

with any particular provisions of the Constitution. Again, the Speaker does not decide whether a Bill is constitutionally within the legislative competence of the House or not. The House does not take a decision on the specific question of *vires* of a Bill."

Though we are allowing the introduction, I must say that I am really happy that the point has been very ably put forth by the hon. members here and my compliments to them. But in view of what has actually happened and in view of what I have said now, I am allowing the introduction of the Bill.

SHRI LAL K. ADVANI: We cannot associate ourselves with this Bill. We are opposing its introduction and in protest, we walk out. (*Interruptions*)

(*Shri Lal K. Advani and some other hon. members then left the House*)

MR. SPEAKER: The question is: "That leave be granted to introduce a Bill to prohibit conversion of any place of worship and to provide for the maintenance of the religious character of any place of worship as it existed on the 15th day of August, 1947, and for matters connected therewith or incidental thereto."

*The motion was adopted.*

SHRI S. B. CHAVAN: I introduce the Bill.

MR. SPEAKER: We go to the next item—Discussion and voting on Demands for Grants...

SHRI NIRMAL KANTI CHATTERJEE (Dum Dum): Sir, today is Friday. Is there no lunch break?

MR. SPEAKER: Well, we do as advised by the hon. members. We now adjourn the House to meet again at 3 o' clock.

13.53 hrs.

*The Lok Sabha then adjourned for Lunch till Fifteen of the clock.*

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

[RAO RAM SINGH *in the Chair*]

#### Announcement Regarding Postponement of Half-an-Hour Discussion

[*English*]

MR. CHAIRMAN: I have an announcement to make regarding the Half-an-hour discussion regarding Tehri Dam project. As the hon. Member, Shri Khanduri has no objection to the postponing of the Half-an-hour Discussion, as requested by the Minister of Environment, the same is postponed till the next week. Date and time for the discussion shall be announced later.

In view of the above the Private Members' Business will be taken up at 3.30 p. m.

15.04 hrs.

#### Demands for Grants (General). 1991-92

##### Ministry of Industry

[*English*]

MR. CHAIRMAN: The House shall now take up further discussion on the Demands for Grants of the Ministry of Industry. Shri Ram Kapse was on his legs. Shri Ram Kapse.

**SHRI RAM KAPSE (Thane) :** Mr. Chairman, Sir, India shares 15 per cent of world's population and generates only 1.5 per cent wealth as far as the world is concerned. It speaks volumes of the failures of the Governments that have come to power one after the other. They have neglected agriculture, industry and all other things. Now, the Government has decided to bring a New Industrial Policy.

In the statement of the Industrial Policy, the Government has said that their policy will be 'continuity with change'. In reality it is a short-term policy which is away from that policy that had helped all these 35 years.

There is a complete change. I would like to read out from the National Industrial Policy which had existed earlier. The objectives of licensing were two and the Objectives were seven. Whatever licensing was done—the Government was specific—it was in the interest of the nation. Today, the Government is speaking against licensing. The objectives of the licensing which we were holding in reverence were optimal utilisation of investible resources, allocation of investible resources with a view to meet need-based requirements of industries in accordance with national priorities, preventing concentration of economic power and lastly achieving optimal inter-sectoral balance between the public sector, organised private sector, small scale sector and so on.

Today, you want to ban licensing. In the last page of the Industrial Policy, the Government says "Advantages of removal of licensing." Previously, they were telling the advantages of licensing. There were other hazards as well,

involving the enormous delay, leading to frustration, escalation of costs and other bottlenecks in setting up projects. The New Industrial Policy has abolished licensing for all practical purposes. And the other expected benefits are, improvement in the quality of goods made available to buyers as no producer is protected against competition. So, this is a path-breaking exercise. Really speaking, it is *sheershasan*. Still, they say that they are maintaining continuity with change. Why don't they say that they have failed and they want to change the policy? Then, at least, we can say that they are the true disciples of Mahatma Gandhi. Therefore, you are thinking in these terms. At least we are speaking the truth. What led you to this New Industrial Policy?

In reality, when Rajgopalachari was critical about the Government, he called the Government as "Licence Permit Raj". The Government was against it. Today the Government is thinking in other way. I welcome some changes about the new Industrial Policy, but, at the same time, I think they are done in a hurry. The important factors which were there in the 1977 Industrial Policy or in the 1980 Industrial Policy have been left out. It is done in a hurry. So, I suggest a comprehensive study again and whatever good work was done there in 1977 or 1980 Industrial Policies should be taken into account just as in 1977 it was done in the case of employment orientation. It was very important. Decentralisation was very important.

In 1980, there was an effort for consumer protection. I think today in a hurry so many good factors which were part of our Industrial Policy have

been left out; and there should be a re-thinking on the whole matter. The first thing is that you are opening gates for multinationals. I think they should be kept out of consumer industry. Restriction on foreign capital, in Hitech import substitution and strictly export-oriented areas. I can understand. But as far as the consumer industry is concerned, there should be restrictions as far as multinationals are concerned. This Industrial Policy is not innovative enough to provide employment. Now what is the position as on today? Even the Industrial Policy mentions that the level of poverty has fallen steeply in the 1980s, but the absolute number of poor, illiterates and unemployed remain very large.

As far as unemployment is concerned, what is the effort? A word here and there. But there are so many contradictions in the Policy that will create unemployment; and these factors should be taken into account.

As far as the public sector is concerned, on page 12, the Policy says, there is over-manning in public enterprises. Are you going to reduce employment in public enterprises? On page 13, paragraph 33 reads as follows :

“In view of these considerations, Government will review the existing portfolio of public investments with greater realism. This review will be in respect of industries based on low technology, small scale and non-strategic areas, inefficient and unproductive areas, areas with low or nil social considerations or public purpose, and areas where the private sector has developed sufficient expertise and resources.”

There you are thinking of giving up public enterprises. Are you thinking of unemployment which will be created because of this; and have you managed for that? I think the Government should explain the position in this behalf. So, these contradictions are to be taken into account.

While studying the Industrial Policy, I feel it is not safe in generating more unemployment and therefore something needs to be done. I am opposing it and welcoming some points only. I am not welcoming all your points. You should study it thoroughly. (*Interruptions*)

[*Translation*]

PROF. PREM DHUMAL (Hamirpur) : He is exhorting you to speak the truth.

[*English*]

MR. CHAIRMAN : Selective support.

SHRI RAM KAPSE : That is natural.

Concentration in the same areas, as far as the industry is concerned, is a definite possibility. As far as small scale and tiny industries are concerned, now you are opening competition between the small scale, tiny, then the public sector and private industries and all will work together with a little help. But are you not going to help those industries which are giving you 40 per cent of exports as far as the purchase of raw material is concerned?

A little help is being given for marketing and at the time of levying the excise duty I met the Finance Minister and as far as the paint manufacturers are concerned, I think he should reconsider the whole pro-

posal about the excise duty on small paints and tiny manufacturers. You are going to collect something like Rs. 175 crores from small and tiny industries throughout India. There are 2000 such small industries and you are thinking of imposing the excise duty for the first time !

The small scale and tiny industries need to be protected, but in this Finance Bill you have not thought about it. I again request you to think about those helpless people who have to compete with the big industries and at the same time you are thinking of withdrawing the concessions which were given.

MR. CHAIRMAN : Please wind up.

SHRI RAM KAPSE : I will wind up.

As far as the village industries are concerned, you know that if you want to generate the employment, with an investment of Rs. 1 crore in village industries job opportunities four times more than in organised industries can be created. So, they need to be helped. The village industries, the artisans and the processing units need marketing facilities and marketing consultancy and so on. Such assistance should be given. At the same time, middlemen need to be eliminated. The skills of tribal people need to be encouraged.

This is the last point and then I will conclude. On page 16 of the Industrial Policy Resolution you have referred to your views as far as the environment is concerned.

“In locations other than cities of more than one million population there will be no requirement of

obtaining industrial approvals from the Central Government except for industries subject to compulsory licensing. In respect of cities with population greater than one million, industries other than those of a non-polluting nature such as electronics, computer software and printing will be located outside 25 kms. of the periphery except in prior designated industrial areas.”

Now I will put a question. There are prior designated industrial areas near Bombay, in New Bombay. There is MID. There are industries which are hardly hazardous and polluting and when you think of free growth of industries in these areas, what will be the position? Just at a distance of 25 kms. from Bombay or even from Thana, which is having a population of one million, if you are going to instal the industries there, what will be the problems the people will be facing?

I support industrial growth. But at the same time, between the two the people need to be protected more and the Industries Minister should give a thought to this as far as the decisions of the Government mentioned in paragraph 39, Part IV are kept in mind.

SHRI NIRMAL KANTI CHATTERJEE (Dum Dum) : M. Chairman, Sir, you have been kind enough to spare at least ten minutes to me today. I will be very happy if you permit me to speak on Monday also.

I rise to oppose both the Demands for Grants of the Ministry of Industry as well as the Industrial Policy.

When I rise to oppose the Industrial Policy, I may begin by indicating that I am an excellent compere. A press

report had appeared on 24-7-1990 and at that time the Government was the National Front Government. They had published the Industrial Policy and the present-day ruling party was very much agitated about it. They are having their own meetings. And this press report carries the headline—"Liberalisation of that Industrial Policy is a sale out." This is a quote from the late Leader of the Congress-I Party, Shri Rajiv Gandhi. The present-day ruling Party may well ponder over this. The attack was against liberalisation of the industrial policy as it was laid down by the National Front Government at that time. That apart, Sir, ... (*Interruptions*)

**THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P. J. KURIEN) :** At that time you supported it.

**SHRI NIRMAL KANTI CHATTERJEE :** No, we did not support it. We were opposed to that Industrial Policy also.

Sir, already the first steps of this Industrial Policy and the new approach have been indicated in the Demands for Grants. Let me give you some figures. Overall, the liberalisation policy including reduction in importance and scope of the public sector really means somewhat weakening of the planning process also and this is reflected already in the Expenditure Budget. Already the plans allocation had moved up from 380 to 429. The real rate of growth is zero in plan allocation. This is reflected most in the allocation of industry and minerals.

If employment is a concern, I can give you the figure. For rural employment the provision in the revised

estimate was Rs. 2,000 crores. For the current year, the allocation is Rs. 2,100 crores. In the meantime, something has happened in the price front.

For industry and minerals, we already see the stamp of IMF in dismantling planning process also. The allocation for industry and minerals for 1991-92 is Rs. 7,107 crores. The revised figure is Rs. 7,112 crores. Only Rs. 5 crores is the addition. I have just pointed this out to indicate that you have already started de-emphasising the Government role in the field of industry and minerals.

If I go into these figures, Sir, I would not have time to say other things. I will just mention this today.

One of the key sectors, in which the public sector was interested, was the sector of meteorological industry. I will come to that later when I talk of technologies, etc.

The revised estimate was Rs. 613 crores. The current allocation is a reduction to Rs. 470 crores. Look at the industries you have chosen. Does anybody talk about self-reliance in the industrial front? No. The crucial element in that sector is engineering industry. Way back, I remember, we quarrelled with our late teacher, Prof. Mahalanobis in drafting the Second Five year Plan, that we should not be satisfied only with the steel industry. You remember that when the First Five Year Plan was considered to be no plan at all, for the first time, on a scientific basis, the Second Five Year Plan was being formulated, the emphasis was on basic industries which really meant massive investment in the steel sector. Those were the days of our public sector units coming up. Even at that time, we pointed out from the Statistical

Institute that this was not really enough for self-reliance. The real test lies in our designing capacity, the real test lies in our machine tooling industry. Unless and until any country and of the size of ours can have indigenous capability for designing and tooling, that country is never self-reliant on the industrial front. And engineering industry envelopes that sector. What is your allotment for engineering industry? The revised estimate was Rs. 505 crores and the current allocation is Rs. 394 crores. We are afraid whether we are being led by the dictates of the International Monetary Fund. If we talk of self-reliance, these are the areas where public sector needed to intervene and you are reducing your allocation in these areas. This is true for many other areas. I would not go into that for lack of time. It is not only that. Can you imagine what you have done in the Budget? I will just give you your figures for some subsidies. Do you know that for KVIC, according to the revised estimate, you are spending Rs. 34 crores? What is anticipated next year? If you are interested in rural employment, then the programme of KVIC would be enlarged. Do you know how much you have allocated for this? Exactly the same amount—Rs. 34 crores. For the National Textile Corporation which produces janata cloth, subsidy for janata cloth that was Rs. 130 crores in the revised estimates, you have been very kind to add one crore of rupees to that. So already as the morning shows the day, in this year's Demands for Grants relating to your Ministry, you have started following the dictates of the International Monetary Fund.

MR. CHAIRMAN: The Private Members' Business is due to start at 3.30. Since Mr. Chatterjee is making

some very interesting points, if the House agrees we may extend the time by five minutes. The Private Members' Business has to last for two-and-a-half hours. Therefore, whenever it starts, it means extending the sitting by that much time.

SOME HON. MEMBERS: No.

SHRI NIRMAL KANTI CHATTERJEE: I will continue on Monday before the Minister replies.

MR. CHAIRMAN: All right, you will continue on Monday.

15.30

#### Resolution Re. Steps For Maintaining Status Quo Of Religious Shrines And Places Of Worship

[English]

MR. CHAIRMAN: Now, we take up further discussion on the Resolution regarding steps for maintaining *status quo* of religious shrines and places of worship moved by Shri Zainal Abedin on the 12th July, 1991.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMEN-TARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI M. M. JACOB): We are discussing the Private Members' Resolution moved by Shri Zainal Abedin, M. P., regarding Ram Janam Bhoomi Babri Masjid Dispute and maintaining *status quo* of all religious shrines and places of worship as they existed on August 15, 1947. This morning a Bill was introduced as a consequence of the election manifesto of the Congress Party and the proclamation made by the President. And taking in view the spirit of the Bill moved by Shri Zainal Abedin,