Workers are sitting idle.

You know great Bhagat against whom all the trade unions have been raising their voice and to-day he is in Jail. He could not be tackled. They have successfully defalcated amount of nearly Rs. 3 crores. He is in jail. That Bhagat is of Bengal Pottery. We suggest that this factory should be nationalised immediately if you want to save it. I hope you can save it, if you place a proper man to man it. At the same time, Hindustan Pilkington and Glass factory is in the lock out. Recently press reports have come that this is a very big factory. It can be saved. It can earn foreign money provided you find a proper man to man this. I do not think that Government of India has no resources to find out a proper man to man it. I hope you will see to it.

In West Bengal we have got 13 NTC mills which produce grey cloth. Sanforizing, mercelising, bleaching is not done there. A new Corporation Textile Processing Corporation at the cost of Rs. 6 crores has been established by the Government of India. It is a very good factory. It has got very good machinery. But such is our bad luck, and such is the connivance of officers of various industries that this factory does not get orders from NTC Mills. Private parties buy cloth from N.T.C. mills and the same is processed in this factory un-officially illegally and they make huge profit. I hope you will look to this that this Textile Processing Corporation which you have set up at the cost of Rs. 6 crores get direct job from the N.T.C.

Now, Sir, at the end, I again want to wish him good luck that he proceeds in a proper manner. Of course, whatever good things you want to do, you cannot do it properly. Still I hope you do good things properly by having this Bill passed. I hope, you will bring forward some measures and take some steps so that organised sickness in industry be put an end to and you get hold of erring industrialists and give them punishment.

श्री गिरधारी लाल व्यास (भीलवाड़ा) :  
सभापति महोदय, मैं इन्डस्ट्रीयल रीकंस्ट्रक्शन

बैंक आफ इण्डिया बिल 1984 का समर्थन करता हूँ। इस बिल के पीछे जो भावना है वह बहुत अच्छी है और निश्चित तरीके से इसके जरिये देश की बहुत बड़ी सेवा होगी। मगर जिस प्रकार के प्रावधान इस में रखे गये हैं उन से जितनी सेवा करना चाहते हैं वह पूरी हो पायेगी इसमें मुझे थोड़ा सन्देह है। इस में आप ने तय किया है कि अथोराइज्ड कैपिटल 200 करोड़ रुपये होगा, पेड-अप कैपिटल 50 करोड़ रुपये होगा, 50 करोड़ में से 20 करोड़ रुपया आप जिस कम्पनी को ले रहे हो उस को दे दोगे तो बाकी जो 30 करोड़ बचेगा उन में जितने काम अपने बतलाये हैं, जो संकशन 18 में दिये गये हैं, उन को व्यवस्थित तरीके से कर पायेंगे या नहीं यह विचार करने की बात है।

यदि आप इतने सारे आब्जेक्ट्स को न लेकर, एक आब्जेक्ट लेते कि सिक यूनिट्स को बयोर करेंगे उनको वापस लाइन पर लायेंगे, उनका प्रोडक्शन बढ़ायेंगे, तब बहुत अच्छी व्यवस्था होनी। सिक यूनिट्स का मामला बहुत गम्भीर मामला है, जिनको मैनेज करना नितान्त आवश्यक है। अभी हमारे बी०जे०पी० के श्री सतीश अग्रवाल बाल रहे थे और वे कह गये कि सिक यूनिट्स को टेक-ओवर नहीं किया जाना चाहिये। जब कि इनके ही क्षेत्र में एक सिक यूनिट पडी हुई है जिस के टेक-ओवर के लिये ये खुद कह रहे थे। यह गलत बात है - इस तरह से यहां पर बोलना और बाहर जा कर कुछ और बोलना, अलग-अलग तरीके से बातें करना, यह निश्चित तरीके से मजदूरों के साथ बहुत बड़ा कुठाराघात है ...

श्री सतीश अग्रवाल : यह अपनी अपनी समझ की बात है।

श्री गिरधारी लाल व्यास : वहाँ के मजदूरों के सम्बन्ध में आपको यह कहना चाहिये था कि इतने हजार मजदूर जो मिल के बन्द होने की वजह से बेकार हैं उन को रोजी रोटी मिलनी चाहिये और यह तभी मिल सकती है जब उस मिल का टेक-ओवर हो या नेशनलाइजेशन हो या फाइनेन्शियल इंस्टीचूशन के जरिये मैनेज हो। इसलिये मैं निवेदन कर रहा था कि यहां पर लोग जो इस तरह की बात कर देते हैं, यह अच्छी बात नहीं है। मैं आप से निवेदन कर रहा था कि जो आब्जेक्ट्स आप ने लिये हैं, वे बहुत ज्यादा ले लिये हैं, जिन को आप पूरा नहीं कर पायेंगे और इस तरह से जो मैं आब्जेक्ट रीकंस्ट्रक्शन का रिवाइव करने का है, वह गौण हो जायेगा। इसलिये मेरा कहना है कि एक आब्जेक्ट ही आप के सामने मुख्या होना चाहिये कि सिक यूनिट्स को रिवाइव किया जाये, उनकी बीमारी को दूर किया जाए और सिक होने की वजह से जो मजदूर बेकार हो गये हैं उनको रोजी रोटी दी जाय।

अब अगर यह देश के तमाम सिक यूनिट्स को लेगा तो 200 करोड़ रुपये से कुछ भी होने वाला नहीं है। आप इस में अधिक धन की व्यवस्था कीजिए। आप के पास फाइनेन्शियल इंस्टीचूशन हैं उन का पैसा इस बैंक के जरिये इन सिक यूनिट्स में पहुंच सकता है। इसलिए इस बैंक को दूसरी फाइनेन्शियल इंस्टीचूशन के जरिये पैसा दिलवा कर इस व्यवस्था को मजबूत करने की आवश्यकता है। आप ने इन फाइनेन्शियल इंस्टीचूशन से अब तक जिन इन्डस्ट्रीज को पैसा दिलवाया है, उन के पीछे कोई मॉनिटरिंग व्यवस्था नहीं है और जितना पैसा दिलवाया है वह सारा पैसा खा-गी गये हैं, ऐसेट्स को दूसरी जगह ट्रांसफर कर दिया है या मिसमैनेजमेन्ट की वजह से यूनिट को सिक

(श्री गिरधारी लाल व्यास)

यूनिट बनाने की कोशिश की है। इसलिये मैं चाहता हूँ कि फाइनेन्शियल इंस्टीचूशनज का पैसा आप के इस बैंक के जरिये मिलना चाहिये तब जाकर यह सारी व्यवस्था ठीक बैठ पायेगी। तब जाकर के सारी व्यवस्था ठीक प्रकार से बैठेगी। इसलिये इस प्रकार की व्यवस्था करना जरूरी है। अगर यह व्यवस्था करेंगे तो आपकी व्यवस्था ठीक तरह से चलेगी।

आपने एस बिल की क्लॉज 39 में टेक ओवर की बात कही है। जिन इंडस्ट्रीज का मेनेजमेंट खराब है और मिसमेनेजमेंट की वजह से वे इंडस्ट्रीज सिक हुई हैं उनका टेक-ओवर करने के सिवाये और कोई चारा नहीं है। आप टेकओवर करने में विश्वास नहीं करते। अब आप यह बिल लाये हैं और यह बैंक बनाने जा रहे हैं। इस बैंक के जरिये से आप सभी सिक यूनिट्स को टेकओवर करने की व्यवस्था कीजिए या अपनी फाइनेन्शियल इंस्टीच्युशंस के जरिये से टेकओवर करने की व्यवस्था कीजिये जिससे कि हजारों मजदूरों को लाभ मिल पाये।

मैं अपने क्षेत्र की एम०टी०एम० के बारे में कहना चाहता हूँ। मैंने कल भी कहा था। यह एक वाएबल यूनिट है और सन् 1960 में सरकार इसको टेकओवर किया था। आठ साल तक यह सरकार के कब्जे में रहा और आठ साल तक 40 लाख रु. साल का इसमें मुनाफा हुआ इस में मीटेक्स बनियान बनते हैं जो कि विदेशों में भी जाते हैं। इस प्रिन्टिंग शीट्स बनती हैं जो कि बहुत मशहूर हैं। ऐसे अच्छे यूनिट को मेनेजमेंट ने मिसमेनेज कर के सिक बना दिया। इतना वाएबल यूनिट सरकार ने आठ साल तक अपने पास रख कर 1968 में मालिकों को लोटा दिया। पता नहीं किन कारणों से ऐसा किया

गया। हम ट्रेड यूनियन की तरफ से बराबर सरकार से कहते रहे कि यह सरकार के पास रहना चाहिये, अगर यह पूंजीपतियों के पास चला गया तो यह बर्बाद हो जाएगा। इस सब विरोध के बावजूद यह यूनिट पूंजीपतियों के पास चला गया जिन्होंने इसे बर्बाद कर के रख दिया। किन कारणों से यह यूनिट पूंजीपतियों को दिया गया, इसके बारे में एस्टीमेटम कमेटी ने भी देखना चाहा और फाईल मांगी यह देखने के लिये कि किस अधिकारी ने इस यूनिट को वापस देने का प्रस्ताव किया था। लेकिन फाईल मांगने पर कह दिया गया कि वह उपलब्ध नहीं है। ऐसी वाएबल इंडस्ट्रीज को वापस कर दिया गया। अब फिर उस इंडस्ट्री को टेक ओवर करने की बात आती है। इसमें इतना बड़ा नुकसान हुआ है। यह एक वाएबल यूनिट है। अगर यह वाएबल यूनिट नहीं होता तो पूंजीपति कभी इसको वापस नहीं लेते। इस वाएबल यूनिट को टेकओवर करना चाहिये ताकि जो ढाई हजार मजदूर बेकार हो रहे हैं उनको रोजी रोटी मिल सके। इस प्रकार की व्यवस्था नितान्त आवश्यक है।

आप इस बैंक का हेड आफिस कलकत्ता में रखने जा रहे हैं। आप इस बैंक के द्वारा सारे देश में इंडस्ट्रियल रीकंस्ट्रक्शन करना चाहते हैं और सारे देश में इसकी शाखाएं भी खोलना चाहते हैं। आप इसका हेड आफिस कलकत्ता में रख कर बिल्कुल एक तरफ इसे रख रहे हैं। यह देश के बिल्कुल एक तरफ होगा। इसका हेड आफिस आपको दिल्ली में रखना चाहिये ताकि यहाँ से यह बैंक सारे देश को अच्छी तरह से कवर कर सके दिल्ली में ही इसका आफिस रखने से सारे देश के सिक यूनिटों को आप अच्छी तरह से देख सकेंगे। इस प्रकार की व्यवस्था करना नितान्त आवश्यक है। कलकत्ते में तो पहले ही बहुत बीमार यूनिट हैं और यह दो सौ करोड़

रुपया तो उन्हीं पर खर्च हो जायेगा। इसलिये मैं माननीय वित्त मंत्री जी से कहना चाहता हूँ कि इसका हेड आफिस अगर दिल्ली में रहेगा तो यह सारे देश के लिये उपयोगी हो सकेगा। इस प्रकार की व्यवस्था करना नितान्त आवश्यक है।

मैं यह भी कहना चाहता हूँ कि इस बैंक में जहाँ आप अपने अधिकारी नोमिनेट करेंगे, रिजर्व बैंक का प्रतिनिधि होगा, आपके सेक्रेटरी होंगे, इस तरह से 15-16 आदमियों की नियुक्ति ही इसमें आप करेंगे। लेकिन आप इसमें पूंजीपतियों को नहीं रखिये। अगर आपने इसमें पूंजीपतियों को भर दिया तो वही पूंजीपति अपने यूनिट को सिक करके आपके इस बैंक से रुपया लेंगे। इसलिये पूंजीपतियों को इसमें शामिल न कीजियेगा। अगर कोई भी इस बैंक के पैसे का दुरुपयोग करेगा तो उसके संबंध में निश्चित रूप से ध्यान रखने की आवश्यकता है।

MR. CHAIRMAN : You may send your suggestions to him.

श्री गिरधारी लाल व्यास : मैं यह निवेदन करना चाहता हूँ कि मजदूरों का प्रतिनिधि भी इसमें होना चाहिये। पूंजीपति का जब विरोध किया है तो निश्चित रूप से मजदूर को रखना आवश्यक है। हमारे सी०पी०एम० के भाई तो इसको पूंजीपति की तरह से चट करने में लग जायेंगे। इसलिये, इसमें इन्टक का प्रतिनिधि रखेंगे तो निश्चित ही वह इसमें सहयोग करेगा.....(व्यवधान) जितने आबजैक्टिब्ज आपने रखे हैं, अगर उनको पूरा कर सकते हैं तो बहुत ही अच्छा होगा। सबसे पहली चीज सिक यूनिट्स को रिवाइव करने की है, इसके लिए एक अलग सैल बना दिया जाये। उसका और कोई काम न रहे तभी हम देश की सेवा कर सकेंगे और लाखों मजदूर जो काम कर रहे हैं,

उनकी भी सेवा हो सकेगी। यह बहुत बढ़िया बिल है। इंदिरा जी के राज में मजदूरों की बहुत बड़ी सेवा हो रही है। सतीश जी ने भी ग्रामीण क्षेत्र के मजदूरों के बारे में कहा है। जो काम इंदिरा जी ने किया है, वह और कोई सरकार नहीं कर सकती और इतने प्रोग्राम भी और किसी सरकार ने नहीं चलाए हैं। मेरे क्षेत्र की यूनिट पिछले चार महीने से बन्द है। उसके ढाई हजार मजदूर बेकार पड़े हुए हैं। उनकी रोजी-रोटी का भी आपको ध्यान रखना चाहिए इन शब्दों के साथ मैं अपनी बात समाप्त करता हूँ।

SHRI K. MAYATHEVAR (Dindigul) :  
Sir, This Bill seeks to convert the Industrial Reconstruction Corporation of India Ltd. into Industrial Reconstruction Bank of India. This amendment is a post-mortem of the Corporation.

Before coming to post-mortem, we are supporting the post-mortem. We are not going against post-mortem. Anyway, we have to do the post-mortem to bring our country on par with other Industrially developed countries.

This Industrial Reconstruction Corporation of India Ltd. was commissioned in the year, 1971. It went on transacting so many businesses in so many aspects till now which is a long period.

I want to know from this Government why it did not function properly, who were the persons responsible for the mismanagement of this.

I want to know clearly from the hon. Minister in the course of his reply to the debate whether any action has been taken against those people who are responsible for mismanagement for eating away just like cats and rats all the public money which is nothing but the peoples taxes.

(Shri K. Mayathevar)

As far as industrial development is concerned, my hon. friend from Tamilnadu has properly pointed out that Tamilnadu has been neglected for a very long time. I earnestly and very honestly and strongly with all my force demand that this Government should set up one of the units of the Industrial Reconstruction Bank out of its four or six units in this country in Madras in the interests of the uplift of the industrial development of the people of Tamilnadu and South.

The Government, when it came to power in 1980, promised to the 70-crore people of this country that they would contain the inflation and reduce the price level. But that was not done. You have not kept up the promise that you have made in your election manifesto. You have failed to protect the middle class people, the poor people and the downtrodden people of this country from this unparalleled and unprecedented rise in the prices of all essential commodities and consumer goods of common man.

It is your duty to solve the unemployment problem in this country. I have got a copy of the 20-point programme which I collected for the purpose of putting questions. But the Question did not come up and, therefore, I could not use it. In the 20-point Programme you have not mentioned as one of the points that you would solve the unemployment problem in this country. You have thus failed to protect the unemployed graduates and the uneducated unemployed in both urban and rural areas.

Yourself and Mr. M.G.R. of Tamil Nadu have formed an alliance to fight against the democratic opposition in Tamil Nadu; you have formed a United Front.

You were able to dismiss the DMK Government in Pondicherry. Of course, that Ministry had been formed by the DMK in alliance with the Congress-I. But you dismissed that Government without even giving them an opportunity to prove the

majority of the DMK Members in the Assembly. I was not at all happy about it. But you did it. That was the destiny of the people of Pondicherry. But after taking over the Pondicherry Government's power in your hands, the first thing you did was to close the Anglo-French textile mill. More than 15,000 employees are now in the streets without employment for the last so many months. Have you applied your mind to reopen the mill? Your agent is there, your representative is there 'undemocratic' representative, I can say, because we do not want any Governor at all; we want to amend the Constitution, you are having Governors under this Constitution. Have you applied your mind to reopen the mill and thus save the 15,000 workers in Pondicherry? You never apply your mind. You do not have the judicial mind or the non-judicial mind...

AN HON. MEMBER : No mind at all; never mind.

SHRI K. MAYATHEVAR : You do not have any mind at all, according to my friend.

The B & C Mill is closed. The hon. Finance Minister is a very able Minister; individually he is a very able person, but not the Government. The B & C Mill is closed. 10,000 workers are roaming in the streets without job for the last so many months. Mr. M.G.R. is making application to you and you are making applications to the State Government. Is it not shameful that both yourself and the State Government of Tamil Nadu have formed an alliance to cheat the public, without opening the mill, and to get their votes in order to come to power again in the next election? You do not have the mind to reopen the mill in Madras.

It has been reported in the papers that the Prime Minister is going to contest the election from a constituency in Tamil Nadu...

DR. SUBRAMANIAM SWAMY : Put up a strong candidate against her.

**SHRI K. MAYATHEVAR :** That candidate will come through Mayathevar.

I want that B&C Mill should be reported. Six or seven mills in Tamil Nadu are closed, including the Anglo-French Mill in Pondicherry. In 1980-81 the B & C Mill was opened by a Minister. But now the mill has been closed again. I request the Government to take steps to reopen the mill and save the lives of the 10,000 workers there.

Tamil Nadu has become industrially very backward; not only backward, it has become very awkward. It is not gainsaying or politically saying, but it is truth. In the past Tamil Nadu occupied the third position in industrial development but now it has taken the 17th rank according to economists of the country. Therefore, neither the Central Government nor the present Tamil Nadu Government could help Tamil Nadu in the matter of industrial development. I cannot blame you or that government I have to blame the voters who are blind to vote for the blind governments, governments who do not and could not govern the people properly and effectively in the administrative spheres. Therefore I have been repeatedly demanding that you should set up one branch of this Bank in Madras.

Finally, some hon. Members were pleased to state that the hon Prime Minister is very much interested in disbursing loans of Rs. 25,000, Rs. 10,000 and Rs. 5,000 to unemployed graduates or educated unemployed people for starting some industries.

**MR. CHAIRMAN :** You speak on industrial reconstruction.

**SHRI K. MAYATHEVAR :** This is also for industry. For unemployed educated people you have schemes for giving loans for starting new industries. I have toured Ramnad and Madurai districts for the last two weeks. I have made a complaint to the hon Minister over there who is laughing. I have also written to the Prime Minister. You have replied to my letter but I am

yet to get a reply from the Prime Minister. I am happy and thankful to you that you have replied to my letter that you will take suitable action directing that Congress people alone should not dominate in getting loans. I have come to learn from all Parties - from the Communist Party and all Parties except the Congress Party. Throughout Tamil Nadu they are printing - 'District Congress', 'Youth Congress', etc. They are having the printed forms and on the left side corner of the application form it is printed 'Youth Congress, Rajapalayam', 'Youth Congress, Srivilliputtur', 'Youth Congress, Dindigul', like that. In my constituency of Madurai you have the printed forms and they are selling these forms for loans of Rs. 25,000 and Rs. 5,000 for Rs. 20/- each. And for recommending the loan they are getting Rs.250/-. This is correct. If you ask the CID to probe into that, it will be proved. I am not bringing any false charge against the government. This is the complaint of all the public except the Congress people. It is not your Minister. I am not against you. It is not the Government money. It is not the bank's money. It is the money of the people. It is the money of the 70 crores people. Therefore, for distributing loans you should not discriminate politically or on the basis of community or religion or any such ground. Therefore, I request the Government and the Finance Minister and the State Finance Minister to censure your Poojary.

Poojary means a priest in the temple with some bell. Mr. Poojary is going on inside Tamil Nadu banks and Kerala Banks throughout the southern States, and in all the speeches he is warning the Zonal Manager and the Divisional Manager that they should give loans only to Congress people. That Poojary. Congress Poojary you both are great people, you have committed any so far openly and I don't think you are nuisance committing nuisance indirectly or privately was going on distributing loans and asking the nationalised banks to give loans only to Congress people. You appoint a committee. I challenge. It is not false. I never talked any falsehood in my life both on the platform as well as in the courts. I appear in court as a Lawyer. You appoint a Commission of all parties. In Tamil Nadu,

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I will prove, that you are discriminating against other party people. Only Congressmen get the loans. I have not brought it - I will produce the application form tomorrow.

MR. CHAIRMAN : You send it to him.

The bank should be set-up in the rural areas so as to create industrial base and employment opportunities for the rural unemployed. With these words I welcome the measure and conclude my speech.

16.53 hrs.

(MR. DEPUTY SPEAKER *in the Chair*)

SHRI MAGANBHAI BAROT (Ahmedabad) : Mr. Deputy Speaker, Sir, it is in the fitness of things that the Industrial Reconstruction Bank is having its headquarters in Calcutta because of its largest number of sick industrial units. I would request the hon. Minister - born in Bengal and adopted by Gujarat - that while opening the next branch kindly thing of Ahmedabad which has adopted you because I do not know whether you brought much to us but you certainly brought sickness of Bengal industrial units to Gujarat and Ahmedabad is the worst affected.

Now, I come to the provisions which perhaps, have been brought with best intention. I do not doubt Government's intention but I certainly doubt its capacity to execute. (*Interruptions*) I would like to give you concrete illustrations. Directors come from the financial institutions and Directors also come from the financial institutions of the States and there is a conflict between Centre's policy and State's policy and I want the hon. Minister to take this aspect into account. In Ahmedabad, for example, one of the mills of a big industrial family is said to have fallen sick. Its name is Saranpore II. It has very good other units. If you go to Ahmedabad at the airport you will find their welcome board. Now, what

has happened; I do not know whether the State Government have nelegated all those powers to them giving expansion and benefit of Relief Act only to that unit whereas in Ahmedabad twenty mills are sick. About Rs. 3 to 4 crores of the State Bank of India are involved. The Relief Act does not permit your banks to recover the dues. Therefore, in Section 19 where you provide for diversifications of funds, I would request you to appreciate, is the diversification restricted to the bank's authorities to give guidelines? These units which already had diversification and have made their own units sick, it is these units which are going to get the benefit. It is a serious problem, at least in my State which never experienced this in the past. Here I would like to quote for the benefit of the hon. Minister about a meeting that took place between Ahmedabad mill owners and his predecessor, Shri R. Venkataraman. The complaint made by the mill management was that the financial institutions, namely, IDBI and others are not giving funds to their units. The pertinent question he asked was-your respectable ancestors established these industries in Gujarat whether at that time there were any financial institutions like IDBI, etc. It was the reputation of an industrialist with which he went into the market and got money. Today it is the public money which goes to these managements and I coming from Ahmedabad know how in the most cunning and fraudulent way these management have been diversifying the finances advanced by these financial institutions. What is the provision to that? The whole purpose is to re-finance financial institutions which will be financing these institutions. But what is the control? Where is the guarantee? And see the conflict between State's policy and centre's policy.

The State passes a law making an exception for one unit out of 20 sick units in Ahmedabad. The exception gives the unit the benefit and even today the mill is not opened. The State Bank of India has been put to a loss of nearly Rs. 3 crores. perhaps, if you think of financing it from this Bank, you will also be suffering and the State finances are also put to a loss and the management is the only benefactor without

giving benefit of opening the unit for the benefit of the working class. Now, whose benefit we are projecting. My respectful submission to the hon. Finance Minister is to look into this question. I take this opportunity of bringing this to his notice which he is not unaware of. But if this bank can do the first thing in the country, there is a persistent demand from you that if they can be revived, please do it. This will be an ideal way of working it provided you can revive that. But kindly see that this does not happen as it has happened in Sarangpur No. 2 mill. When your money is locked up the State Government comes to help in recovering it and you will be thinking of, under this law, financing it. Then, where is the end of it? On the one hand, the bank is not getting the money and if this bank is going to refinance it, would it not be costly? What they don't succeed from one agency will be compensated by their succeeding in getting it from another agency. Therefore, my concern and my anxiety is that it is Ahmedabad today and Gujarat in general, is offering you a trial place, a better place where the best experiment can be made as to how your Act and this Bank coming under this Act can do best performances. I wish you good luck. After the establishment of this bank, please try it in Ahmedabad because I think you will agree that you owe to Ahmedabad in particular and also something to Gujarat in general.

**THE FINANCE MINISTER (SHRI PRANAB MUKHERJEE)** : Mr. Deputy-Speaker, Sir, I am grateful to the hon. Members who have participated in the discussion and made contributions while making their observations on various aspects of the Bill.

First of all, let me make it clear that I have already explained about the scope and objects of the Bill while introducing it yesterday. It is neither merely an institution to provide reconstruction assistance to sick units alone nor it is to provide some maintenance support for certain industrial undertakings. As I have mentioned in the statement of objects itself, it would be one of the principal credit institutions and at the

same time it will be doing the job of development banking, to some extent, merchant banking and the overall developmental approach will be taken by this institution. That is why, truly, it can be described as a comprehensive Bill. But I think that except Mr. Satish Agarwal, nobody has looked into the salient aspects of the Bill. Everybody concentrated except the last two speakers who hardly had spoken on the Bill itself, on other aspects of the Bill. The last speaker who made his point reminded of my obligation to Gujarat and except that Mr. Maya Thevar has given his indulgence of speaking of whatever he liked.

**MR. DEPUTY SPEAKER** : I was enjoying his speech in my room.

**SHRI PRANAB MUKHERJEE** : Except that, the others have made their contributions in one major aspect of the Bill, that is, industrial sickness and what role this institution can play in removing their sickness or in restoring the health to the sick units. I am not going into the detail at the fag end of this day. After all, another Bill will be coming up for discussion in this august House, but to one point I would like to draw the attention of the hon. Members is that it would be perhaps over-simplification of the problem if I just take one reason of the sickness as the sole reason. It is true that, to some extent, inefficient management is responsible. But that is not the only reason.

17.00 hrs.

But providing just one study from one organisation is not adequate. Even if I admit the conclusion of Shri Chitta Basu that 63 per cent is because of that, although the Reserve Bank has not said that, and I think, he wanted to stress his argument that 63 units. Out of 102 units are sick because of that, from there you cannot draw the general conclusion. But it is one of the major reasons and I will agree with the hon. Members to some extent who have made this point that perhaps some sort of vested interest has been developed in making the units sick. There is no denial to the fact that I pointed

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out on the floor of the House itself that in India we are faced with a very peculiar situation that industrial units become sick, but the unit owner does never become sick; he goes on adding weight and weight. That is the situation. When we wanted to deal with it in some cases, I do not think; the Members expressed their concern very much, when Government made some experiment on taking over some healthy units along with some sick units, and the court compelled us, rather gave the verdict that we cannot take over any healthy unit unless we give a pre-takeover hearing to the unit owner. We never thought of the implication of that. Those who had been seriously advocating it and coming forward with the suggestion never thought of the implication of that judgement. The implication of that judgement is: I am giving a notice to a man that after one month or two months, I am going to take over the unit and I am expecting that you will keep everything ready and all the assets will be available. But after all, the Members of Parliament did never express their concern over the implication of that, and we are fighting our battle. I have not handed over the units. The judgement was sometime in 1980, and I have not heard from any Member, even the alert Members, that this is a matter which should be debated upon, and whether the Government can accept this position. This is the point to which I am drawing your attention, and some of you consider that panacea is nationalisation and takeover ... (Interruptions) It is not merely amendment that would help; lawyers are here and they will say that it is linked up with the basic structure; it is not so simple.

What I am trying to point out is that you are just trying to impress upon us that the panacea lies in nationalisation and takeover. And this is the area where we are placed in a rather difficult situation. If I do not take over or nationalise, a large number of people will be thrown out of the job and that is creating problems. After all, every elected Government is responsible and responsive. Whatever be the pressure, legal or illegal legitimate or illegitimate, sometimes

you have to succumb to that. And the story of taking over is not that economic viability, sometimes we were forced to take some adhoc decisions that industries ought to be taken over. Once the takeover is there, after that everybody forgets that otherwise how could you justify it? One instance has been given by some hon. Members about the B & C Mill. When I was the Commerce Minister, I took personal initiative in opening it; I entered into some arrangement with the workers that they would have to accept a particular workload prevalent in Coimbatore and other areas, and there would be some rationalisation, and they could call me, I would not mind, but I but it very bluntly that the option before them was whether all the ten thousand persons would be on the street, or eight thousand persons would be on the job and two thousand would be on the street with retrenchment benefits. They accepted and the mill started functioning. Adequate financial arrangements were made. Simply because the leadership of the union changes, new leadership comes forward and places a certain set of demands and says that if it is not acceptable, they will make the unit close. And actually the unit was closed. Thereafter, do you expect that it can again be revived? This is the question where you shall have to take a hard look at it. My point is, mere nationalisation or takeover is not the solution. You are talking of representation at the highest level. First of all, would like to remove the misconception. Though I have not made a specific provision in that particular Section where 15 persons will be nominated to the Board of Directors, that there would be no workers' representative or trade union representative, but in every financial institution even where there is no such provision, we have arranged trade union representation. Some of you have suggested—"why not elect it?" Have you accepted that elected concept that majority unions will always be represented in your trade union forum? My colleague in the Labour Ministry will say an emphatic NO. How can you have it? But we are giving representation to the trade unions, known trade union organisations. In LIC, there is no provision like that. In the same way, there are trade union representatives in GIC, trade union representatives in IDBI. So, it does not prevent the Government

from having them and we have accepted as a principle, that apart from the extremists, I am sorry external elements (Punjab is always in our mind)...(Interruptions)

AN HON. MEMBER : Foreign hand ?

SHRI PRANAB MUKHERJEE : No. I am not using that. I am using the words 'internal hand' because there are so many extremists there. I will be coming to them later on.

SHRI SATYASADHAN CHAKRABORTY (Calcutta South) : Point of order Sir. The hon. Minister says that we are all extremists.

MR. DEPUTY SPEAKER : You have extreme ideas about social life. That is what he meant.

SHRI SATYASADHAN CHAKRABORTY : Reasonable ideas, please.

SHRI PRANAB MUKHERJEE : Apart from the persons who are and who ought to be appointed from outside the organisation, when we made these nominations, we take care that various sections are represented experts, economists, persons having specialised knowledge and at the same time persons who have experience in trade union movement. It may be individuals sometimes. We have appointed them, not that we have not done it. If you say that more representation in the Board of Directors will make a sea change, I am afraid, we are making a little bit of over-simplification of the problem. One institution of which every Friday you lodge a series of complaints is the banking sector, in which from 1970 onwards we are having the system of representation of recognised unions in the Board of Directors. But do you find that there has been any perceivable, change, remarkable change or noticeable change in the functioning? Therefore, it is necessary and I do agree with it, that if you could inject it from the floor level to the board level, it will have some effect. It is more important that we must inject a new

work culture, new work ethic, that the organisation after taking over or nationalisation, belongs to me. And I am sorry to point out that you have killed that concept by injecting the concept of bipartisan collective bargaining.

In the public sector, you are having this collective bargaining. Therefore a situation comes when after investing Rs. 6000 crores, I find that steel production remains at the same level, but I have to succumb to your collective bargaining. And as a result of collective bargaining, by 15 per cent wages are increased and somewhere you have to get it reflected you cannot put it under the carpet. Either through budgetary subsidies or through price increase, somewhere you have to meet it. You will never think of these things that in the public sector, where we own those organisations, there should be a link with productivity. But to link it up with productivity, according to some trade unionists, is almost untouchable. The word is not acceptable at all. There you will bring so many things that every thing is coming from the top. That top is invisible. Therefore let us not go to that aspect. But I would like to draw the attention of the House to one major aspect of the sickness. One major reason of the sickness in our industries i. e. the area of technology. I would like to share the information with the House that recently a study was conducted and you will be surprised to know that in the whole of the last decade, the contribution of increase in capital and labour in Indian industry is almost equal to that of Japan and it is 6.24 per cent. But the contribution of technology is less than 1 per cent. And this is one of the main reasons of the incipient sickness in traditional industries like jute, textiles, tea, engineering and even plantation. Part of the sickness can be explained by diversion of funds. I have no hesitation in pointing out that the owners of these industries found new green pastures; and instead of ploughing back their profits in these areas, either for modernization or for re-plantation of bushes in plantation industries, they established new industrial undertakings where they could earn more profits quickly. And these industries were allowed to be sick; and ultimately, we have built up

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this culture, that at some point of time Government will have to come in. Even when we nationalized sick jute mills we find that every day we have to incur a loss in one jute mill in West Bengal of about a lakh of rupees. But they know that ultimately the workers will put pressure. I do not know why this pressure is not put on the mill-owners.

The houses of the Ministers sometimes are *gheraoed*; and the militant trade union organizations are there. Sometimes I have also faced *gherao* and demonstration. But I find that when the unit owner makes the industry sick and there after goes back there, you people are silent.

PROF. RUP CHAND PAL (Hooghly) : That is not true.

SHRI PRANAB MUKHERJEE : Or, even if you do a little bit, you don't do much, or at least enough to yield some results—because I found out that it is not there. But I do not want to come to the conclusion that this is the only way. I gave you a few examples. There are many more : inefficient management is one, and sometimes demand constraint is another. But in the Indian economy—I do not agree, I do not subscribe to this view—it is still going to be a sheltered market for quite some time. Whatever damned things you produce in this country, are sold. It is a seller's market.

DR. SUBRAMANIAM SWAMY (Bombay North East) : 'Damned' is unparliamentary.

SHRI PRANAB MUKHERJEE : I am sorry; I am withdrawing the word. Whatever goods you produce, are being sold here. Therefore, it is demand constraint; sometimes the industrialists raise this issue. We also subscribe to this view. There may be some demand constraints. But strictly speaking, the type of conditions which the highly developed industrialized countries are

facing, are not available in this country. Sometimes there is a demand constraint, and when we take appropriate measures, it gets rectified. Absence of technology is another reason which I referred to. So, these are the various reasons, as a result of which to-day we are placed in a situation where a large number of industrial units have become sick; and one to which I would like to draw your attention is this: you may say there were a large number of big units which are also becoming sick. It is true. It is mainly in areas which may be called traditional industries of this country like jute, textiles, engineering and plantations. And here, the owners have a responsibility.

I will give you just one example. In the 1975-76 budget, we introduced a system, and created a modernization fund in IDBI. And we told that they should take advantage of this Fund that they would get financial assistance at reduced rates of interest. But hardly any jute mill took advantage of it. Jute industry is a cyclic industry : for two years you will have good profit, and for one year you will have a loss. The year they have the loss, they will start closing their units. Pressure will be mounted on the Government for taking over, or giving fiscal concessions, reduced rate of interest and adequate funds.

You are asking as to why bank money is involved, and is sunk in these sick units. It is because of the fact that we had to take this decision about providing adequate resources. Bank people may come to the conclusion that from their commercial judgement point of view, there is no case. But in order to avoid a situation where ultimately we may have to take it over, we do this. And when a unit is taken over, the entire financial credit is frozen. You will hardly find in any case that pre-take-over liabilities of banks have been made book out of the amount provided in the Bill as compensation, because the amount is quite inadequate. This is decided on the value of the assets. Therefore, in most of the cases, banks find that even when the unit is nationalized, its entire thing is going off in

the pre-take-over stage. In the post-take-over stage, Government provides the guarantee. So, even in some cases where the bank's commercial judgement leads it to the conclusion that it should not inject fresh money, it is compelled to do so.

And as a result of this, thought the figure which some hon. members have quoted as Rs. 30,000 is not correct; it is Rs. 3,139 crores on 31st December, 1982. But it is a huge amount of money; it may not be Rs. 30,000 crores, but, it is still huge amount of money; it is sunk in the sick industries. But, a large number of small scale units are becoming sick; and this is the area where I do feel that we shall have to look into it; and in consultation with the Industry Minister, I am thinking of appointing a small expert group to look into the reasons of the sickness of the small scale units to this extent; and I am told that on December 1982, the number of small scale units that became sick are 58,551. I do not know how many units are bogus and how many units are genuine; that is also another problem. But, there are reasons to have sickness there because they cannot increase their scale of operation, they cannot upgrade their technology; and in ouersystem, we cannot do away with small scale industries.

When you are talking of problems, you shall have to talk of problems in their totality. We can provide cheap cloth to all persons of this country if we just simply have highly modernised, sophisticated textile mills. But, can anyone of you prescribe that formula to me completely forgetting that 10 million families are depending on handloom and even a large number or recognised and not so recognised power-looms. These are the factors and these are the contradictions in our system; and we shall have to work out a solution which cannot be to my mind just the carbon copy of the developed countries; and we shall have to find out the solution in our own way and we are trying to do so.

Mr. Satish Agarwal, while making observations, has pointed out why we are extending the operation? Particularly

he has expressed his views on sections 23 and 24. Here, I would like to draw his attention to one point. This is not the first type of development banking we are having; we are having development banking in IDBI; and these are the exact provisions which exist in IDBI and we have just incorporated there. And in regard to section 23 and foreign borrowing which you referred to, in each case, this is also exactly the same provision that exists in other institutions and they are to come to us, take the approval of the Government of India. IDBI is in operation from 1964 and ICICI is still a little earlier. Though it is not a government body, they also function in the same fashion. Therefore, when they come to us everybody would appreciate and you, yourself, have pointed out that we are conservative in granting permission for foreign borrowings; and what has been the practice till now, I can assure you that it will continue to be so even in the future.

A question has been raised as to why we are having such a small capital, particularly Prof. Pal referred to this point; Prof. Pal, Professor of Literature, is a little confused. Small capital base always need not necessarily mean that area of operation would be limited; because many of our nationalised banks, when we nationalised, all of you are aware, what was their capital base, because we provide loan, and I have in sections 20 and 21 provided how they would get their resources, I think, hon. members will recollect when I piloted the IDBI Bill 1972. The capital base was much less and the objection was raised and subsequently we increased it to Rs. 100 crores. In this particular Bill, we have already taken that the upper ceiling would be Rs. 200 crores and presently we are providing Rs. 50 crores, but small capital base need not necessarily mean that the area of operation would be limited as we are providing them that they can collect resources by government grant, they can get resources by selling their bonds, debentures; and particularly section 18 which was referred to by Mr. Satish Agarwal and some other members, there, too, we are providing that they can do these developmental activities sometimes.

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It may surprise you as to how they can provide experts and managers; You will agree with me that some of the training institutes run by our banks particularly by IDBI and others.

And they are regarded as banking experts not only in our country, and I am having a problem that I cannot retain them with our present pay scale and amenities. After getting training and having some work experience here they go back to many other countries with much more amenities. That means our training has recognition and reputation.

A question has been raised, why we have located it in Calcutta. We have located it in Calcutta mainly because of the fact that IRCI was located in Calcutta. And the hon. Members are aware of the situation in which an organisation like IRCI was established. In 1971 when Mr. Y. B. Chavan was the Finance Minister we found that a large number of industrial units in Bengal were becoming sick; and it was necessary to provide some kind of institutional support to those sick units and it was thought that IRCI, an organisation like IRCI should be established and it should be located in Calcutta. In that context it was pointed out that, we are having a company and after gaining some experience, if necessary it would be converted into a corporation. And what we are exactly doing now is fulfilling our promise, what we made on the floor of the House 13 years ago.

A question has been raised, why it has been located at Calcutta. It was established in Calcutta because we have the headquarters of IFCI in Delhi, we have the headquarters of IDBI in Bombay, the EXIM Bank is in Bombay, and other financial institutions are in Bombay, that is why we thought that we should have one national financial institution whose headquarters should be located in the eastern part of the country. But that does not mean that its area of operation will be limited to only Calcutta. Its

area of operation will be the whole of the country. And why its area of operation we are permitting like this is, because they may want to borrow from the financial institutions, organisations that is why in the Act itself we shall have to provide that they can borrow so. Otherwise they have to be a subsidiary of IDBI or IFCI.

SHRI SATISH AGARWAL : Nobody objected to Calcutta. Only Mr. Vyas wanted in Bhilwara.

SHRI GIRDHARI LAL VYAS : I wanted in Delhi.

SHRI PRANAB MUKHERJEE : For the information of Shri Vyas, I may say that we do not want in Delhi. The Government policy is to have less and less of commercial enterprise and industrial enterprise in Delhi. This is the accepted policy of the Government and as the Finance Minister I am strictly enforcing it because pressure on Delhi is increasing tremendously and it will be very difficult to maintain the present characteristics of Delhi if we are not careful already now. After all it is the capital, and that is, the political capital. Let us not combine it with the commercial, Capital

Secondly, as I already said, IRCI is having its four regional offices in the four regions. They will be strengthened after it becomes a bank. It will be taken a Government company, even as IFCI, not only confined to Calcutta or Bengal. Now it has extended its area of operation and for the information of my friend from Gujarat I may tell them that next to Bengal, the reconstruction assistance provided by IRCI is to Gujarat. Therefore, it is not correct and it will be gradually expanded; there is no denial of the fact.

One point about the functioning of the IRCI. It would be perhaps uncharitable to come to the conclusion that this Corporation is meant for the liquidation of trade unions. Yes, it was about six to seven years before. But today I can give you a detailed

list, and I have given it to my Consultative Committee, that 70 per cent of the assisted units are either revived or they are in the process of revival. And when an industry becomes sick, in sickness of that type when the private sector thought that these are not anything but junks, and they left it and ran away, the IRCI had to take over those units, and at the initial stage they did not have the expertise: It took some time to overcome the teething problems and after that stage, if my friends from West Bengal would not mind, there is the question of the availability of infrastructural inputs. I am not talking of labour.

If you find that power is not available it causes serious problems. Despite these problems, nearly 70 per cent of the units which were assisted by IRCI till 31 March, 1984 are either revived or in the process. 11 units have already paid back their dues to IRCI. 14 units were nationalised. Therefore, it is not correct to say that IRCI has failed to perform its role. Initial problems it had. In 1976-77 I had to appoint one expert committee to re-activate its functioning and we did so.

About Mr. Chitta Basu's point, it is true that under IDR Act you do not have any power for investigation. But can you show me a single example when the State Government recommended and the Government of India refused to have investigations? Invariably when you make a reference under section 15 or 15A, we may take over or may not take over, but we permit investigation. But once that is done, if the State Government wants to take over, nobody prevents it. Secondly, you have the power under the Industrial Relief Act. It is for you to apply for it. Therefore, do not try to pass on the blame. You can discuss about Centre-State fiscal relations and all that whether they should have more or less. But so far as this issue is concerned, it is not my case that the central undertakings are doing well and the State undertakings are doing bad. Industrial sickness is there. It is in the private sector as well as in the public sector. But it is not so much in the public sector undertakings because

of us. As one hon. Member made a reference from the Bureau document, you will find that most of the newly established industrial enterprises under the central sector are earning profit. But regarding the units which we have to take over as junk from the erstwhile owners like textile mills; tea gardens, definitely, we cannot explain.

I made it very clear at one point of time that my concern is not to earn profit but to reduce losses this is also contributing to the overall profitability and loss picture of the central public sector enterprises.

Mr. Arakal referred to the Eighth Finance Commission. It is true that we are not getting that much money which we expected as return from the public sector enterprises. But I think, we will get the opportunity to discuss that on some other occasion.

With these words, I commend the Bill for approval of the hon. Members.

**SHRI SATYASADHAN CHAKRABORTY**: The hon. Minister has said that nationalisation is no solution. But it seems that most of the private units are getting sick. Now, if you do not nationalise, what will happen? It is the public sector which is like the wife and the private sector like the mistress - wife getting children and mistress getting money. You should abolish it and actually nationalise it. You take the burden and you take the benefit. otherwise, why should they pass on the burden and you allow it?

**DR. SUBRAMANIAM SWAMY**: That means Marxists believe in mistresses also.

**SHRI PRANAB MUKHERJEE**: Obviously they do believe. I did not say that nationalisation is not the solution. What I said was that nationalisation is not the only panacea. And there is a big

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difference between the two statements. Whenever necessary and whenever we found it that the units could be made viable through nationalisation we have not hesitated to do so and we shall not hesitate in future also.

**SHRI SATISH AGARWAL :** I may draw your attention to Clause 10 wherein there is a provision for the Government to nominate some directors. But in clause 19 I find that there is a prohibition that the Reconstruction Bank shall not enter into any kind of business with any industrial concern of which any of the directors of the Reconstruction Bank is a proprietor, partner, director, manager, agent, employee or guarantor. But here you have made a provision.

“Provided that this sub-section shall not apply to any industrial concern if any director of the Reconstruction Bank—

- (i) is nominated as a director of the Board of such concern by Government or a Government company, or by the Reconstruction Bank or by a corporation.....”

The directors are to be nominated under clause 10 and they can be economists, professionals, accountants, lawyers and all that. But according to this proviso, the bank can enter into business with those concerns because they are nominated by the Government or by the Corporation, otherwise the bank cannot enter into any business with a concern of which the director is a proprietor, partner, director, manager, agent employee or guarantor. So, what is the position? How would you reconcile that?

**SHRI PRANAB MUKHERJEE :** Firstly, this is the standard provision. For instance, you will see that in Clause 10 (d) I have said that not more than fifteen directors are to be nominated by the Central

Government, of which three will be officials and all that. I am not talking of the ex-officio but sometimes technocrats and others whom we want, they also serve in a large number of private concerns. They may be directors. In of those companies. Sometimes it happens and our normal practice is we leave it to them. When their cases come to the Board, they withdraw themselves. This has been the normal practice. But I wanted to make it adequate so that I can have a declaration from them or he can resign before he is appointed or he can let us know that he is a director of such and such private company whose cases may come at some point of time to IRBI.

**SHRI A.K. ROY (Dhanbad) :** Whether nationalisation is the way or not, that is a debatable point but now who is moving backward? What would happen if the nationalised companies which were originally not sick are becoming sick? We know that if the private company becomes sick we nationalise it, but now we are facing a situation where nationalised companies are becoming sick. So, what would be the way? Is there any medicine found out in your financial institutions to cure the sickness of the nationalised company? In our area in Bihar I do not want to talk of Bengal.....  
(Interruptions).

**MR. DEPUTY SPEAKER :** Ask for clarification, you are making a speech.

**SHRI A.K. ROY :** In Bihar there is a super-phosphate factory which we designed when we were in service. Now after twenty years of producing super-phosphate which is a very good fertilizer, it has become sick and is now owned by the Bihar Government. That is why I ask our honourable and intelligent Finance Minister that would he produce some medicine which can remove the sickness of these nationalised companies?

**SHRI PRANAB MUKHERJEE :** Frankly I am saying that I am also looking for the medicine and if the hon. Member has any to give, I will be too glad. But one

point I can tell. Sometimes it so happens that.....(Interruption).

DR. SUBRAMANIAM SWAMY :  
Answer is market economy.

SHRI PRANAB MUKHERJEE : I cannot buy your philosophy, Dr. Swamy, but I am just giving you one concrete example. Sometimes as Government, we ought to approve certain projects which are not very viable from the very beginning. Take the area from where you come the coking coal mines project. Whatever coking coal we are having we sometimes allow ourselves to believe that the capacity utilisation will be 100 per cent, and if the capacity utilisation is 100 per cent, then we will reach the break even point. On that presumption we start and we do not reach 100 per cent capacity utilisation. Therefore, it starts incurring losses from the very beginning. But do you have any option? You will have to utilise these resources. You cannot depend to feed your steel plants and thermal power plants on imported coking coal. Whatever availability is there in the country, you will have to utilise it. So, there are certain cases like that. I do not know whether the super phosphate plant falls under this type of cases. Sometimes it happens in our process of preparing the DPR. I am just explaining the position, particularly in the matter of technology, that it is moving so fast that in between the starting and ending there is a sea change in the technology and we find that our technology has become obsolete. This is the problem faced by the developing countries.

SHRI A.K. ROY : The problem is not only of technology but also of managerial skill.

MR. DEPUTY-SPEAKER : The question is :

“That the Bill to provide for the establishment of the Industrial Reconstruction Bank of India, and for the transfer to, and vesting in, the said Reconstruc-

tion Bank, of the undertaking of the Corporation known as the Industrial Reconstruction Corporation of India Limited, with a view to enabling the said Reconstruction Bank to function as the principal credit and reconstruction agency for industrial revival and to co-ordinate similar work of the other institutions engaged therein and to assist and promote industrial development, and to rehabilitate industrial concerns, and for matters connected therewith or incidental thereto, be taken into consideration.”

*The motion was adopted*

MR. DEPUTY SPEAKER : We will now take up clause by clause consideration. The question is :

“That clauses 2 to 72, the First Schedule the Second Schedule and the Third Schedule stand part of the Bill”

*The motion was adopted*

*Clause 2 to 72, the First Schedule, the Second Schedule and the third Schedule were added to the Bill*

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

SHRI PRANAB MUKHERJEE : I beg to move :

“That the Bill be passed”

MR. DEPUTY-SPEAKER : The question is :

“That the Bill be passed”

*The motion was adopted*

**DR. SUBRAMANIAM SWAMY** (Bombay North East) : Sir, on a point of order. I have a Statutory Resolution on the Bill, which is going to come up after the Indian Veterinary Council Bill. Are you going to sit late and take it up today or tomorrow ?

**MR. DEPUTY-SPEAKER** : If you are so desirous.....

**SOME HON. MEMBERS** : Tomorrow.

**MR. DEPUTY-SPEAKER** : Before that, we have to pass another Bill, a very small Bill. We will have to pass that Bill today. The other one we will take up tomorrow.

17.39 hrs.

#### INDIAN VETERINARY COUNCIL BILL, 1984

**THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI YOGENDRA MAKWANA)** : Sir, I beg to move :

“That the Bill to regulate veterinary practice and to provide, for that purpose, for the establishment of a Veterinary Council of India and State Veterinary Councils and the maintenance of registers of the veterinary practitioners and for matters connected therewith, as passed by Rajya Sabha, be taken into consideration.”

This Bill was first introduced in the Rajya Sabha on 23rd December 1981. Thereafter, it was referred to a Joint Select Committee of both the Houses, consisting of 45 members, 30 from this House and 15 from Rajya Sabha. The Joint Committee gave the report on the 23rd March 1984, incorporating some changes in the Bill. That Bill was passed by the Rajya Sabha on 23rd July 1984.

The main purpose of this Bill is to provide for the establishment of an All India

Veterinary Council and for setting up similar Veterinary Councils in the States and Union Territories, maintenance of registers for registering veterinary practitioners and controlling and regulating veterinary practitioners. Just as we have the Dental Council and the Medical Council for medical practitioners, on the same lines we want that there should be a Veterinary Council which can regulate the veterinary graduates who are practising. We feel that there will be a definite change in the status of the veterinary graduates who are registered with the Veterinary Council. And they will be recognised not only by the Government but by the international agencies also. At present they are not able to prescribe medicines. They cannot give evidence in the court in medico-legal cases. This legislation will provide for all this.

Since this is a State Subject, at least two more State Governments have to pass a resolution empowering the Government of India to enact the Legislation. So far Bihar, Haryana, Orissa, Himachal Pradesh, Rajasthan, Sikkim and Nagaland have passed the Resolution and they have empowered the Government of India to enact this Legislation for forming the Indian Veterinary Council.

This Council will be consisting of 27 Members 14 nominated, two ex-Officio and 11 elected. This Council will function according to the Act passed by the Parliament and those who are graduates or veterinary Science and those who are possessing the qualification according to the Schedule annexed to the Bill will be registered under the Indian Veterinary Council. Then they will be empowered not only to give evidence under the medico-legal cases, but will also be recognised by the international institutions.

Keeping in view the requests from the stock-men, livestock supervisors, etc., we have made the provision in this Bill itself where they are empowered to do certain minor veterinary works like vaccination, castration, tracing of wounds etc. So with this Bill it will give some recognition not only to the veterinary Graduates, but also to those who are practising. With this aim in mind, I have