

## LOK SABHA DEBATES

1

### LOK SABHA

Wednesday, August 9, 1972/Sravana 18, 1894  
(Saka)

*The Lok Sabha met at Eleven of the Clock*

[Mr. Speaker in the Chair]

#### HOMAGE TO MARTYRS OF 1942 REVOLUTION

PROF. MADHU DANDAVATE (Rajapur): Mr. Speaker, Sir, before we begin the proceedings of the House, I would submit through you, to all sections of the House, that today being the historic 9th August, we may stand in silence for a minute to pay homage to the martyrs of the 1942 revolution and all other freedom struggles.

SHRI S. M. BANERJEE (Kanpur): Since we are observing the 25th anniversary of our Independence this year, it is necessary that we should observe this also on this occasion.

MR. SPEAKER: Yes; the House will stand in silence for a short while.

*The Members then stood in silence for a short while.*

#### ORAL ANSWERS TO QUESTIONS

##### Utilisation of unauthorised capacity by larger Industrial Houses

\*141. SHRI C. K. CHANDRAPPAN: Will the Minister of INDUSTRIAL DEVELOPMENT AND SCIENCE AND TECHNOLOGY be pleased to state:

(a) whether a number of larger industrial houses are already unofficially producing double their licensed capacity in their plants;

(b) if so, whether Government propose to make an enquiry into the matter; and

(c) whether unofficial utilisation of unauthorised capacity is one of the biggest channels of black money in the industry?

THE DEPUTY MINISTER IN  
THE MINISTRY OF INDUSTRIAL  
DEVELOPMENT (SHRI SIDDHESH-

2

WAR PRASAD): (a) to (c). From time to time cases have come to the notice of the Government where industrial undertakings, whether belonging to large industrial houses or otherwise, have substantially increased their production beyond their respective licensed capacities. The Industrial Licensing Policy Inquiry Committee had referred, in its report, to 45 such representative cases, details of which are given in Appendix IV-F of its report. Copies of the report have previously been laid on the Table of the House. The Commission of Inquiry on the Large Industrial Houses headed by Shri A. K. Sarkar, formerly Chief Justice of the Supreme Court of India, is required, by the terms of its reference, to inquire into and report, *inter alia*, on the circumstances in which unauthorised production in excess of the licensed capacity occurred in the cases brought out by the Industrial Licensing Policy Inquiry Committee. Government has no information to the effect that unauthorised or unofficial utilisation of capacity is one of the biggest channels of black-money in industry.

SHRI C. K. CHANDRAPPAN: Sir, the answer, given by the Minister, itself says that the fact has been brought to the notice of the Government regarding the problem of unauthorised production beyond the licensed capacity. I would like to know whether the Government have taken any steps against those 45 cases which the Industrial Licensing Policy Inquiry Committee have pointed out. If so, may I know the details thereof and, if not, the reasons for not doing so.

SHRI SIDDHESHWAR PRASAD: I have already made it clear that the cases which have been referred to by the Industrial Licensing Policy Inquiry Committee have been referred to a highpower enquiry committee headed by the ex-Chief Justice of India for specific and detailed enquiry. The ex-Chief Justice of India is enquiring into the details of each of these cases and after receiving the report of the enquiry committee, we will surely take action in accordance with the report of the committee.