

[Prof. P. G. Mavalankar.]  
of fact the internal Emergency which was created by the then Government was neither internal nor emergency. It was only an internal difficulty and diffidence of the then Prime Minister

It is good that you have made it so stringent and I am glad that you have also retained it saying, if it is an armed rebellion, then alone this power will be used. It is not very difficult for the people to know whether there is an armed rebellion against the Government or not. I only hope and pray that an armed rebellion will be an extremely rare situation, once in a billion situations, not even in a million situations, and we must provide for that contingency. After all, a lot depends on us too! It is also the responsibility of the citizens of the Democratic Republic of India to see that we act inside and outside the Parliament in a manner which will make the democratic fibre stronger and more meaningful and then there will be no Emergency required of any kind for controlling indiscipline or misbehaviour in any quarters.

Finally, I must come to article 368 and the basic features of the Constitution. I am glad that today at least the Leader of the Opposition and the Congress Party spokesman, Dr. Seyid Muhammad, have both come out with the opposition to referendum. If the House will recall, and I am sure the Law Minister will recall, I was the only member, in the last Budget session, to have opposed this referendum provision at the introduction stage because I felt that, either you have the basic features of the Constitution and make them unamendable or do not have them. But my reasons for opposing the referendum which have gone on record, last time, and which I am repeating this time, only show that their reasons and my reasons are not identical. They have one set of reasons and I have another set of reasons. The point is, I am opposed to referendum and, why I am opposed to referendum is apart from the fact that it is impracticable, unworkable and more expensive....

19 hrs.

MR. CHAIRMAN: Please conclude now.

PROF. P. G. MAVALANKAR: I will take five minutes more.

MR. CHAIRMAN: It is 7 O' Clock now, and the House has to take up the Half-an-Hour Discussion. If you can conclude in a minute or two, you can finish because your time is over. Can you finish in a minute or two?

PROF. P. G. MAVALANKAR: I will take five minutes tomorrow.

MR. CHAIRMAN: Five minutes! Not possible.

PROF. P. G. MAVALANKAR: Tomorrow.

19.01 hrs.

#### HALF-AN-HOUR DISCUSSION

##### CURBING ECONOMIC POWER OF MONOPOLY INDUSTRIAL HOUSES

MR. CHAIRMAN: The House will now make up the Half-an-Hour Discussion on curbing economic power of monopoly industrial houses.

Mr. Dhirendranath Basu.

SHRI EDUARDO FALEIRO (Mormugao): On a point of order. This concerns curbing economic power of monopoly industrial houses. This is a matter which comes under the jurisdiction of the Minister of Industry. A very similar Half-an-Hour Discussion, exactly the same type of question, was raised in the Rajya Sabha and was replied to by the Minister of Industry. My humble submission is this. It may be that, marginally, this concerns also the Minister of Law, Justice and Company Affairs. In fact, the question from which the Half-an-Hour Discussion arises was answered last time, on 25th July, by

the Law Minister. But the precedent of this House has been that, when a question or a matter concerns two Ministers, both of them should be present. I recollect—it was during my term, recently—when a matter concerning price rise was raised, both Mr. Mohan Dharja and Mr. H. M. Patel were present and answered questions. I would like to have your ruling on this point.

**MR. CHAIRMAN:** Would the Minister like to say something?

**THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI SHANTI BHUSHAN):** So far as the Half-an-Hour Discussion is concerned, as you will notice, it relates to monopoly houses, the precise subject being:

'regarding curbing economic power of monopoly industrial houses'.

Because the subject of curbing monopoly is covered by the Monopolies and Restrictive Trade Practices Act which falls under the Department of Company Affairs, the question was directed at me, and that is why the Half-an-Hour Discussion is being dealt with by me.

**MR. CHAIRMAN:** I think, in view of the explanation given by the Minister, there is nothing more to be said. The discussion may start.

Mr Dhirendranath Basu.

**SHRI DHIRENDRANATH BASU (Katwa):** With your permission Mr. Chairman, I raise my discussion arising out of the answer given by the hon. Minister of Law, Justice and Company Affairs on the 25th ultimo to Starred Question No. 122. At the outset I want to tell you that I have every confidence in the hon. Minister. But the fact is that the Department has not been doing as per his decisions or policies. In his

reply on the 25th July, the hon. Minister said:

"Apart from the restrictions and the curbs to regulate the growth of large houses as already provided in the Monopolies and Restrictive Trade Practices Act, 1960, and the criteria being followed in dealing with the proposal from large houses for expansion/establishment of new undertakings under the aforesaid Act, the Statement of Industrial Policy laid before the Parliament by the Minister of Law... spells out further measures undertaken by the Government..."

He has also mentioned that a high-powered Committee has been constituted that they are reviewing the Monopolies and Restrictive Trade Practices Act and that they will submit their report shortly.

19.05 hrs.

[SHRI N. K. SHEJWALKAR in the Chair].

But the facts remain that a committee was set up long before to inquire into the matter as to how the licences were issued. The Commission of Inquiry into large industrial houses consisting of the former Chief Justice of the Supreme Court, Shri A. K. Sircar was appointed on 18.2.70 and the commission found out that there were so many irregularities in issuing the licences to these 20 monopoly houses and particularly to the Birla group of industries, Goenkas, Bajoria, Jalan and Kanoria groups.

They started the inquiry on 18.2.70 and on inquiry what did they find? The inquiry by the commission is in various stages in respect of different matters and public hearings were also held and they found licences were issued very irregularly and wrongly and these 20 business houses have again been given new licences. Out of 377 licences issued last year 190 licences went to the monopoly industrial houses and the balance to other industries.

[Shri Dharendra Nath Basu.]

Now, while the investigations were going on they filed writs in the High Courts and got injunctions and the investigation was held up. Again investigations were started year before last and they were going on last year and then again injunctions were obtained from different High Courts as a result of which the inquiry into these irregularities in issuing licences has been held up.

In their own annual report for the year 1977-78 the Ministry have stated that such things have happened. They cannot deny it. Whatever the desires, whatever the good wishes and whatever the good intentions our Law Minister might have...

**SHRI SAUGATA ROY** (Barrack-pore): He does not have any good intentions

**SHRI DHIRENDRANATH BASU:** He has good intentions, I believe. The Department has got a machinery and they are going on in their own way. They are issuing licences in many ways even now. I would cite one example. They have allowed the Jalan & Co. a licence for starting a nylon factory in collaboration with a foreign company. Nepal Government project and they have started a factory in Kathmandu. Crores of rupees of black money were taken away there and they have started their business. The Government of India is also helping them. In this way things are going on.

The hon. Minister of Justice and Company Affairs, if you will look to the figures in the annual report of the working of the industrial and commercial undertakings, it will be seen by you that out of Rs. 5,690 crores, only Rs. 139 crores were allotted to small scale cottage and rural industries.

So, for curbing the economic power of monopoly industries, we have to encourage the cottage, small scale,

medium and cooperative industries as also agricultural equipment oriented rural industries. The Minister of Agriculture and the Minister of Industries have spoken time and again that preference will be given to all these industries. But, in these reports, you will find that only half-a-per cent of the amount has been allotted for the small-scale and rural industries. Now, Sir, in the reports of the Committee on Public Undertakings—in their Fourth report particularly—you will see an extraordinarily high expenditure on publicity was incurred by the big undertakings—by spending even much more money. They are spending extravagantly. In another report...

**MR. CHAIRMAN:** You are expected to make a short statement

**SHRI DHIRENDRANATH BASU:** In the first report, Mr. Chairman, they have stated that extravagant and instructuous expenditures had been incurred by the big public undertakings.

**SHRI SAUGATA ROY:** They are not monopoly houses.

**SHRI DHIRENDRANATH BASU:** If you cannot stop this mischief of the public undertakings, how can we help the rural and small-scale industries. We are interested in the rural sector.

**MR. CHAIRMAN:** You have to finish now. Your time is up.

**SHRI DHIRENDRANATH BASU:** Now, Sir, out of 377 licences issued, 190 licences have been issued to 20 houses. I would like to draw the attention of the Chairman to the remarks made by the hon. Industries Minister in a meeting of the Federation of Indian Chambers of Commerce and Industries to say that these 20 big houses are holding the economic power and

that they are monopolising the industries in the country. This has been publicised in all the newspapers.

**MR. CHAIRMAN:** You have taken half the time of Half-an-Hour.

**SHRI DHIRENDRANATH BASU:** What can the Law Minister do? It will be impossible for him practically to do anything because of the fact that unless this group system, this wrong system or method of issuing licences is removed and the whole method is modified and or corrected, he cannot set the ball rolling in a proper way.

**MR CHAIRMAN:** What still remains?

**SHRI DHIRENDRANATH BASU:** One point more. There have been 73 cases of tax evasion against these 20 houses and out of these, you will be surprised to know that 51 cases were dropped by this department. Why? They have allowed them to go on in the matter of evasion of taxes. 22 cases are pending. What can our esteemed friend do? It will not be possible for him to implement the policy through these crooked officers. A Committee which was appointed for the purpose has again remarked that the issue of licences is wrong.

So, Mr. Chairman, I would appeal to the hon. Minister, through you, to look into the matter and see how things are being put right.

श्री युवराज (कटिहार) सभापति जी, व्यवस्था का प्रश्न है। जो श्री माननीय सदस्य प्रश्न पूछने वाले हैं उनके प्रश्न पूछने के बाद ही मंत्री जी चर्चा में भाग लेने वाले सदस्यों का जवाब दें।

सभापति महोदय : आपने एक बार श्री प्रश्न उठाया था इसके सम्बन्ध में मैं कृपया दे चुका हूँ श्री आपका ध्यान दिलाता हूँ कि जग आप कुल 55 देखें। उसमें यह है कि

पहले मंत्री उत्तर देगा उसके पश्चात् प्रश्न क्रिये जायेंगे। कंवेनशन यद्यपि पहले ऐसा कुछ था, लेकिन कंवेनशन रूल्स को ओवरराइड नहीं कर सकते हैं। पहले भी मैं ऐसा निर्णय कर चुका हूँ।

(Interruptions)

**THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI SHANTI BHUSHAN):** Mr. Chairman, Sir, I will try to be very brief in replying to the points which have been raised by the hon'ble Member. He has referred to the Sarker Commission which was appointed to go into the question of issue of licences to certain large houses. This Commission was appointed in 1970 and the hon'ble Member was very rightly wondering as to why it has not been possible to conclude its proceedings. In fact, Government has been trying to look into it as to what could be done to have the proceedings expedited but it was found that writ petitions were pending in the Punjab and Haryana High Courts as well as a large number of them in Calcutta High Court. I understand the writ petitions in Punjab and Haryana High Courts were decided or at least hearing was concluded and the judgement was reserved. As regards the Calcutta High Court, I understand, the hearing has been concluded in one group of cases and may be the other group of cases would be coming up shortly. We are trying to have the hearing expedited as much as possible.

Then it was said that so far as the licences are concerned a large number of industrial licences are granted to the big houses. The hon'ble Member gave some figures. I do not know whether his figures are accurate because my figures are somewhat different. I have got figures for the year 1977 and for the first four months of 1978, out of 533 letters of intent granted in 1977, sixty-four related to mono-

[Shri Shanti Bhushan]

poly houses—the so called large industrial houses. Out of 518 industrial licences granted in 1977, seventy-seven were in favour of these large industrial houses. Similarly in the first four months of 1978, viz., January to April against 94 letters of intent fifteen were given to large industrial houses and against 105 industrial licences twelve were given to large industrial houses.

Then the hon'ble Member referred to granting of some licences to Jhalans. As far as I am aware-I speak subject to correction-Jhalans are not a large industrial house. They are not covered by Monopolies Act. In that case no approval would be required from Company Affairs Department.

Then the hon'ble Member referred to cottage, small and medium industries. He said that the rural industries should be encouraged. I think, the hon'ble Member is aware that it is the policy of this Government to give as much encouragement to cottage, small and medium industries and, in fact, for that reason while there were 180 items reserved for small scale industries now they have been increased from 180 to 807 which are reserved for small scale sector.

Then, Sir, he has referred to the Fourth Report of the Committee on Public Undertakings, about the high expenditure incurred by the Managements of the Public Undertakings. Again, the hon. Member would appreciate that this could not be a matter which would concern monopoly houses etc. Because, that will raise a different kind of a problem.

Then, he has referred to 73 cases of evasion. . .

**SHRI DHIRENDRANATH BASU:**  
Crores of rupees are wasted as pointed out by them.

**SHRI SHANTI BHUSHAN:** It might be the fit subject matter of a question to some other appropriate authority or some other department, but could not concern this matter.

Then, the last point made by him was that 73 cases were detected in regard to evasion of income-tax by large houses. The hon. Member also said that 51 cases were dropped. Again, that would not be a concern of this Ministry because, in that case, it would be the Income-tax Department which would be concerned. I am not aware of the facts of the case and what they have done.

**श्री मुबराज :** श्री समापति जी, श्री बसु के प्रश्न पर माननीय मंत्री महोदय का यहां बयान हुआ और उससे जो सबाल यहां उठने हैं कि एकाधिकार की वृद्धि तो सरकार की आर्थिक नीतियों के चलते होती है, तो जब तक हमारी मूल नीति में परिवर्तन नहीं होगा, चहे जितना आप संशोधन करें, उसमें कमी नहीं हो सकती ।

मैं यह जानना चाहता हू कि जो 20 बड़े घराने हैं और पिछले 6 बरसों में 1969 से लेकर 1975 तक 25 अरब रुपये में बढ़कर 45 अरब रुपये हो गये, जब से जनता पार्टी की गवर्नमेंट बनी और इस सरकार ने जो अपनी नीति की घोषणा की तो इन 16, 17 महीनों में उनका एकाधिकार में किस अनुपात से वृद्धि हुई, और नियंत्रण के लिये जो प्रावधान उपलब्ध हैं, कानून उपलब्ध है, उनको प्रभावशाली बनाने के लिये, उनमें संशोधन करने के लिये जो जस्टिस जोगेन्द्र सिंह सच्चर की हाई-पायर्ड एक्सपर्ट कमेटी बनी, अग्रस्त, के अन्त में उनकी रिपोर्ट आने की संभावना है, और मंत्रि-मंडल ने जो निर्णय किया कि बड़े-बड़े औद्योगिक घराने के लोगों को लाइसेंस नहीं देंगे, तो आपने अपने

प्रशासन में कितने बड़े घरानों को लाइसेंस दिया जो इस नीति के प्रतिकूल है ?

मैं यह कहना चाहता हूँ कि जो बड़े-बड़े उद्योगपति हैं, उनके परिवार के लोग ही डायरेक्टर बनते हैं और उन्हें 15, 20 हजार रुपये बेतन दिया जाता है लेकिन एक मजदूर को निम्नतम मजदूरी 185 रुपये और 200 रुपये में अधिक नहीं मिलता है। मैं यह जानना चाहता हूँ कि नियंत्रण के निये जो कानून उपलब्ध हैं उनके अन्तर्गत जो नीति की घोषणा की गई है, उसके द्वारा एकाधिकार पर संकुश लगाने में आपको जनता प्रशासन में कितनी कामयाबी हासिल हुई ?

**SHRI K. MALLANNA (Chitradurga):** Sir, I want to know specifically about three points from the hon. Minister.

First, why should the monopoly houses be curbed? The monopoly houses should be curbed because this economic power is concentrated only in a few people. It should be widely distributed among the people. It should not be concentrated only on a few people. That is why we say that the monopoly houses should be curbed.

Nowadays, Sir, these monopoly houses not only concentrate economic power in their hands, but they are having the political powers also.

If I may refer to the recent difference between the Prime Minister and the Home Minister, the Prime Minister was supported by these monopoly houses and the big industrialists. Therefore, the Home Minister was thrown out from the Government. So, these monopoly houses are not only concentrating economic power, but they are concentrating political powers also.

Sir, if I can read the Industrial Policy Resolution...

**MR. CHAIRMAN:** Mr. Mallanna, I think, you have to just ask a question; no speech please.

**SHRI K. MALLANNA:** If you go through the Industrial Policy Resolution, you will find that in this Industrial Policy also there is no curb at all on these monopoly houses.

Therefore, Sir, in the light of these things, I want to put three specific questions.

First, I would like to know from the hon. Minister whether Government is bringing a comprehensive measure to curb the monopoly houses, and the growth of monopoly houses. Just now, the hon. Minister mentioned that some 807 items are exclusively reserved for the small-scale industries. Now I learn that these monopoly houses are the multi-nationals. They are given the licences for the small scale industries. I would like to know from the Hon. Minister whether there is any statutory protection to be given to these 807 small industries. My third point is, that the hon. Minister has referred the M.R.T.P. Act to be amended by a High Power Committee. May I know from the hon. Minister whether the references regarding the curbing of the monopoly houses will be referred to that Committee.

**SHRI SAUGATA ROY (Barrackpore):** I will be very brief in my submission. The hon. Minister should tell us whether the Government is curbing the monopoly houses activities. The main problem in our country is that they are the family concerns and our Industry Minister, the giant killer, Mr. George Fernandes, has been giving speeches saying that he will do away the family ownership pattern of industries. He gave that famous speech in the Annual meeting of the Federation of the Indian Chambers of Commerce. What I would like to know from the hon. Minister is whether this is an empty speech by the hon. Minister or whether the Law Ministry is contemplating any concrete legislation and concrete steps to do

[Shri Saugata Roy]

away with the present family ownership pattern of industries which is stifling industrial growth and which is cornering the bank credit and which is concentrating monopoly powers in a few families?

MR. CHAIRMAN: I think we have to sit for sometime more to finish this Half-an-Hour discussion. Is it the pleasure of the House to extend the time so that we can complete this discussion?

SOME HON. MEMBERS: Yes.

SHRI EDUARDO FALEIRO. Mr. Chairman, you have been kind enough to extend the time. Now, I would like to point out the Janata Party manifesto. There is a specific paragraph under "End Monopoly".

"While economic and industrial self-reliance must remain our goal, we must guard against the growth of monopoly and concentration of economic power. The Monopolies Commission has been allowed to become moribund in order to benefit monopoly capital multinationals. The Janata Party will correct this trend."

In view of this manifesto, in view of the speeches of the Industries Ministers, since the party as well as the Government in their statements are so keen to break up these monopoly houses, I would like to know why this Government has not utilised Section 27 of the M.R.T.P. Act which provides for reference to the Commission to enquire into the division of such monopoly houses. Now, the previous Government which was quite favourable to the monopoly houses referred two cases to the Commission. One of the cases was withdrawn. But this Government has not, as far as I know, referred a single case. I would like to know why this Government has not done so.

There is a very intense complaint on the part of the small entrepreneurs that taxation is so heavy, curbs are

so many, facilities are lacking so much that they are really not able to prosper and grow. I would like to know from the Minister what steps this Government is contemplating.

MR. CHAIRMAN: How is that relevant here?

SHRI EDUARDO FALEIRO: It is relevant because you cut big houses for whose benefit?—For the benefit of the small man. What are the measures you are contemplating to help the small entrepreneurs? Now, since the Government has cried so loudly from the roof-tops that they are reserving so many items for small industries, then I would like to know how is it that Palmolive Colgate have been given licences for manufacturing some items based on menthol. How is it that licence has been granted to Saigal Brothers to manufacture some items of paper conversion industry which are reserved for small scale industry. Like this, there are so many others as the manufacturers of Erasmic blades.

Fourthly, I would like to know, since you have thrown out Coca Cola, why you are not doing the same thing in respect of other multi-nationals who are engaged in the manufacture of items which come within the small scale sector, for example Bata Shoe Co. and other companies.

SHRI SHANTI BHUSHAN: Sir, at the outset, I must correct the statement which I made earlier in regard to the Jallan industries, because probably I got mixed up with another industry.

SHRI SAUGATA ROY: They are very big people: Twenty-six crores of tax is due from them.

SHRI SHANTI BHUSHAN: They are not registered under the MRTP Act, but they are at present under default notice for registration. That matter is pending, but I do not know the facts further as to what licence, if any, has been granted to them and in what circumstances.

Since the hon. Member Shri Yuvraj has raised the question in Hindi, I would answer the same in Hindi.

इन्होंने यह प्रश्न उठाया कि 20 बड़े बरतने जो थे 1969 से 1975 तक उनके एसेट्स में काफी वृद्धि हुई है। एक बात मैं यहाँ साफ करना चाहूँगा कि यह जो लार्ज इंडस्ट्रियल हाउसिंग के एसेट्स के बारे में बात करने है एसेट्स में यह नहीं होता है कि उन की वेल्थ इनकी से इतनी बढ़ गई। हो सकता है किसी किसी के मन में कुछ ऐसी गलत धारणा हो इसलिए मैं यह साफ कर देना चाहता हूँ मोनोपॉलीज़ ऐक्ट में जो डेफिनीशन लार्ज हाउसिंग की है उसका मतलब है कि कितनी बड़ी इंडस्ट्रियल ऐक्टिविटीज़ पर उन का मैनेजमेंट है, यह नहीं कि उनको वेल्थ इनकी में इतनी हो गई, बल्कि रिजर्व्स इंडस्ट्रियल ऐक्टिविटीज़ में कितने एसेट्स लगे हुए हैं और उसके ऊपर उन का मैनेजमेंट कितना एक्सपेंड कर गया। हो सकता है कि आप की वेल्थ न बढ़े लेकिन मैनेजमेंट एक्सपेंड कर गया हो क्यों कि अगर आप ने नोन लेकर भी रुपया उममें लगाया है . . .

**श्री उग्रसेन (देवरिया) :** यह कैसा हो सकता है कि उनका कार्य-क्षेत्र बढ़ जाय और वेल्थ न बढ़े ?

**श्री शांति भूषण :** हा, कार्यक्षेत्र भी बढ़ना अच्छा नहीं है। कंसेट्रेशन आफ एकोनामिक पावर टु दि डेट्रिमेंट आफ कामन पब्लिक, इसके खिलाफ कास्टीट्यूशन में डायरेक्टिव प्रिंसिपल है कि कंसेट्रेशन आफ एकोनामिक पावर टु दि कामन पब्लिक डेट्रिमेंट नहीं होना चाहिए। तो उनके कार्यक्षेत्र का अगर विस्तार भी अधिक हो जाता है तो उसमें भी रोक लगाने की जरूरत है। लेकिन मैं यह साफ कर देना चाहता हूँ क्योंकि कभी कभी यह धारणा हो जाती है

कि इतनी सम्पत्ति के वह मालिक थे और उनकी सम्पत्ति अब इतनी हो गई, इसमें यह चीज साफ हो जानी चाहिए कि सम्पत्ति से उसका संबंध नहीं है। उसका संबंध सिर्फ इस बात से है कि कितने कार्य क्षेत्र में कितने एसेट्स लगे हुए थे चाहे वह उन के हो या दूसरे के लगे हुए हो, फाइनेंशियल इस्टीमेट्स में रुपया लिया हुआ हो, उनके कार्यक्षेत्र के लिए, यह डेफिनीशन है . (व्यवधान) . कम्पनी का भी एसेट नहीं हो अगर रुपया लोन लेकर लगाया हुआ हो तो वह एसेट तो नहीं है, लायबिलिटी है, लेकिन लायबिलिटी हिस्साव में नहीं लिया जाता है। यह देखा जाता है कि इंडस्ट्रियल ऐक्टिविटीज़ जिन पर उनका प्राधिपत्य है मैनेजमेंट है, उसमें कितनी पूँजी लगी हुई है वह चाहे उनकी पूँजी लगी हुई हो चाहे दूसरे की हो उसमें मतलब नहीं है।

**श्री उग्रसेन :** तो जिन का कार्यक्षेत्र बढ़ गया हा उनके लिए फाइनेंशियल इस्टीमेशन को रोकेंगे कि उनको और रुपया न दे ?

**श्री शांति भूषण :** हा, वह रोक है।

उन्होंने पूछा सचचर कमेटी के बारे में कि 31 अगस्त तक वह रिपोर्ट देगी, तो चाहिए है कि काफी बतत हुआ जब सचचर कमेटी को बनाया गया था और मैं यह साफ कर दूँ कि जब तक सचचर कमेटी की रिपोर्ट नहीं आएगी और उस पर विचार हो कर कुछ मूल निर्णय नहीं लिए जाएंगे, नये कानून में जो भी तब्दीली होनी है वह नहीं की जायगी तब तक जो वर्तमान कानून है उसी के अन्दर कार्य करना होगा। उस के अन्दर कार्य करने में भी कुछ डिस्क्रिशन होता है। जितना वह डिस्क्रिशन है विविन द प्रेसवर्क आफ द एग्जिस्टिंग ला, उसको इस तरीके से री-ओरिएट करने की कोशिश की जा रही है जिस से कम से कम विस्तार जो लार्ज इंडस्ट्रियल हाउसिंग है उनका हो सके। लेकिन



## [श्री कानि भूषण]

उसमें कुछ कठिनाइयां भी आती हैं। आखिर क्या तरीका है जिस से उनका विस्तार न हो सके? विस्तार न हो भके इस के माने हैं कि जो भी काम कर रहे हैं या कर सकते हैं उसको कोई दूसरा कर सके या उसको कर सकने की हानत में रखा जा सके, तभी वह हो सकेगा क्यों कि तब तो यह तरीका हो सकता है कि जो बड़े घराने कर सकते हैं वह उनको न करने दिया जाय जिसमें उन के कार्यक्षेत्र का विस्तार न हो सके। उन का तो हो ही न चाहे दूसरे कर सके या न कर सकें, चाहे देश का नुकसान हो जाये, जिस चीज का उत्पादन होना है वह न हो सके, देश की एकनामी को नुकसान हो जाये, लेकिन फिर भी उनमें काम न लिया जाय। लेकिन मैं नहीं समझता कि कोई भी व्यक्ति यह कहेगा कि यह नीति चलायी जाय कि चाहे देश का नुकसान हो जाये लेकिन उनको नहीं बढ़ने देना चाहिए। हा, कोशिश यह होनी चाहिए कि उनके बजाय किसी और को इस्तेमाल कर के जा बड़े घराने नहीं हैं, उस उद्योग को चलाया जा सके। उसके लिए काफी कार्य करने की आवश्यकता है। कैसे दूसरो के लिए ऐसी समता पैदा की जा सके, जिस चीज की आवश्यकता होती है किसी बड़े उद्योग को चलाने के लिए, वह दूसरो में कैसे लाई जा सके इस पर विचार हो रहा है और कोशिश की जा रही है कि क्या क्या किया जा सकता है। कुछ निर्णय भी लिये गये हैं और कुछ और निर्णय भी लिये जायेंगे। लेकिन तब तक कार्य-क्षेत्र में वृद्धि के लिये कुछ तो कानून में वैसे ही अधिकांश है क्योंकि संसटेशनल एक्सपेन्शन की जो डेफिनिशन दी गई है, उस के अन्तर्गत 25 प्रतिशत या एक चौथाई से ज्यादा प्रोडक्शन का एक्सपेन्शन होगा, तभी इसको संसटेशनल एक्सपेन्शन माना जायेगा और उस के लिये गवर्नमेंट का एप्रुवेंस लेना होगा। अगर प्रोडक्शन का एक्सपेन्शन उससे कम होगा, अगर 25 परसेन्ट से कम

प्रोडक्शन का एक्सपेन्शन होता है तो उसके लिये उन्हे गवर्नमेंट से एप्रुवेल नहीं लेना होता है। आज के कानून में ऐसी व्यवस्था है, इस लिये कुछ तो नार्मल वृद्धि होगी और वह अभी रोकी नहीं जा सकती है। लेकिन फिर भी जितने भी कदम उठाये जा सकते हैं, वे उठाये जा रहे हैं। जब सच्चेर कमेटी की रिपोर्ट आयेगी तब और भी फैसले लिये जायेंगे।

एक जो यह फैसला लिया गया कि 807 प्राइटम्ब एम्प्ले है, जो बड़े घरानों को न दिये जायें, केवल स्माल सैक्टर में रखे जायें और बर्डाई से उस का पालन किया जाये, तो इसकी कोशिश की जा रही है। पहले यह था कि फोरन-एक्सचेंज की कमी की वजह से एक्सपोर्ट्स प्रोड्यूसिंग डाल कर फोरन एक्सचेंज कमार्के के लिये बड़े घराने प्रोडक्शन बढ़ा सकते थे, लेकिन अब नीति बनाई गई है कि जा प्राइटम्ब रिजर्व्ड है, स्माल सैक्टर के लिये, उसमें एक्सपोर्ट्स-प्रोड्यूसिंग की वजह से लाज इण्डस्ट्रीयल हाउसिंग का लायसेंस नहीं दिया जायगा, कोई दूसरे कारण हा ना बात दूसरी है।

श्री मल्ला ने इकानामिक पावर और पॉलिटिकल पावर की बात कही—वह जैनेरल बात है।

Now, Mr Mallanna has put 3 specific questions. One is whether Government will bring in a comprehensive Bill to curb monopoly Houses. I have already answered this question. After the report of the Sachar Committee is available, and when it has been considered by Government, certain decisions will have to be taken; and in the light of that, if any legislation is required for giving effect to those decisions, it will be brought before this House.

Regarding the statutory protection to those 807 items which have been reserved for small scale sector, that again will be a matter of legislation. Therefore it can only be considered after

the Sachar Committee report is available, and these questions are considered by Government, viz. as to what kind of legislation should be resorted to.

**SHRI K. MALLANNA:** My question was whether the reference included the question of curbing monopoly Houses.

**SHRI SHANTI BHUSHAN:** The revision of the entire MRTP Act itself is one of the matters referred to. Therefore, when the revision of the MRTP Act is one of the items, obviously the whole question is before them. What recommendations they would make, I cannot say, so long as their report is not available.

Mr. Saugata Roy mainly referred to the statement of the Minister of Industry in regard to family business. So far as family business is concerned, viz. when there are inter-connected undertakings—the definition of inter-connected undertakings is fairly wide—the idea is that if a family or group of persons—of course, family will also be included in a 'group of persons'—have within their control a large number of undertakings, then it is regarded as concentration of economic interests which may be to the common detriment, and that is a matter to be avoided. That again raises the question as to what are the steps to be taken to control a group of people having—whether constituting a family or not—some kind of hold on a vast network of undertakings etc. How is that to be avoided? Of course, the general policies which have been laid down can go only to some extent. Apart from that, the other issues have to be considered only at a later date, as I have said.

**SHRI SAUGATA ROY:** The Minister of Industry made an announcement at the FICCI meeting. Has any action been taken after that?

**SHRI SHANTI BHUSHAN:** As I said, within the present law, of course, some re-orientation is being made. As I have said, there is a reservation of

a larger number of items for the small-scale sector. Then there is the question of non-issue of licences to larger Houses merely in consideration of export obligation. It has also been decided that they will not be given licences merely on the basis of export obligation.

Sometimes they used to be given licences by saying, "all right, conditions of export obligation would be imposed on them." Therefore, that is the justification for granting them licences where normally they should not be granted licences. Now a decision has been taken that that will not be the factor to induce granting of a licence to a large industrial house. Well, the foreign exchange position is also better. Apart from that this policy decision has been taken.

**SHRI SAUGATA ROY:** Are you contemplating break-up of the family business?

**SHRI SHANTI BHUSHAN:** What kind of break-up?

**SHRI SAUGATA ROY:** Like anti trust law which they have in the United States.

**SHRI SHANTI BHUSHAN:** MRTP Act is an Act of that kind. Now its drastic revision, etc., as I said, can only be considered after the report of the committee is available. Therefore, at that stage, at government level policy decisions have to be taken. Then a reference was made to the Janata Party Manifesto guarding against the growth of monopoly, and a specific reference was made to Section 27 of the Janata party is committed to preventing growth of monopoly, then why is it reference was made to Section 27 if the MRTP Act are not being used? Now, if I may say so with great respect, perhaps the purport of the Section 27 has not been properly understood. So far as a large industrial house is concerned, even if you break a single undertaking into two undertakings so long as it remains an undertaking, it will be inter-connected with that large industrial house. The

[Shri Shanti Bhushan]

concentration of economic power would still be there in the sense that the value of assets of those two units will have to be treated as belonging to or under the control of that large industrial house. Section 27 really is meant for a different purpose; Section 27 is meant for curbing monopolistic or restrictive trade practices, namely, if there is one undertaking, namely, if undertaking has almost the monopoly of the production or sale or any trade in respect of a particular item; then that very hold of one undertaking over the trade or the production or the distribution, etc. of that single item is undesirable from the public point of view because then there is no competition, etc. So, Section 27 has been conceived for this reason that, all right, under Section 27 that single undertaking may be broken up into two undertakings or more undertakings so that there may be a competition *inter se* between those undertakings; and to solve that monopolistic or restrictive trade practices, the idea is not to curb the growth of monopoly house or large industrial houses so that Section 27 cannot be used for that purpose.

(Interruptions)

SHRI EDUARDO FALEIRO: Has it been used by this Government?

SHRI SHANTI BHUSHAN: No, no, it has not been used.

AN HON. MEMBER: That is only for a restrictive trade practice.

SHRI SHANTI BHUSHAN: That is only for a restrictive trade practice. The question will arise only where it is required, namely, there is one single undertaking in field, which is so big, which is having monopoly of trade or production of one single item in such a way that public interest is suffering. Then, so far as Monopoly Commission is concerned, Monopoly Commission goes into the question of restrictive trade practices monopolistic trade practices, etc. Therefore, if such a case comes to light and the conditions which

are required by Section 27 arise, then certainly a reference can be made under Section 27 and that can be contemplated.

SHRI EDUARDO FALEIRO: Am I correct in understanding that there is one case pending from the previous Government and this Government have not followed that case?

SHRI SHANTI BHUSHAN: There is no question of follow up because under Section 27 a reference has been made.

श्री उपसैन : बड़े घरानों का प्रोद्य पिछले 30 वर्षों में हुआ है। उस को रोकने के लिये इन की संख्या में क्या किया था ?

श्री शान्ति भूषण : यह कोई ऐसी बात नहीं है . . . .

श्री उपसैन : ग्राम उद्य की बैंक ग्राउण्ड को गमसिये ।

श्री शान्ति भूषण : इसके यह मायने नहीं है कि हम लोग कुछ न करें ।

SHRI DHIRENDRANATH BASU: If the previous Government has committed any wrong, the present Government should not commit any wrong.

श्री शान्ति भूषण : हम लोग इसी लिये आये हैं कि हम कुछ करें ।

श्री उपसैन : 30 साल की गन्दगी एक साल में साफ़ नहीं हो सकती है ।

SHRI SHANTI BHUSHAN: I have already replied to this question, namely, what measures are being taken to help small entrepreneurs. Now, so far as reserving a larger number of items for small scale industry are concerned, I have said about it. So far as other financial and fiscal

policies which are being adopted are concerned, namely, how the financial institutions should refer more help to these small entrepreneurs, etc., that is of course, one decision that we have taken.

One decision that we have taken is that if in the case of large industrial houses, if 20 per cent of the investment is required to be contributed by the entrepreneur, in the case of non-large industrial houses it will be only ten

per cent. Apart from that many other suggestions may be taken up. Some reference was made to colgate, etc. I do not have with me just now all those details. I think I have replied to the points raised.

9.46 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, August 8, 1978 (Sraavana 17, 1900 (Sara))*