

[Shri S. M. Banerjee]

the Instructors' Association are on hunger strike for 24 hours. I therefore request the Minister, Dr. Rao, through you, to take note of this and make a statement.

MR. DEPUTY-SPEAKER: You have tabled a calling attention notice. I am sure the Speaker is considering the matter.

SHRI S. M. BANERJEE: Because he has not considered it, I am appealing to you.

MR. DEPUTY-SPEAKER: In that case, kindly meet him in his Chamber and convince him further.

SHRI S. M. BANERJEE: We want a statement from the hon. Minister.

MR. DEPUTY-SPEAKER: That will come only after it has been admitted.

श्री मधु लिमये (मुंगेर) : उपाध्यक्ष महोदय मैं आपकी मार्फत शिक्षा मन्त्री जी से और संसद कार्य मन्त्री से प्रार्थना करना चाहता हूँ कि दिल्ली विश्वविद्यालय में छात्रों की जो हड़ताल चल रही है उसके बारे में शिक्षा मन्त्री जी से कहा जाये कि यहाँ पर एक बयान दें।..... (व्यवधान)..... मैं केवल आपके द्वारा शिक्षा मन्त्री जी से बिनती कर रहा हूँ।

MR. DEPUTY-SPEAKER : I would request you to do it with a regular motion.

श्री मधु लिमये : मोशन और कॉलिंग अटेन्शन, सभी कुछ दिया है। शिक्षा मन्त्री जी यहाँ पर हैं। वे दिल्ली विश्वविद्यालय की हड़ताल के सम्बन्ध में एक बयान यहाँ पर दें। दिल्ली विश्वविद्यालय केन्द्रीय विश्वविद्यालय है।

SHRI JYOTIRMOY BASU (Diamond Harbour) : A lot was said and discussed on the floor of the

House on the alleged happenings in Rabindra Sarovar. Now, the report of the Commission has come. I have given a calling attention notice, and through you I want to ask the Home Minister to make a statement in the light of the findings of the Commission.

MR. DEPUTY-SPEAKER: Please give a regular notice for that.

श्री शिवचन्द्र झा (मधुबनी) : उपाध्यक्ष महोदय, मारिशस के प्रधानमंत्री आये हुए हैं। उन से इंडियन मोशन की सिक्योरिटी के बारे में बात चर्चा चल रही है। इस से शक होता है कि उस की सिक्योरिटी को खतरा है। मैं चाहता हूँ कि इस पर यहाँ वक्तव्य दिया जाए।

MR. DEPUTY-SPEAKER: Let us not go into those things now. Hon. Members will kindly co-operate with the Chair. Let us go on with the business before the House. We are already behind schedule.

14·20 hrs.

#### MONOPOLIES AND RESTRICTIVE TRADE PRACTICES BILL—*contd.*

MR. DEPUTY-SPEAKER: We shall now take up further consideration of the Monopolies and Restrictive Trade Practices Bill.

SHRI M. R. MASANI (Rajkot) : Will you kindly indicate when the hon. Minister will reply?

MR. DEPUTY-SPEAKER: 1 hour and 5 minutes is left from now....

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED): I shall take about half an hour.

MR. DEPUTY-SPEAKER: The hon. Minister has said that he will take half an hour. I think he will start his reply at 2·50 p.m.

SHRI VIKRAM CHAND MAHAJAN (Chamba): I was submitting the other day that there could be no two opinions that economic disparities have increased and there is economic concentration in a few hands. The hope was that the present Bill would meet the challenge and effectively reduce the economic concentration in a few hands. We hoped that the new order would be ushered in. But I humbly submit that those hopes have been sufficiently belied.

Let us understand why there is economic concentration in a few hands and why monopolies grow. Let me give a few examples. Let us take the car industry. We all know that there are three units of car manufacturers, and there is no new entrant who has been allowed to enter the field. Many applications were filed for permission to manufacture new cars but they were rejected. So, the same three car manufacturers continue to manufacture the cars. What is the Monopolies Commission going to do about it? Can the Monopolies Commission take any measure against them, because it is not the fault of either the manufacturers or anyone else that the monopoly in the car industry has grown? Government should have either nationalised the car industry so that there was no economic concentration in three hands or it should have given licences to new entrepreneurs to manufacture cars. It is our failure to nationalise the car industry which has resulted in economic concentration in a few hands, and it is our failure in not permitting others to enter the field that has resulted in this.

Then, let us take the case of motor transport and the route-permit system. There is no dispute that the road transports should be nationalised. Assuming that we are unable to nationalise the

road transport and certain routes are given to the private operators, why should we impose restrictions on them by means of route permits? Let anyone enter the field, and let them fight out in either improving the road transport system or in reducing the fares. By imposing restrictions and by introducing the route-permit system, we have restricted the entry of newcomers and this has ultimately resulted in economic concentration in a few hands.

Now, let me give yet another example. In my State, many people applied for the installation of rice mills but only one was granted the licence, and automatically the monopoly grew. How can the Monopolies Commission ever do away with this problem?

There are two ways in which to meet the challenge of economic concentration. The Monopolies Commission is not the answer to this. The first answer is nationalisation. Nationalise the sector where there is economic concentration. If we cannot nationalise, because of lack of finance or other reasons, let us not have the licensing system. Do away with the licensing system in those sectors, and automatically, the economic concentration will go out.

Now, what does this Bill do? This Bill merely creates a new bureaucracy, which will scrutinise the acts. I submit that we would be only wasting money by setting up this commission. Parkinson's law will apply, and we shall be adding to the bureaucracy other officers, and more funds and more taxes, more indirect taxes collected from the poor will be wasted on this bureaucracy. In fact, this Monopolies Commission is nothing but a commission of bureaucracy by bureaucracy for bureaucracy.

What I am submitting is that the entire industrial system has to be

[Shri Vikram Chand Mahajan]  
reorientted and the entire industrial policy has to be scrutinised and reviewed. There are only two ways in which we can meet this challenge. One is to nationalise the sector where there is economic concentration. If it is not possible to nationalise, then do not have the licensing or route-permit system. Let the licence or permit be open to everyone. Then we can reduce the disparities, and the economic concentration. The answer is not the Monopolies Bill. This is merely a waste of public money, a waste of the poorman's money which we collect from him by way of taxes.

**SHRI GANESH GHOSH** (Calcutta South) : This Bill is a farce and a hoax. The present Congress Government had been helping all these years by all means at their disposal to develop capitalism and with it the monopolies. Now they have come forward with this bill to control and check monopoly. This is obviously a farce. It is this Government which has helped the rich to become more rich at the expense of the poor. Now, being frightened by the rising militant protests of the people from all over the country they propose to enact this legislation to control and curb the concentration of wealth in a few hands. This is simply a hoax intended to delude the gullible people. This Government knows full well that monopoly in a capitalist system can never be controlled simply by legislation. That has been the experience of all the advanced countries of the world. The USA adopted what is called the Sherman Act, in 1890, which declared every contract, every combination etc. whether in trade or commerce as illegal. The Clayton Act of 1914 prohibited all monopoly combinations and the interlocking of directors between competing concerns with a capital of one million dollars only which is about Rs. 75

lakhs. Yet, after all these legal prohibitions, giant monopolies have grown in America which not only control today the entire national economy there but also their politics and are out today to influence and control the economies of many other countries in the world including ours. While America could not prohibit these monopolies and concentration of wealth even by prohibiting the merger of companies beyond Rs. 75 lakhs, it is preposterous to think that our Government pretends to control monopolies and prohibit concentration of wealth even by allowing amalgamations up to Rs. 20 crores, which means something more than 26 times that was allowed in America.

The growth of monopoly in a capitalist economy takes place as a direct consequence of the law of capitalist development and monopolies in all advanced countries of the world have grown with the development of capitalism itself. If Government really mean what they have said in this Bill and really want to undo the harm that the growth of monopolies in our country has done then they should have take strict measures to destroy the very foundation of monopoly itself and not tried to curb or control it. The pruning of shoots of a plant only helps a more luxuriant growth. So, only half-hearted measures to control monopolies without really wearing it will only help the growth of huge and bigger monopoly concerns which will influence everything here in our country. Monopolies have got to be abolished and not simply controlled. No power on earth can control monopoly in a capitalist system. We have got to destroy the very foundation of it. Let me give only one example. Shri D. L. Mazumdar, who was formerly the Secretary to the Department of Company Law Administration had also stated the same thing.

While dealing with the criticism about the absence of any effective provision in the Companies Act against such anti-national actions as speculative cornering of shares with a view to taking over the industrial concerns, Shri Mazumdar had to say this. He is not even a radical politician, not to speak of being a communist. He was a Government employee.

He said :

"No provision in the Companies Act can deal effectively with this evil unless they are so drastic as to destroy the very foundations of competitive markets in the country."

This is what Shri D.L. Mazumdar had said.

Sir, in our country, this monopoly developed rather faster during the last 15 years after the adoption of socialism as our national aim at Avadi. Even now, Mr. Deputy-Speaker, Tatas and Birlas speak of socialism because they think that the loot of the people can be made more smooth and easy if sugar-coated with the slogan of socialism. If the Congress Government are really serious about curbing the monopolies, they should take steps to take over all the monopoly houses, both Indian and foreign, and dislodge them entirely from the economic scene, lock, stock and barrel. 75 business-houses which control more than 70 per cent of the total capital of the joint stock companies—whose number is about 2,600, which I cannot precisely say—have been marked out by the Monopolies Inquiry Commission. If you failed to take any step in that direction, in spite of what you have said in this Bill, it will be obvious to everybody that all your tall talk about control of monopolies and curbing of the concentration of wealth in a few hands is

directed at or aimed at the 1972 elections. What I feel, what my party feels and indeed what almost everybody feels is that this Government is incapable of and is unwilling to take any such step; because and this has been amply proved during the last 22 years, this Government itself are the representatives of the monopoly houses despite the nationalisation of Banks.

Thank you.

श्री रघुवीर सिंह शास्त्री (बागपत) : आज देश की राजनीति में बड़ा उथल पुथल का युग है। कुछ लोग इस उथल पुथल में डर रहे हैं कि शायद उनको नीचे जाना पड़ेगा और कुछ चाह रहे हैं कि उनको ऊपर जाने का मौका मिले। लेकिन मैं समझता हूँ कि कोई नीचे जाये या ऊपर जाये एक बात निश्चित है और वह यह कि जनता जरूर ऊपर आएगी और यह जनता का युग है और जनता के जो अधिकार हैं और जनता की जो भावना है उसे सर्वोपरि स्थान मिलेगा।

हमारा देश बड़ा गरीब देश है। भूमि की बात को आप लें यहाँ एग्रेज होल्डिंग साइज 1.8 हेक्टर है इनकी थोड़ी भूमि एक आदमी के हिस्से में आती है। आप प्रति व्यक्ति प्रायः दो देवें। हमारे देश में एक रुपया राज भी आप एक व्यक्ति के हिस्से में नहीं आती है। इस प्रकार स जर्मन और प्रति व्यक्ति प्रायः दोनां ही हमारे देश में बहुत कम हैं। अतः हमारे देश में जो सम्पत्ति है वह कुछ हाथों में टकटकी होती चली जाए तो इसको सहन नहीं किया जा सकता है। कुछ लोगों का सम्पत्ति के साधन सातों पर एकाधिकार होता चला जाए यह मजबूत देश में बड़ी ज्यादाती की बात होगी और इस पर देश को गम्भीरता से विचार करना होगा।

जहाँ तक इस विषयक का सम्बन्ध है, हमका मैं स्वागत और समर्थन करता हूँ। यह एक शुभ लक्षण है इस बात का कि अब देश को अर्थ व्यवस्था इस देश की जनता को तरफ दृष्टि रख कर कुछ नया रूप ले रही है। आज तक इस

[श्री रघुवीर सिंह शास्त्री]

देश में तीन भ्रष्ट पक्ष रहे हैं। एक भ्रष्ट व्यापारी, दूसरा भ्रष्ट राजनीतिक और तीसरा भ्रष्ट सरकारी अफसर जिन को ब्यूरोक्रेट कहा जाता है। तीनों मिल कर इस देश में जो व्यवसाय चला रहे थे, तीनों ने मिल कर जनता का जिस प्रकार शोषण किया और जनता की उपेक्षा की, उसको देखते हुए अब यह जो नया विचार आ रहा है, इससे मालूम पड़ता है कि वह युग समाप्त हो रहा है और एक नया युग आरम्भ हो रहा है। हमारे देश का पिछले बीस इक्कीस साल का जो राजनीति का इतिहास है वह स्वयं इस बात का प्रमाण है। हमारे देश में राजनीति में ही सत्ता और शक्ति का केन्द्रीकरण रहा है, राजनीति की मीनोपौली रही है, राजनीति का एकाधिकार रहा है। इस राजनीतिक एकाधिकार, इजारेदारी और ठेकेदारी के नीचे ही यह आर्थिक ठेकेदारी, आर्थिक इजारेदारी और आर्थिक एकाधिकार भी पनपते रहे हैं। आज मालूम पड़ता है कि देश में राजनीतिक एकाधिकार समाप्त हो रहा है और इसीलिए यह बात समाने आई है कि अब देश में आर्थिक एकाधिकार और व्यावसायिक एकाधिकार भी समाप्त होना चाहिये।

देश की हालत को देखते हुए यह जो बिल आज आया है, इसको बहुत पहले आना चाहिये था। इसको लाने में देर हुई। उस देर का कारण मैं समझता हूँ यह है कि हमारे जो राजनीतिज्ञ थे वे अब तक इसकी आवश्यकता अपनी दृष्टि से नहीं समझते थे। आज इसकी आवश्यकता समझी गई चाहे वह अपनी दृष्टि से समझी गई हो या राजनीतिक दृष्टि से समझी गई हो और चाहे जनता की दृष्टि से समझी गई हो। किसी भी दृष्टि से समझी गई हो, परन्तु यह एक स्वागत योग्य कदम है।

कुछ लोग पब्लिक सेक्टर की, सार्वजनिक क्षेत्र की आलोचना करते हैं। वह ठीक भी है। आलोचना की बात भी रही है। लेकिन मैं कहना चाहता हूँ कि व्यक्तिगत आर्थिक ठेकेदारी अगर हमारे देश में से निकल जाये तो कम से कम

तीन पक्ष जो मैंने बताये हैं, एक भ्रष्ट व्यापारी का, एक भ्रष्ट राजनीतिज्ञ का और एक भ्रष्ट सरकारी अफसर का, उस में से एक सब से बड़ा जो भ्रष्ट पक्ष है, व्यापारी का, वह निकल जाएगा तो वह जो राजनीतिज्ञ को भ्रष्ट करता था और प्रशासन को भ्रष्ट करता था, उसका मौका भी नहीं रहेगा। इस प्रकार से भ्रष्टाचार का जो स्रोत था वह समाप्त हो जाएगा। जब सार्वजनिक क्षेत्र ही केवल रह जाएगा और निजी क्षेत्र समाप्त हो जाएगा तो मैं समझता हूँ कि हमारा सार्वजनिक क्षेत्र भी काम अच्छी तरह से करने लग जाएगा, वहाँ पर काम भी अच्छी तरह होने लग जाएगा और जो कामयाब दिखाई दे रही हैं जब वे दूर हो जाएंगी, तो उम में मुधार हो जाएगा।

मैं समझता हूँ कि हमारे देश में यह निश्चित हो जाना चाहिये कि जितने बड़े बड़े कारखाने हैं, जितनी बड़ी बड़ी फैक्ट्रियाँ हैं, वे सब सरकार के अधिकार में हों या सरकार का उन पर पूरा पूरा नियंत्रण हो। कोई भी बड़ा उद्योग जिन से बहुत बड़ी पूंजी लगती हो और बहुत बड़ा उत्पादन होता हो या उत्पादन किया जाना हो, वह किसी भी एक व्यक्ति के पास नहीं रहना चाहिये। यह भी निश्चित हो जाना चाहिये कि जो छोटे छोटे उद्योग हैं, जैसा महात्मा गांधी ने कहा था, चाहे वे गृह उद्योग हों या कुटीर उद्योग हों, उनको चलाने का अधिकार व्यक्ति के पास रहे। इस में कोई किसी को आपत्ति नहीं हो सकती है। परन्तु जो बड़े बड़े उद्योग हैं, उनका अधिकार केवल सरकार के पास होना चाहिये। अगर सरकार उनको किन्हीं कारणों से न ले सके तो सरकार का उन पर पूरा पूरा नियंत्रण रहना चाहिये।

मिश्रित अर्थ व्यवस्था के नाम पर आज भी देश में भ्रम फैला हुआ है। मैं समझता हूँ कि एक स्पष्ट लाइन हमारे समाने निर्धारित हो जानी चाहिये उसके बारे में और यह पता चल जाना चाहिये कि मिश्रित अर्थ व्यवस्था का मतलब क्या है। यह स्पष्ट हो जाना चाहिये

कि जो बड़े बड़े उद्योग हैं वे सार्वजनिक क्षेत्र में चलेंगे और जो छोटे छोटे उद्योग हैं वे व्यक्तिगत क्षेत्र में चलेंगे। समय आ गया है जबकि सरकार को इसका खुलासा कर देना चाहिये। आज जो भ्रम फैला हुआ है अगर यह समाप्त हो जाएगा और देश के व्यवसाय में, व्यापार औद्योगिक क्षेत्र में फैला हुआ भ्रष्टाचार मिट जाएगा तो फिर यह जो हमारे प्रशासन में भ्रष्टाचार है, राजनीति में जो भ्रष्टाचार है, यह भी समाप्त हो जाएगा। इसको समाप्त करने का एक ही उपाय है और वह यह कि जो सब से बड़ा भ्रष्टाचारी है, जो सब से बड़ा भ्रष्टाचार का स्रोत है, उसे समाप्त कर दिया जाए।

MR. DEPUTY-SPEAKER : Shri Nahata. Please confine your remarks to five minutes, because Shri Himat singka has to be called next—he has got six minutes—and then the Minister would reply.

SHRI BAL RAJ MADHOK (South Delhi) : When is the Minister replying ?

MR. DEPUTY-SPEAKER : At 2-50 he will reply.

श्री भ्रमर नाहाटा : (बाड़मेर) इस विधेयक पर जो बहस हुई है और आशंक मेहता जी ने भाषण किया है, उसमें उन्होंने अपने समाजवाद की कलाई खोल दी है। उनके तथा उनके बाद श्री मसानी के भाषण को सुनने के बाद ऐसा लगा कि दोनों का दृष्टिकोण एक है, दोनों की विचारधारा एक है। दोनों ने एक ही बात कही है। यहाँ तक कि श्री मसानी, श्री मेहता के भाषण में कोई और अधिक मुद्धार नहीं कर सकते हैं। मिसाल के तौर पर मसानी जी ने कहा कि मीनो-पोली नाम की चीज हिन्दुस्तान में प्राइवेट सैक्टर में ही नहीं केवल पब्लिक सैक्टर में मीनोपोली है। राज्य की मीनोपोली इस देश में जरूर है लेकिन प्राइवेट औद्योगिक क्षेत्र में मीनोपोली नाम की कोई चीज नहीं है।

मुझे लगता है कि श्री मसानी अपना धर्म-शास्त्र बिल्कुल भूल गये हैं। जरूरत इस बात की है कि वह इस बात को समझें कि सिर्फ एक यही उत्पादक या एक ही सप्लायर होने की स्थिति को ही मोनोपोली नहीं कहते हैं, बल्कि जहाँ इम्पॉर्टेंट कम्पैटीशन है, या कम्पैटीशन कम है, जहाँ ग्राहक या उपभोक्ता के लिए चायस नहीं है, वहाँ मोनोपोली होती है। वह परिभाषा उन्हें नहीं मालूम है।

लेकिन आश्चर्य की बात है कि श्री अशोक मेहता ने भी वही बात कही, जो श्री मसानी ने कही। दोनों कहते हैं कि साइज का मोनोपोली से कोई सम्बन्ध नहीं है। वे दोनों भूल जाते हैं कि इस बिल का उद्देश्य न केवल मोनोपोली को खत्म करना है, बल्कि उस के साथ ही आर्थिक सत्ता और आर्थिक धन के केन्द्रीयकरण को खत्म करना भी है। श्री अशोक मेहता लच्छेदार शब्द इस्तेमाल करने में बड़े माहिर हैं। वह "अपस्ट्रीम इंडस्ट्रीज" और "डाउनस्ट्रीम इंडस्ट्रीज" की बात करते हैं, लेकिन श्री मसानी साफ साफ बात कहते हैं। उन दोनों ने कहा कि हमारे एक्सपोर्ट्स को बढ़ाने के लिए यह बहुत जरूरी है कि जिन क्षेत्रों में स्केल की इकानोमीज (इकानोमीज आफ स्केल) मिलती हैं, उन का फायदा उठाने के लिए भी बड़े-बड़े उद्योग होने चाहिए।

हम जानते हैं कि श्री अशोक मेहता ने इस बात के लिए बड़ी एड़ी चोटी का जोर लगाया कि टाटाज मीठापुर में फर्टिलाइजर का प्लांट लगा सक। हम जानते हैं कि श्री अशोक मेहता और श्री मसानी दोनों एक्सपोर्ट या इकानोमीज के नाम पर हमेशा इस बात की कांशिश करते रहे हैं कि हिन्दुस्तान की दोस्त कुछ मुट्ठी भर लोगों के हाथों में चली जाये और दूसरी तरफ देश के करोड़ों लोगों का जीवन-स्तर गिरता चला जाये।

आज देश में चारों तरफ असमानता है। हम देखते हैं कि एक तरफ तो देश में बड़े-बड़े

[श्री भ्रमृत नाहाटा]

महल खड़े होते हैं और दूसरी तरफ गरीबों के रहने के लिए मकान नहीं हैं, गन्दी बस्तियां बढ़ती जा रही हैं; एक तरफ सुपरफ़ाइन कपड़े बनते हैं और दूसरी तरफ लोग कपड़े के अभाव में सर्दियों में ठिठुरते रहते हैं; एक तरफ़ प्राईवेट सेक्टर में बड़ा तादाद में एयर-कन्डीशनर बनते हैं और दूसरी तरफ़ लोग सर्दियों में ठिठुरते हैं और गर्मियों में झुलसते हैं। हमारी इकानॉमी की यह लापसाइडिड प्रोब्लम इस लिए हो रही है कि आज तक श्री अशोक मेहता के नेतृत्व में—उस समय में भी, उस से पहले भी और उसके बाद भी—लानिंग कमीशन में यह नीति अख्यार की गई कि देश में इकानॉमिक प्रोब्लम के नाम पर तरक्की हो, यहाँ ज्यादा दौलत पैदा हो और इस नाम पर बड़े बड़े उद्योगपतियों को लाइसेंस पर लाइसेंस दिये गये।

श्री हिम्मत्सिंहका (गोड्डा) : किस ने दिये ?

श्री भ्रमृत नाहाटा : सरकार ने दिये—हम कब सरकार को माफ़ करते हैं। और उस सरकार में श्री अशोक मेहता भी थे।

श्री श्रीम प्रकाश त्यागी (मुरादाबाद) : इस बारे में पहले क्यों नहीं आलोचना की ?

श्री भ्रमृत नाहाटा : हम बराबर करते रहे हैं हमारे जैसे विचार के लोगों की मांग पर महालनवीरा कमेटी बिठाई गई उसके बाद मानोपलीज कमीशन बना, उसके बाद हजारी की रिपोर्ट आई, उस के बाद दत्ता की रिपोर्ट आई और उसके बाद यह बिल आया है। यह कोई उन लोगों की वजह से नहीं आया है, बल्कि हम लोगों आवाज उठाने की वजह से आया है।

श्री श्रीम प्रकाश त्यागी : यह भी लंगडा है।

श्री भ्रमृत नाहाटा : ठीक है और इस लिए हम स्पष्ट कह देना चाहते हैं कि केवल कानून से आर्थिक सत्ता का केंद्रीयकरण नहीं रुकने वाला है। इस के लिए उचित नीतियां अख्यार

करनी पड़ेंगी, सामाजिक न्याय और समानता पर ज्यादा जोर देना पड़ेगा, गरीब, नरें और छोटे उद्योगपतियों को प्रोत्साहन देना पड़ेगा, घरेलू उद्योगों को प्रोत्साहन देना पड़ेगा। इस सम्बन्ध में ठीक और उचित नीतियों का बहुत महत्व है।

श्री अशोक मेहता और श्री मसानी दोनों कहते हैं कि एक्सपोर्ट बढ़ाने के लिए लार्ज-स्केल मर्जर होने चाहिए। श्री अशोक मेहता ने इस बारे में इटली और इंग्लैंड की मिसाल दी। करीब-करीब वही बात श्री मसानी ने कही। दोनों कहते हैं कि जब तक कानसेन्ट्रेशन और मर्जर नहीं होंगे, तब तक देश में आर्थिक प्रगति नहीं होगी।

श्री शिव नारायण (बस्ती) : माननीय सदस्य क्या कहते हैं ?

श्री भ्रमृतनाहाटा : हम कहते हैं कि श्री अशोक मेहता और श्री मसानी और उन का गठबंधन देश के निहित स्वार्थों, मानोपली इन्ट्रस्ट्स के प्रमुख प्रवक्ता हैं। जब उनके प्रतिनिधि कहते हैं कि शक्कर उद्योग का राष्ट्रीयकरण नहीं होना चाहिए, डीकंट्रोल होना चाहिए और जब मानोपलीज के सवाल पर श्री अशोक मेहता कहते हैं कि मर्जर होने चाहिए, लार्ज-स्केल एन्टरप्राइजिज होने चाहिए, ताकि एक्सपोर्ट बढ़ें और वेल्थ बढ़ें, तब उन के सुपर-समाजवाद की पोल खुल जाती है। एक एक कन्क्रीट इश्यू पर ये लोग अपनी जो नीतियां पेश करने हैं, उनसे स्पष्ट हो जाता है कि वे देश के बड़े-बड़े सेठों और उद्योगपतियों का प्रतिनिधित्व करते हैं, उन के समाजवाद के नारे खोखले हैं और वे जनता को ज्यादा देर तक धोखा नहीं दे सकते हैं।

SHRI HIMATSINGKA (Godda) : Mr. Deputy-Speaker, Sir, when this Bill was introduced in the Rajya Sabha, it had certain features which were not very good and we had hoped that in the Select Committee they will be

improved upon. Very valuable evidence was led by a large number of witnesses and they gave a number of valuable suggestions. But, unfortunately, instead of improving the Bill certain further worse features have been introduced which were not in the Bill as recommended by the Monopolies Commission Report nor in the Bill as introduced in the Rajya Sabha nor were these amendments moved by the Government as such but were suggested by a private Member and were glibly accepted by the Minister who was piloting the Bill. Therefore the present Bill in certain respects, instead of improving the definitions etc. which were objectionable, has introduced certain worse features.

I will discuss this *quo* definition of inter-connected undertakings when that definition comes in for consideration. In the Hindu Undivided Family, there is some cohesion between different members but in the amendment the concept of relatives has been introduced, as a result of which the undertakings of persons with whom I have no business connection except distant connection by marriage become inter-connected with my undertakings. This absurd position has been created.

Then, clause 3 and Chapters IV and V, which seek to control monopolistic tendencies and restrictive trade practices, exclude all Government undertakings from the operation of this Bill. In any event, these provision of Chapters IV and V should have been made applicable to Government undertakings also as even Government undertaking should be have properly in charging prices etc.

Another scheme which was in the Bill, that is, the original clause 37, was completely changed by a private

Member's suggestion. The scheme that was in the Bill has been completely changed. Previously the burden regarding "alleged restrictive trade practices" was on the Commission to come to a negative finding; now they have got to come to a positive finding as regards "restrictive trade practices." That was not the scheme of the Bill. That clause was accepted by the Minister-in-charge in the face of opposition of the Government Draftsmen who were not very happy about that being accepted.

There is a lot of confusion in the thinking regarding the Bill. Bigness is being equated with monopoly. All industrialists are regarded as monopolists. As a matter of fact, the 75 families or Houses which have been listed in the Monopolies Commission's Report are all regarded as big monopolists. I do not know what the basis is going to be, because the owners really are the shareholders who own the assets of the companies. The ownership of the share-holders is being confused as the ownership of persons who are managing those concerns. After all, they are merely managers and can be removed.

Take the case of Government. Madras State, which is now "Tamil Nadu," was being controlled and was regarded as a Congress State. Now simply because the voters have lost confidence in the Congress there, or rather the Congress has lost confidence of the voters there, the DMK is in charge of the State of Madras. The same thing has happened in Bengal. There has been no change by the shape of a new thing being put in. Simply because the people have voted them in power, there has been this change. The same thing can happen in these big industrial concerns. If the shareholders do not vote in favour of persons who are at present managing them, the management will pass



[Shri Himatsingka]

into other hands. Therefore, I feel that there is a good deal of confusion in what has been mentioned by several Members.

Then, everybody is quoting the Monopolies Commission's Report to condemn the 75 houses mentioned therein which have built the industries of India. I do not know where the country would have been if these Houses had not taken the risk as pioneers when they started these industries and put India on the map of the industrial world.

SHRI UMANATH (Pudukkottai) : Some other houses would have come up.

SHRI AMRIT NAHATA : The country would have been much better.

SHRI HIMATSINGKA : That is my point. If other houses would have come, they would have been monopolies in your terminology and what is the difficulty in those other houses coming up now? In this connection, I will read one small paragraph from the Monopolies Commission's Report where they say what the consequences of concentration have been.

This is what they say at page 136 :

"We have already indicated the view that [the concentration of economic power has helped the economic betterment of the country. Even to-day our industrial development is far behind that in the western world or in Japan. But what little development there is owes much to the adventure and skill of a few men who have in the process, succeeded also in becoming 'big business' thus concentra-

ting in their hands a great portion of the economic development controlling and directing the production and distribution of national wealth and income. It is fair also to state that after concentrating power in their hands these men have gone on often to push forward development of further industries, which has been to the advantage of the country. It is also generally agreed that a concentrated economic development has been responsible for the greater part of the not very high capital formation in the country. Huge profits were often earned so that even after the distribution of high rates of dividends good surpluses were left. These were utilised to add to the industrial capital whether by way of issue of bonus shares or in the shape of reserve or by investment in fresh ventures."

This is the way they have gone on stating that these Houses have done a lot of good work. It is only fair to say that this big business has generally been able to supply considerable amount of managerial skill of high quality so that production has been high. Mr. Sezhiyan made a point about three big business houses. He mentioned Mafatlal, Tatas and Birlas. He said Mafatlal's assets have increased from Rs. 45 crores to Rs. 106 crores. Birlas' assets have increased from Rs. 292 crores to Rs. 450 crores and Tatas, assets have increased, from Rs. 417 crores to Rs. 547 crores all between 1964 to 1966-67.

At the same time he mentioned that about Rs. 450 crores have been advanced by way of loans and shares by Finan-

cial corporations to these big industrialists. How can you confuse the money that has been advanced to these business houses by financial corporations with their own assets? That has to be paid back. There is a good deal of confusion when they say that the assets of these houses have increased so much. As a matter of fact, these assets do not belong to the particular business houses but belong to the shareholders or to the financial institutions who have advanced money. Therefore, let us not confuse and create an amount of confusion. As a matter of fact, as a result of this false notion about the growth of monopoly, many sound projects are being held up. Instead of things being produced in the country, our country is being forced to import.

Mr. Nahata mentioned about the Mithapur project. If it had come into existence, import to that extent could have been stopped. Is it better to go on importing or to produce things in the country and supply the needs of the country? Everybody will agree that producing things in the country is better.

SHRI AMRIT NAHATA : Where ? In whose hands? In State's hands, not in the hands of Tatas.

SHRI HIMATSINGKA : This false notion of the Government about the growth of monopoly is standing in the way of a number of important industries coming up and a number of persons feel frustrated, to the detriment of the economic development of the country.

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : I have listened with very close attention to many of the speeches which have been delivered by hon. Members at this stage of the consideration of this Bill.

I am very grateful to them for the useful suggestions given by them in the course of this debate. With the large number of amendments which are still pouring in, I have no doubt whatsoever that the hon. Members will continue to take interest when this Bill is taken up for clause by clause consideration.

While this is so, I cannot help observing that though some of the hon. Members have expressed their views, which appear to me outmoded and suffer from reactionary concepts which they cannot shake off. Particularly, with regard to one of my friends who is not here to-day, I find that so far as his views are concerned, they appear to have changed so rapidly, perhaps even for him, ever since he has taken his seat by the side of those people with whose loyalty and ideology his own ideas approximate.

Shri LOBO PRABHU (Udipi)  
 There is hope for you.

An hon. MEMBER : Whose views are you referring to ?

Shri F. A. AHMED : I am referring to my friend, Shri Asoka Mehta. (*Interruptions*)

SHRI N. DANDEKAR (Jamnagar)  
 Do you question our loyalty because he said that someone has joined us ?

SHRI F.A. AHMED : I said 'whose ideology and loyalty approximate to his own' What I said was that he is sitting by the side of some hon. Member whose loyalty and ideology approximate his own.

SHRI SHEO NARAIN : He is a better socialist than yourself.

SHRI F.A. AHMED : Yet, despite the discordant notes struck by, shall I call stalwarts or shall I call

[Shri F. A. Ahmed]

worthy representatives of the vested interests, I find that so far as the objections to the concepts behind this Bill are concerned, they have found clear acceptance in this House.

Before I proceed to deal with the various points which have been raised by some hon. Members, I would like to reiterate once again that as far as the basic goal of the industrial policy of this Government is concerned and which goal this Government wishes to pursue, it is the goal that we must work for achieving an accelerated growth both of industry and economy. While this shall be our pursuit, at the same time, we cannot be oblivious to the socio-economic objectives. Now, what are those socio-economic objectives?

One of the vital socio-economic objectives so far as this matter is concerned is that while the growth and expansion take place, that growth and expansion should not go into the hands of a few persons but should be for the common good and for the nation as a whole. Now, industrial growth in a developing economy must be accompanied by reduced inequalities, disparities and mal-adjustments in the economic structure. Unless these socio-economic objectives are dovetailed into our industrial policy, industrialisation can well lead to greater aggravation of social tensions and pressures and problems which are inherent in a relatively poor and developing economy such as ours will only tend to multiply and get magnified. I must emphasise that the aim of this legislation is certainly not to inhibit industrial growth in any manner but only to ensure that such growth, that does and must take place, is channelised for the common good and is not used to increase and perpetuate concentration of wealth

and economic power in the hands of few business groups or those who are enjoying privileged positions arising out of product monopolies and semi-monopolies. This legislation is only one out of a series of measures which are being contemplated to correct certain distortions which are tending to develop in our economy so as to achieve purposeful socio-economic growth.

Now, Sir, I would like to deal with some of the important speeches made by hon. Members. My friend, Shri Asoka Mehta, is not here and, therefore, shall deal with him later on. But, to begin with, I would like to refer to the observations made by my hon. friend, Shri Masani.

So far as Shri Masani is concerned, I think, he will also remember that he wrote an essay on socialism long time ago.

AN HON MEMBER: He has now re-considered it.

SHRI F.A. AHMED: That is why I said, long time ago. Then he was picked up by the then powers and he started unlearning whatever he had originally learnt. And I find, so far as his new lesson is concerned from day to day he has been making an improvement, but in the wrong direction which is not in the interest of the country. Now, while the country is striking and trying for a change, it appears that so far as Shri Masani is concerned, he is unconcerned with what is happening in the country and what the country wants. He wants to have his own say. This reminds me of the proverbial story of the ostrich, which digs his head into the sand and refuses to see or hear what is around him, and that is what Shri Masani is. In spite of the vast changes which are taking

place in our country, in spite of the great urges in our country, he is not prepared to listen; he is not prepared to grasp what is happening in the country; but he would say the same thing which will suit those powers; and, on account of this, he had to change his socialistic ideas, his socialistic programmes and policies and concepts.

I would like to emphasise this that so far as we are concerned, we have to take note of the change which is sweeping the country. I think it is desirable that this should be done, not because there is a change, but because of change is for the good of the country, for the interest of the country. Therefore, today we cannot be oblivious of what is happening around our country. We cannot allow only the old ideas and the old concepts to be perpetuated. I can only say this that we are not prepared to accept this position, to perpetuate economic exploitations. An important cornerstone of this Government's economic policy is that there must be adequate control and regulation of vested and monopolistic interests. Shri Masani thinks on the lines of the well-known American industrialist who identified American interests with those of General Motors, and I may say, that position does not prevail in our country. May I say, in the case of America, where they identified their interest with General Motors, the General Motors look after hundreds of small-scale industries and try to help them?

It is not a kind of monopoly wholly. The hon. Member liked to draw the parallel of that picture; but I may say, even in that capitalist country, while their interest is identified with General Motors, the General Motors also depend on a large number of

ancillary industries. I don't know the exact number, but I think, it will run into, if not thousands, at least hundreds of such industries which are supported and helped by this industry in that country. Does that position hold good so far as our country is concerned?

**SHRI N. DANDEKAR:** Yes, Sir. See Tata-Mercedes.

**SHRI F.A. AHMED:** That position does not hold good today. What we want is that ancillary industries should be developed round about public undertakings and private undertakings. But what we find is this. Except a few there are no industrialists who have taken interest in the management of ancillary or small scale industries round about them.

**AN HON. MEMBER:** They have done so much.

**SHRI F.A. AHMED:** Sir, in the public sector they have made a beginning so far as the machine-tools are concerned. They have made a beginning. We hope to extend this in other spheres as well. I think five or six specific issues were raised by Shri Masani. First, he said, the Bill as originally introduced is entirely different from what the Monopoly Commission had recommended and that it has got worse after coming from the Joint Committee. So far as the Joint Committee is concerned I think he was a Member.....

**SHRI M. R. MASANI:** I was a witness....

**SHRI F.A. AHMED:** I am sorry. So far as the Joint Committee is concerned, they took the evidence of a large number of persons. After shifting all the evidence placed before them

[Shri F. A. Ahmed]

after fully leaving free and frank discussion among all the Members the Joint Committee made certain suggestions. They made certain recommendations which have come up before the House. It would not be proper for me to whittle down the recommendations made by the Joint Committee which after very careful examination of all the materials placed before them and considering all the arguments and all the views placed before them have made certain recommendations to the House.

Now, so far as the charge of modifying the Bill is concerned, I would like to point out that I do not agree with his views that this is so. Our concepts are basically the same.

SHRI M. R. MASANI : Question.

SHRI F. A. AHMED : As I said, our concepts are basically the same and all that has been modified are certain aspects of a regulatory control in respect of new undertakings or division of undertakings and the like by certain categories of industrial companies and groups. If concentration of economic power has to be dealt with effectively, it must be tackled in a positive and purposeful manner and the provisions of this legislation constitute the minimum necessary in this regard. If it is any consolation to Shri Masani, the provisions could well have been substantially stiffer against the vested interests which he represents.

AN HON. MEMBER : You are the vested interest.

SHRI F. A. AHMED : Shri Masani has raised the usual cry of the private sector against the State undertakings. This continued sniping at the public sector, even in this context is not really relevant so far as the consideration of this Bill is concerned.

SHRI M. R. MASANI : It is relevant.

SHRI F. A. AHMED : I would not like to deal with this aspect at this time ; but I would like to point out that it is an effort of the Government that there should be good understanding between the private sector and the public sector for the purpose of economic growth and I think it is desirable that instead of repeating those charges, in these undertakings, a sort of atmosphere should be created where both the sectors in our country can work together in a complementary way to help the growth and development of industry in our country.....

SHRI M. R. MASANI : Like Soviet Russia and Czechoslovakia—the same kind of cooperation.

SHRI F.A. AHMED : But I must point out that it is absurd and ridiculous to put State Undertakings, functioning solely in the public interest, on a par with private sector monopolies and semi-monopolies, functioning primarily on the basis of profits and to enrich the pockets of a few. Against the criticism that the public sector is functioning as a monopoly, my reply is this, that criticism, if any, should be that it has given too good a deal for the private sector, by which the latter have been allowed to retain, in many cases, the cream of industrial production in their own hands.

Therefore, I would like Shri Masani to understand that the public sector in our country has come to stay.

SHRI M. R. MASANI : And to ruin the country.

SHRI F.A. AHMED : Therefore, whatever is desirable, we must do everything possible to improve the functioning of this sector so that it

may be possible for our country to drive the maximum benefit.

SHRI D.N. PATODIA (Jalore) : At the cost of the nation.

SHRI F.A. AHMED : He quoted Prof. Galbraith to support his own argument. I am not sure that he has read Prof. Galbraith correctly because he had not passed any judgement on the public sector as such.

SHRI M.R. MASANI : He has.

SHRI LOBO PRABHU : Post office socialism.

SHRI F.A. AHMED : Nor was it his intention to run down planned economic development of our country. He was in fact referring only to the inadequacy of delegation of power to the public sector undertakings not only in India but in other places also and had pleaded for greater autonomy to achieve efficiency. His basic theme was that social objectives must be achieved through the process of granting greater autonomy to those enterprises and not subjecting them to rigorous controls in day to day administration. Paradoxically, Shri Masani does not want this autonomy, even though he has no quarrel with the private sector having unbridled freedom to oppress.

Prof. Galbraith has repeatedly emphasised in the book from which Shri Masani has quoted the unreliable conditions of the market economy. He has pointed out also that the anti-trust laws in the U.S.A. were not good enough, and in fact there was a conflict between the legal denomination of monopoly and its de facto acceptance in slightly imperfect form.....; the form is prosecuted; the substance is exempt". He has predicted that there was bound

to be modification of the law to conform to reality, and who knows, our country may have the distinction of being the torch bearer.

While dwelling on this theme of Prof. Galbraith, may I also point out what he said of Governmental control in the not so socialist country of U.S.A. To quote :

"...the services of Federal State and local governments now account for between a fifth and a quarter of all economic activity. In 1929, it was about 8 per cent. This far exceeds the government share in such an avowedly socialist State as India...."

Therefore, I would appeal to him when he is quoting Prof. Galbraith to read and interpret him properly. Today he has not taken us to task because we are going in more and more for public undertakings. But what he actually pointed out was that there should be more delegation of authority. He has even said that even in a country like the U.S., there is state control much more than the controls to which Shri Masani objects so much in our country.

My friend said that this legislation will stand in the way of industrial growth and in saying so he said that that compared to industries in other countries ours are pignies. It is a fact, we are pignies. I cannot deny it. I also agree with his argument that it is perhaps economical and in the interest of the consumer to have industries of very big size. I do not dispute it at all. But having an industry of a big size should not be confused with the monopoly which exists in our country. These are entirely two different things and have to be considered and a decision taken in the interest of the country. We should make efforts at having

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industries of big size which will be in the interest of the country; at the same time; we must see that that is not taken advantage of by monopolies and they should not be allowed to continue in our country.

At the same time, the problem with which we are faced is not so much of increase in the size of individual units but the proliferation of industrial and business activities by certain business groups over a very wide and diversified field so that these business groups are getting gradually a stranglehold on the economy as a whole. It is this aspect of size which operates through a wide range of interconnected undertakings, which is sought to be regulated and I feel that it is important to bear this distinction carefully in mind. I fully agree with Shri Masani when says that size and largeness is a relative term in so far as it applies to a particular undertaking or to a specific field of production. In our economy, however, it assumes very grave and serious implications when a few business houses gradually seek to take over control of most forms of industrial activity. This does not lead to increased competition, as Shri Masani has sought to emphasise, but to stifling of competition, and small and middle group entrepreneurs, whom we are anxious to encourage, have not found an adequate place in this scheme of things. The problem of monopolies is a problem faced by most developing economies, and I would remind my friend that both in the U.S. and in the U.K., anti-monopoly legislation has been a fact of life for quite some time. That being so, I do not know why he is unhappy that we have started taking notice of the existence of these monopolies and of preventing this evil being spread.

Then he quoted the dictionary meaning of monopoly and said there can

be no monopoly without an exclusive control over production or over sales. But are we going to consider this legislation from the point of view of how the word 'monopoly' is defined in the dictionary?

SHRI M. R. MASANI : Naturally.

SHRI F. A. AHMED : Has that meaning of monopoly been kept intact even in those countries where the definition of monopoly was given, in U. K., U.S.A. and so on? I do not know how the definition of the word is given in the dictionary in relevant for our purpose so far as this question is concerned. But he must remember that even in the U.K. it was decided that the 'conditions of anti-monopoly would apply with respect to supply and processing of goods when at least 1/3 of the all goods supplied or processed in the U. K. or in any substantial part of the U.K. were supplied or processed by or in any person or two or more persons being interconnected bodies incorporate'. This definition was intended to cover the dominant firm. I would advise him not to bother so much about the outrage on English language that may occur—after all, it is neither his language nor my own—but to try to understand the real concept behind the definition. The definition has perhaps not been taken bodily from the dictionary even in the laws which have been enacted in U. K. or U.S.

Then he raised the question of the Commission being merely on advisory body. There are two important functions which ought to be given in this Commission. One is the function with regard to restrictive trade practices. As regards this function, it is not an advisory body; it can take decisions which will be binding on the parties concerned.

On the question of monopoly, it is certainly an advisory body. But the advice which will be given by this Commission will be taken into account by Government and whatever decision taken by Government will be open to challenge in two forums: one is the Supreme Court and the other is this august House as the supervisory authority over Government. If anything goes wrong, they can easily discuss this matter and take appropriate action if anything wrong has been committed by Government. Hence I do not understand why he is so much frightened of this aspect of the advisory character of the Commission's function in certain matters.

SHRI M. R. MASANI: His record as a Minister is frightening.

SHRI F. A. AHMED: It is not. The aggrieved party has two forums, the Supreme Court and this august House as the supervisory authority, so far as the executive government is concerned.

SHRI M. R. MASANI: Question.

SHRI F. A. AHMED: In a matter of this nature, the advisory capacity of the Commission had to be kept because the policy is not sometimes known to the Commission; whether a particular thing is done in pursuance of a policy or not is a matter which has to be considered. So I do not think there is any justification for the hon. members either to be frightened because in certain respects the Commission has advisory capacity or should feel justified in attacking this advisory position of the Commission.

He finally talked about the consumer and said that he was a forgotten factor in this legislation. Once again he has sought to identify the interests of big

business with those of the vast body of people who have been ignored in the past. This Bill stands for competition and seeks to ensure it.

SHRI M. R. MASANI: Question.

SHRI F. A. AHMED: It certainly stands for the consumer who would benefit by that competition, it will ensure control over monopolies and restrictive practices and is designed to bring about the ends to which Shri Masani has paid lip-sympathy, but which have no place in the concept of big business expansion and control which is his sole criterion of economic policy.

What shall I say about Shri Asoka Mehta? When he was making his speech full of sound and fury, I was looking at Shri Masani who was sitting close to him and I could read from his smile 'that here is a boy who has done very well after the lesson which has been given to him'.

SHRI M. R. MASANI: I wish I could say that about the hon. Minister.

SHRI F. A. AHMED: I do not know if Shri Mehta saw it, but I could see the glee on the face of Shri Masani.

He criticised the plan; he criticised the approach of the provisions of the Bill. I am sorry he is not here. As for the plan, I think he had much more to do with planning than I or any other member of Government. For four years he was very closely associated—from 1963 onwards—with the Planning Commission, first as Deputy Chairman and then as Minister in charge of Planning. I was really amazed when he found nothing good in this Bill. He was taking objection after objection.

Before a Bill is introduced, it is placed before the Cabinet and the decision of



[Shri F. A. Ahmed]

Government is taken as a whole. I am sorry to say that not one objection to the draft I had placed before the Cabinet was taken by Shri Mehta when he was in Government, nor was I told by him at any time that he did not agree with such and such provisions of the Bill which was against the interest of the country. Now for him to come forward with these objections is really amazing. . . . .

SHRI M. R. MASANI : This only shows how your Cabinet functions.

SHRI F. A. AHMED : Why is he trying to defend him ?

SHRIMATI SHARDA MUKERJEE (Ratnagiri) : No minutes of Cabinet meetings are kept. How does he know ?

SHRI F. A. AHMED : I know it. What was considered to be good when he was with us, now he finds fault with everything.

SHRI BALRAJ MADHOK (South Delhi) : He will do the same thing tomorrow.

SHRI F. A. AHMED : So at least on this aspect, he should have spared us and not criticised us on something to which he himself was a party.

I would not like to deal with his personal remarks about me which are quite irrelevant and also about some other things, as he is not here. He shed sorrowful tears for the 'poor' big business entrepreneurs who have to satisfy Government that particular proposals by them would not lead further concentration of economic power. He said Government should be able to find this out by itself. My reply is that the basic purpose of the Commission is to have an independent authority to make an assessment of

whether a particular proposal falling within the purview of the Bill would or would not be detrimental to public interest. It would naturally be for the business groups to explain to the Commission to enable it to arrive at a suitable finding. If a decision was taken directly by Government on the proposal, big business's friends like Shri Masani and Shri Mehta would complain that Government was being dictatorial. What can be the complaint now when the evaluation and assessment is left to an independent body?

Then he talked about merger in U. K. and the trends towards bigger and bigger industrial groups for international competition. As I pointed out earlier, my basic objection is not to the increased size of a particular undertaking to a suitable optimum level so as to enable such units to compete in the export market. But it is essential that for the internal market the smaller entrepreneur is not crushed and stifled by the big private sector undertakings, which become bigger and bigger and expand in various diversified directions.

He also referred to the flow of industrial credit. I am not very clear on what he was trying to say but if his intention was that there should be a comprehensive credit plan and policy, I would agree with him.

Then he talked of upstream and downstream production. I do not know what his intention was. Presumably his intention is that the public sector should confine its attention to only basic industries which would be continually sniped and pressurised and that the private sector should be left to enjoy the cream by way of the more profitable downstream units. I do not agree with him and I hope that in the future industrial plan the role of the public sector will be extend-

ed to certain downstream production units also, to which Shri Mehta referred. He has sought to make out that by limited shareholding, nobody can have more than a small share of the votes in companies. This is such an over simplification that even my friend should have seen through it. Today when our industrial development is still in a transitional stage, the concentration of economic power in a few hands has certainly not been through more than 51 per cent control in each of the companies operated by the big business groups. Shareholding is only one of the diverse methods of exercising control as my friend, who has a good theoretical background, should have known.

Shri Mehta referred to Government functioning like Moghuls. I do not think any Member in this House would like any Government functioning like a Moghul. Certainly no Member would tolerate it. I can say this much that those are concepts which have no bearing on present-day concepts, and no Government can function as a Moghul, and particularly no Government in this country can function, as a Moghul. For everything we are watched here, we are criticised here, we are taken to task here. I do not know how in this atmosphere the hon. Member can think of the Government thinking like a Moghul.

SHRI PILOO MODY (Godhra) : He should have said Czar, not Moghul.

SHRI F. A. AHMED : I am very sorry that my hon. friend Shri Mody was not sitting by his side when he was making his speech. Perhaps he might have remembered.

Shri Kanwar Lal Gupta has raised the question of increase of monopolies since 1950. May I point out that so far as our country is concerned, the question

of increase of monopolies since 1950 cannot arise at all. What was the stage of industrial development in our country in 1950? In fact, we started our rapid economic development somewhere in 1954 or 1955. Therefore, after the development of industries, when this unfortunate feature became visible in our country, two commissions were appointed. One was the Mahalanobis Committee in 1960 and the other was the Monopolies Commission in 1964. That Commission made its recommendations in 1965. After that Commission made its recommendations, we have gone forward with a Bill which has been before Parliament for quite a few months, if not a year, and therefore I would only like to tell Shri Gupta that it is not a fact that Government slept over this question of the existence of monopolies. As soon as it became visible in our country, early steps were taken, and after the report was available to us, we have come at the earliest opportunity with a Bill in order to tackle this problem. Therefore, there is no substance in the allegation that Government encouraged monopolies and that they are guilty of this conduct.

श्री श्रीम प्रकाश त्यागी : भुवनेश्वर कांग्रेस में जवाहरलाल जी ने इसको अनुभव कर लिया था। उस समय से कांग्रेस गवर्नमेंट ने क्या किया है ?

श्री कज्जरीन शर्मा ग्रहभव : जो कुछ मैंने अभी बताया है उसमें इसका भी जवाब प्रा जाता है। पहले हमारे यहां इंडस्ट्री नहीं थी। असल में 1953 और 1954 में आई। 1960 में हमें पता चला कि कुछ खराब सूरतें नजर आ रही हैं। उसके बाद कमीशन बनाया गया। उस कमीशन ने इन्क्वायरी की। 1964 या 1965 में उस कमीशन की रिपोर्ट आई। उसके बाद यह बिल प्राया उन खराबियों को दूर करने के लिए जो नजर आ रही थी।

[Shri F. A. Ahmed]

I would not like to take much of the time of the House, but I would like to point out that I have so far sought to deal with some of the issue raised by the hon. friends who have opposed the fundamental features of this Bill, but there are friends like Shri Ram Sowak Yadav and Shri Sezhiyan who have welcomed the measure and felt that implementation would really determine its efficacy. The real day of judgment, according to them, perhaps would be the day when the Bill goes on the statute-book and its implementation starts. They can have my assurance that we will continuously review the working of this measure and take such steps as may be appropriate in the context of our economy, so that, without retarding economic growth or even slowing it down, we honour our pledge that neither restrictive practices nor concentration of economic power is allowed.

I would close by saying that this is a really new field of legislation and various ideas and suggestions to improve the detailed framework of this Bill would be considered after some months in the light of experience. What is, however, very necessary is that the monopolies Commission envisaged in the Bill be set up as early as possible so that the basic objectives of this legislation can be implemented with minimum delay. This is my appeal to the House that before we adjourn we should pass this legislation so that it may be possible for us to appoint a Commission which will undertake this task, and as experience is gathered, after we consider the report of the Licensing Committee, the Planning Commission's recommendations etc., if any further amendments are necessary which are in the interests of the country, for the common good of the people, we shall certainly come forward with those amendments, also taking into considera-

tion the suggestions that have been made by hon. Members.

With these words, I commend my motion for the acceptance of the House,

SHRI S. S. KOTHARI (Mand-saur): What would be the impact of this measure on the economic growth of the country ?

MR. DEPUTY-SPEAKER: This is only the first reason.

The question is :

"That the Bill to provide that the operation of the economic system does not result in the concentration of economic power to the common detriment, for the control of monopolies, for the prohibition of monopolistic and restrictive trade practices and for matters connected therewith or incidental thereto, as passed by Rajya Sabha, be taken into consideration."

*The motion was adopted.*

MR. DEPUTY-SPEAKER: The House will now take up consideration of clauses.

SHRI S. S. KOTHARI: I submitted some amendments this morning. Would you kindly permit them also to be moved?

MR. DEPUTY-SPEAKER: I think you have to give proper notice for that.

SHRI S. S. KOTHARI: May I submit that when the Banking Bill was in progress, the Minister was bringing about 10 or 20 amendments every day without notice.

SHRI PLOO MODY: There cannot be two laws, one for the Government and another for the other Members.

MR. DEPUTY-SPEAKER : I know only one law and that is that proper notice has to be given.

SHRI KANWAR LAL GUPTA : Under the rules you have discretion to allow the amendments.

MR. DEPUTY SPEAKER : I do not think the Speaker is guided by discretion in this matter. There are certain rules which this House has adopted.

SHRI PILOO MODY : In any case they are not going to accept any amendment. Why not allow them to be moved?

श्री एस० एम० जोशी (पुना) : प्राज जो क्लाजिज्ज आयेंगी उनके ऊपर अगर कोई एमेंडमेंट है तो उसको न लें । लेकिन कल जाने वाली क्लाजिज्ज पर अगर एमेंडमेंट्स प्राज दी गई है उनको तो लिये जाने की इजाजत प्राप दें । उनको तो प्राज सर्व्युलैट किया ही जा सकता है ।

MR. DEPUTY-SPEAKER : You have not allowed me even to complete my observation.

Now we take up clause by clause consideration of this Bill. Altogether four hours have been allotted for this purpose, but I find there is a formidable list of 488 amendments as against 66 clauses. As against clause 2, there are as many as 150 amendments. I would like to be guided by the House. We have got to finish in four hours.

SHRI N. K. SOMANI : We cannot, it is not possible.

SHRI PILOO MODY : If the legislation was not so imperfect, we could have finished in four hours.

MR. DEPUTY-SPEAKER : This House had agreed to the recommendation of the Business Advisory Committee

in which four hours have been recommended. If the question is to be reopened, it is for the House. As far as I am concerned, four hours have been allotted. I would like to be guided in this matter. Would it help if we ration out the time like this? I would suggest that we devote 45 minutes to clause 2 and the amendments thereto, and the rest, that is, three hours and 15 minutes for the rest of the clauses and the amendments.

SOME HON. MEMBERS : Yes.

MR. DEPUTY-SPEAKER : I will now ask Members who have tabled their amendments whether they are moving them or not. Shri Yashpal Singh—absent.

**Clause 2—(Definitions)**

SHRI S. R. DAMANI (Sholapur) : I beg to move :

Page 2, lines 11 and 12,—

for "in India or any substantial part thereof"

substitute—

"in any part of India" (13)

Page 2, lines 14 and 15,—

for "in India or any substantial part thereof"

substitute—

"in any part of India" (14)

Page 5, lines 7 and 8,—

for "in India or any substantial part thereof"

substitute

"in any part of India" (15)

[Shri S.R. Damani]

Page 5, lines 10 and 11,—

for “in India or any substantial part thereof”

substitute—

“in any part of India” (16)

Page 7,—

omit lines 8 and 9. (17)

SHRI M.R. MASANI : I beg to move :

Pages 2 and 3,—

for lines 7 to 48 and 1 to 18 respectively substitute—

(d) “dominant undertaking” means an undertaking which either by itself or along with inter-connected undertakings,—

(i) produces, supplies or distributes not less than one half of the total goods of any description that are produced, supplied or distributed in India or any substantial part thereof, or

(ii) provides not less than one half of any services that are rendered in India or any substantial part thereof.

*Explanation I.*—Where not less than one-half of the production, supply or distribution of any goods or the provision of any service is shared by inter-connected undertakings, each such undertaking shall be deemed, for the purposes of this Act, to be a dominant undertaking, provided that the share of each such undertaking is not less than fifteen per cent. of the total goods produced, supplied or distributed or of the services rendered, in India or any substantial part thereof.

*Explanation II.*—Where any goods of any description are the subject of

different forms of production, supply or distribution every reference in this Act to such goods shall be construed as reference to any of those forms of production, supply or distribution, whether taken separately or together or in such groups as may be prescribed.

*Explanation III.*—Any undertaking which, either by itself or along with interconnected undertakings, produces, supplies or distributes one-half of any goods or provides one-half of any services according to any of the following criteria namely, value, cost, price, quantity or capacity, of the goods or services or the number of workers employed for the production, supply or distribution of such goods or for the rendering of such services, shall be deemed to be a dominant undertaking.

*Explanation IV.*—In determining the question as to whether an undertaking is or is not a dominant undertaking, regard shall be had to—

(i) the lowest production made, or services rendered, by the undertaking concerned during the relevant year, and

(ii) the figures published by the Central Government with regard to the total production made or services rendered in India or any substantial part thereof during the relevant year.

*Explanation V.*—For the purposes of Explanation IV, production includes supply or distribution of goods.

*Explanation VI.*—For the purposes of this clause, relevant year means any one year out of three calendar years immediately preceding the preceding calendar year in which the question whether an undertaking is or is not a dominant undertaking is determined.

*Explanation VII.*—No undertaking shall be a dominant undertaking unless its share has been one-half or more of the goods produced, supplied or distributed or services rendered, in India or any substantial part thereof, for at least a continuous period of three calendar years immediately preceding the year in which the question arises. (28).

Page 3,—

for lines 30 to 38, *substitute*—

“(iii) where the undertakings are owned by bodies corporate, if they are under the same management within the meaning of section 370 of the Companies Act, 1956.” (30).

Page 4,—

*omit* lines 7 to 32 (31).

Page 5,—

for lines 1 to 47, *substitute*—

(j)—“monopolistic undertaking” means—

(i) an undertaking which produces, supplies or distributes not less than three-fourths of the total goods of any description that are produced, supplied or distributed in India or any substantial part thereof, or provides not less than three-fourths of the services that are rendered in India or any substantial part thereof, or

(ii) an undertaking which, together with not more than two other independent undertakings, produces, supplies or distributes the total amount of goods of any description that are produced, supplied or

distributed in India or any substantial part thereof, or provides the total amount of services that are rendered in India or any substantial part thereof.

*Explanation I.*—Any undertaking which by itself produces, supplies or distributes three-fourths of any goods, or provides three-fourths of any services or any undertaking which, together with not more than two other independent undertakings, produces, supplies or distributes the total amount of any goods, or provides the total amount of any services, according to any one of the following criteria, namely, value, cost, price, quantity or capacity, of the goods or services or the number of workers employed for the production, supply or distribution of such goods, or for the rendering of such services, shall be deemed to be a monopolistic undertaking.

*Explanation II.*—In determining the question as to whether an undertaking is or is not a monopolistic undertaking, regard shall be had to—

(i) the lowest production made, or services rendered by the undertaking concerned during the relevant year, and

(ii) the figures published by the Central Government with regard to the total production made or services rendered in India or any substantial part thereof during the relevant year.

*Explanation III.*—For the purposes of Explanation II, production includes supply or distribution of goods.

*Explanation IV.*—For the purposes of this clause, relevant year means any one year out of three calendar years immediately preceding the preceding

calendar year in which the question whether an undertaking is or is not a monopolistic undertaking is determined.

*Explanation V.*—No undertaking shall be a monopolistic undertaking unless its share has been not less than either three-fourth of the total amount as the case may be, of the goods produced, supplied or distributed or services rendered in India or any substantial part thereof, for at least a continuous period of three calendar years immediately preceding the year in which the question arises. (32).

Page 7,—

for lines 13 to 16, *substitute*—

(w) “value of assets”, in relation to an undertaking means the value of its assets as shown in its books of account on the last day of its financial year after making provision for depreciation, for renewals and for current liabilities and provisions : (33).

SHRI SHIVA CHANDRA JHA :  
I beg to move :

Page 2, line 10,—

for “one-third” *substitute* “one-fourth” (56).

Page 2, lines 13 and 14,—

for “one-third” *substitute* “one-fourth” (57).

Page 2, line 27,—

for “one-third” *substitute* “one-fourth” (58).

Page 2, line 42,—

for “one-third” *substitute* “one-fourth” (59).

Page 2, line 45,—

after “control” *insert* “quality” (60).

Page 3, line 37,—

after “control” *insert* “or influence” (61).

Page 3, line 42,—

for “fifty” *substitute* “twenty-five” (62).

Page 4, line 1,—

after “control” *insert* “or influence” (63).

Page 4, line 7,—

after “controlled” *insert* “or influenced” (64).

Page 4, line 24,—

after “control” *insert* “or influence” (65).

Page 4, line 27,—

after “control” *insert* “or influence” (66).

Page 4, line 31,—

after “control” *insert* “or influence” (67).

Page 4, line 38,—

after “distribution” *insert* “or quality” (68).

Page 5, line 6,—

for “one-half” *substitute* “one-third” (69).

Page 5, line 10,—

for “one-half” *substitute* “one-third” (70).

Page 5, line 25,—

for “one-half” *substitute* “one-third” (71).

- 441 *Monopolies and Restrictive* AGRAHAYANA 26, 1891 (*Saka Trade Practices* 442 *Bill*)
- Page 5, line 26,—  
for “one-half” substitute one-third” (72).
- Page 5, lines 27 and 28,—  
after “quantity” insert, “quality” (73).
- Page 5, line 44,—  
for “threo” substitute—  
“two” (75).
- Page 6, line 35,—  
after “news” insert “or views” (76).
- SHRI BAL RAJ MADHOK : I beg to move:—
- Page 2, line 7,—  
after “undertaking” insert—  
“whether owned by a private individual or corporation or by the State either directly or through a corporation set up by it” (163).
- SHRI N. DANDEKER : I beg to move :—
- Page 3,—  
for lines 19 to 21, substitute—  
(c) “goods” means such goods as serve a common end-use and a common category of consumers and—  
(i) includes such goods produced in India, and in relation to any such goods supplied or distributed in India, also includes goods imported into India; but  
(ii) shall not include intermediate products manufactured by an undertaking which are not sold but used in the manufacture of final products for sale, supply or distribution in India (182).
- Page 3, line 29,—  
after “partners” insert—  
“owning not less than fifty per cent, share in each such firm” (183).
- Page 3, line 41,—  
after “firm” insert—  
“owning singly or, as the case may be, jointly not less than fifty per cent, share in the firm” (184).
- Page 3, line 42,—  
for “indirectly” substitute—  
“through one or more relatives” (185).
- Page 4, line 1,—  
omit “, directly or indirectly” (186).
- Page 4, lines 5,—  
after “managoment” insert—  
“as the first mentioned body corporate” (187).
- Page 4, line 35,—  
omit “, or is likely to have,” (188).
- Page 4, lines 39 and 40,—  
omit “or in any other manner” (189).
- Page 4, lines 45 to 47,—  
omit “or allowing the quality of any goods produced, supplied or distributed, or any service rendered, in India to deteriorate” (190).
- Page 6, line 14,—  
omit “, or may have” (191).



- [Shri N. Dandeker]
- Page 6, line 16,—  
*for* “tends to obstruct” *substitute*—  
 “obstructs” (192).
- Page 6, line 18,—  
*for* “tends to bring” *substitute*—  
 “brings” (193).
- Page 6,—  
*for* lines 35 to 37, *substitute*—  
 “but does not include the rendering of any service free of charge or under a contract or arrangement of personal or professional service;” (199).
- Page 6, line 38,—  
*omit* “profession” (200).  
 SHRI LOBO PRABHU: I beg to move:—
- Page 2, line 10,—  
*for* “one-third” *substitute*—  
 “one-half” (226).
- Page 2, lines 13 and 14,—  
*for* “one-third” *substitute*—  
 “one-half” (227).
- Page 3, line 27,—  
*for* “controls” *substitute*—  
 “employs” (228).
- Page 3, line 29,—  
*add* at the end—  
 “each with shares exceeding ten per cent” (229).
- Page 3,—  
*omit* lines 37 and 38 (230).
- Page 4,—  
*omit* lines 1 and 2 (231).
- Page 4,—  
*omit* lines 9 to 32 (232).  
 SHRI OM PRAKASH TYAGI: I beg to move:
- Page 3,—  
*omit* lines 22 and 23 (246).
- Page 4, line 36,—  
*for* “maintaining” *substitute*—  
 “manipulating” (247).
- Page 4, line 41,—  
*for* “unreasonable” *substitute*—  
 “intentionally” (248).
- Page 5, line 4,—  
*for* “independent” *substitute*—  
 “inter-connected” (249).
- Page 5, line 8,—  
*for* “India” *substitute*—  
 “Bharat (India)” (250).
- Page 5, line 10,—  
*for* “India” *substitute*—  
 “Bharat (India)” (251).
- Page 5, line 15,—  
*after* “is” *insert*—  
 “not” (252).
- Page 5, line 16,—  
*for* “with” *substitute*—  
 “without” (253).
- SHRI KANWAR LAL GUPTA  
 I beg to move:
- Page 2, line 9,—  
*omit* “or otherwise controls” (313).
- Page 2, line 13,—  
*omit* “or otherwise controls” (314)

- Page 3, line 29,—  
*add at the end—*  
 “owning not less than one-third share in each such firm” (315).
- Page 3, lines 42 and 43,—  
*for* “, directly or indirectly, not less than fifty per cent.”  
*substitute—*  
 “not less than thirty three and one-third per cent” (317).
- Page 4, line 39,—  
*after* “other” *insert—*  
 “unreasonable” (319).
- Page 5, line 6.—  
*for* “one-half” *substitute—*  
 “forty per cent” (320).
- Page 5, line 10,—  
*for* “one-half” *substitute*  
 “thirty three and one-third per cent”. (321).
- Page 5, line 25—  
*for* “one-half” *substitute—*  
 “thirty-three and one-third per cent” (322).
- Page 5, line 26,—  
*for* “one-half” *substitute—*  
 “thirty-three and one-third per cent” (323).
- Page 6, line 15,—  
*after* “any” *insert—*  
 “unreasonable” (324).
- SHRI BENI SHANKER SHARMA:  
 I beg to move:
- Page 2, lines 7 and 8,—  
*omit* “either by itself or along with inter-connected undertakings”(380).
- Page 2, line 10,—  
*for* “not less than one-third” *substitute* “more than one-half” (381).
- Page. 2, lines 13 and 14,—  
*for* “not less than one-third” *substitute* “more than one-half” 382).
- Page 2, lines 14 and 15,—  
*omit* “or any substantial part thereof” (383).
- Page 2,—  
*omit* lines 16 to 26 (384).
- Page 2, line 27,—  
*for* “not less than one-third” *substitute—*“more than one-half” (385).
- Page 3, line 28,—  
*for* “one or more” *substitute* “half or more” (387).
- Page 5, line 6,—  
*for* “one-half” *substitute* “three-fourth” (388).
- Page 5, line 10,—  
*for* “one-half” *substitute* “three-fourth” (389).
- Page 5, line 25,—  
*for* “one-half” *substitute* “three-fourth” (390).
- Page 5, line 26,—  
*for* “one-half” *substitute* “three-fourth” (391).
- Page 7, lines 14 and 15, —  
*for* “after making provision for” *substitute* “after taking into consideration” (392).

[Shri Beni Shanker Sharma]

Page 7, line 15,—

after “depreciation” insert “as allowable under the Income Tax Act, 1961” (393).

SHRI HIMATSINGKA: I beg to move:

Page 4,—

for lines 9 to 32 substitute—

“(vii) where one undertaking is owned by a Hindu undivided family and the other is owned by a firm, if any member of such undivided family is a partner of such firm,

(viii) where one undertaking is owned by a Hindu undivided family and the other is owned by a body corporate, if any member of such undivided family—

(a) holds not less than fifty per cent of the shares, whether preference or equity, of the body corporate, or

(b) exercises control, directly or indirectly, whether as director or otherwise, over the body corporate” (416).

SHRI SEZHIYAN: I beg to move.

Page 5,—

for lines 3 to 11, substitute—

“(i) an undertaking which—

(a) produces, supplies, distributes or otherwise controls not less than one-sixth of the total goods of any description that are produced, supplied or distributed in India or any substantial part thereof, or

(b) provides or otherwise controls not less than one-sixth of the services that are rendered in India or any substantial part thereof,” (453).

Page 5,—

for lines 23 to 26, substitute—

“Explanation I. Any undertaking which produces, supplies, distributes or controls one-sixth of any goods or provides or controls one-sixth of any services according to.” (454).

SHRI N.K. SOMANI: I beg to move:

Page 2, lines 11 and 12,—

omit “or any substantial part thereof,” (477)

SHRI SEZHIYAN: Regarding clause 2, we have got as many as 25 sub-clauses in that clause 2. If we make so many observations on different aspects of the clause, it will be very difficult for the Minister to reply. So, I suggest that we go sub-clause by sub-clause in clause 2, so that he can reply and in the end, it can be put to vote.

MR. DEPUTY-SPEAKER: Shri Dandeker.

SHRI N. DANDEKER: Mr. Deputy-Speaker, Sir, I will try my best and run through as fast as I can to finish what I have got to say on my amendments. First of all, my amendment No. 28 is concerned with the definition of dominant undertaking. The definition given, for a dominant undertaking, in the Bill is a ridiculous one, because it is concerned with two or three important things which I would like to mention at the moment. First, a dominant undertaking is one “which by itself or along with inter-connected undertakings” deals with not less than one-third of the total goods. That is

ridiculously small, because, the further part of the definition says everyone of these undertakings, which then becomes a dominant undertaking. So, the first objective of the amendment that I have here is to enhance the requirement from one-third to one-half.

The second point is this. It is much too sweeping, in meaningless terms like "produces, supplies, distributes or otherwise controls". Now, in the amended definition that I have given, I believe a decision is very important in matters like this—the expression "otherwise controls" has been deleted.

Thirdly, there is a pretence—whether this is a pretence or just what the idea is, I cannot understand—in this clause. A dominant undertaking is one which along with any two others is responsible for one-third, according to this definition and one-half according to mine, of the total production, distribution or supply of goods and it excludes certain items. If I have a chain of small undertakings, together constituting one-third or one-half, as I have suggested, then that chain of small undertakings is to be excluded. It seems to me a meaningless exclusion. It is much better that a dominant undertaking along with its inter-connected undertakings should be something that controls 50 per cent of the production, goods, supply and services regardless of whether one of these units happens to be a small-sized unit or a large-sized unit. I hope the Minister will see the point of it, because, if you go about exempting things, what will happen? As it is, the proviso says:

"Provided that for the purposes of this clause, the goods produced by an undertaking which does not employ—"

An exemption of that kind will completely kill the objective of the main definition. I can say many more things

about the definitions which I have suggested, but I shall leave it at that for want of time.

The next point is about amendment 182; this amendment is concerned with the definition of the word 'goods'. The definition in the Bill is an utterly meaningless one. It says, that "'goods' includes goods produced in India, and, in relation to any goods supplied, distributed or controlled in India, also includes goods imported into India." It is nonsensical. What are the goods that are to be included in the definition is not specified. Therefore, my amendment No. 182 seeks to clarify the definition of goods as follows:

"'Goods' means such goods as serve a common end-use and a common category of consumers and—"

For example, there is cement or cloth. In other words, the goods are specified. "'Goods' means such goods as serve a common end-use and a common category of consumers and then, "includes such goods produced in India, and in relation to any such goods, supplied or distributed in India, also includes goods imported into India;" I have added that they "shall not include intermediate products manufactured by an undertaking" etc. That is, ". . . which are not sold but used in the manufacture of final products for sale, supply or distribution in India." Unless that exclusion is put in there, it is going to be utterly confusing. For instance, there is the intermediate item of yarn that is produced by a spinning and weaving company. So, unless this kind of exclusion is specifically put, namely, "shall not include intermediate products manufactured by an undertaking which are not sold but used in the manufacture of final products for sale, supply and distribution in India;" unless we have this, the whole provision is going to be utterly confusing.

[Shri N. Dandekar]

The third amendment on which I would like to say a few words is about amendment No. 183. Amendment No. 183 is concerned with this lawful definition of "inter connected undertakings."

One of the characteristics of an inter-connected undertaking, among the various ways in which they can be inter-connected, is:—

"where the undertakings are owned by firms, if such firms have one or more common partners,"

That means, 1 per cent partnership would make them inter-connected. There must be some sense in this business of firms being regarded as inter-connected if they have common partners and my suggestion is that the common partners should be owning not less than 50 per cent share in each such firm. In other words, if there is a partner here, who is a substantial partner and is also a substantial partner in another firm, it is quite understandable that those two firms should be regarded as inter-connected; but if there is a partner here with 30 per cent share in one firm and owns 1 per cent share in another firm then to regard those firms as inter-connected firms is just complete nonsense.

My amendment No. 30 is again connected with this question of inter-connected undertakings. It is concerned with this long rigmarole which is here in sub-clause (g)(iii), namely,—

"where the undertakings are owned by bodies corporate,—  
if one manages the other, or  
if one is a subsidiary of the other, or  
if they are under the same management....

if one exercises control over the other in any other manner,".

I suggest that the simplest way of expressing this is:—

"where the undertakings are owned by bodies corporate, if they under the same management within the meaning of section 370 of the Companies Act, 1956,".

If that is done, that, in my judgment makes the thing sensible.

15.52 Hrs.

[SHRI K. N. TIWARY] *in the chair*

The next series of my amendment is amendments Nos. 184 and 185. Again, it is a question of inter-connection as between firms. Amendment No. 184 is concerned with the qualification, namely,—

"where one undertaking is owned, by a body corporate and the other is owned by a firm, if one or more partners of the firm,—hold, directly or indirectly, not less than fifty per cent. of the shares".

That means, if a partner of a firm owning 1 per cent of the shares in the partnership is owning a given number of shares in the company, the company and the firm would be regarded as inter-connected. My submission is that he must be a substantial shareholder in both cases. Therefore I am saying:—

"owning singly or, as the case may be, jointly not less than fifty per cent. share in the firm".

Then it would make sense to make that firm and the company inter-connected undertakings.

Then, I am suggesting an important change through amendment No. 185. Here it says:—

“hold, directly or indirectly, not less than fifty per cent. of the shares, whether preference or equity, of the body corporate”

It is a meaningless proposition when it says “directly or indirectly”. It should say, “directly or through one or more relatives”. Expressions and words not defined in this Act have the meanings assigned to them in the Companies Act and in the Companies Act there is a clear definition of “relatives”. Therefore my suggestion is that the words, “hold, directly or indirectly” should be substituted by the words, “hold, directly or through one or more relatives”.

Coming to amendment No. 186, as it is, it is worse than the one I previously referred to. It says:—

“exercise control, directly or indirectly, whether as director or otherwise, over the body corporate”.

My suggestion is that it should read omitting the words, “directly or indirectly”. Then you get some sense and it will read:—

“exercise control, whether as director or otherwise, over the body corporate”.

Then, I come to amendment No. 187. There is some lacuna in this. It says:—

“if one is owned by a body corporate and the other is owned by a firm having bodies corporate as its partners, if such bodies corporate are under the same management within the meaning of the said section 370”.

There is something missing here. The word “same” has to be followed by some such words as “something else”. I take it, what is intended is “as the first mentioned body corporate”. Then the thing will make some sense.

If it reads:—

“if one is owned by a body corporate and the other is owned by a firm having bodies corporate as its partners, if such bodies corporate are under the same management within the meaning of the said section 370, as the first mentioned body corporate”,

it does make some sense; otherwise it is just a meaningless thing. It hangs in the air and it took quite some time for me to find out what on earth it is. Therefore, this amendment is to improve or rather to get the meaning more precise.

Then, through my amendment No. 31 I have suggested the complete omission of paragraphs (vi) and (vii) in the definition of inter-connected undertakings. Paragraph (vi) says:—

“if the undertakings are owned or controlled by the same person or group of persons,”

What on earth does this mean? What does it say in addition to all that has been said before? Everyone of the examples given up to paragraph (v) are examples of the kind of inter-connected cases, like A shall be deemed to be inter-connected with B if this is that and so on. So, this must be omitted, because it is meaningless. The previous paragraphs have been dealing with all this and have specified and clarified all this.

[Shri N. Dandekar]

16 hrs.

Paragraph (vii) must also be omitted because it is the most fantastic proposition that is there in regard to inter-connected companies. Suppose, partner D of No. 1 firm having 1 per cent. partnership is a 1 per cent. partner in No. 2 firm and, suppose, the fourth partner in that firm is 1 per cent. partner in No. 3 firm *ad infinitum*, then you will probably get every firm in Bombay and Calcutta as inter-connected firms merely because one particular partner of one firm, with whatever small share, becomes a partner or is a partner of another firm with whatever small share and so on. Therefore this has to be omitted.

Then, I seek to omit through amendments Nos. 188, 189 and 190, a whole heap of completely vague propositions in the definition of "monopolistic trade practice". It says:—

"monopolistic trade practice means" a trade practice which has,—

that is understandable—

"or is likely to have, the effect of, —".

How on earth is anybody to do this sort of crystal gazing that something is likely to have a particular effect? It may be a different opinion if he is drunk from the opinion that he may express if he is sober. It is just a question of crystal gazing for him to say that it is likely to have a particular effect. So I am suggesting that the words 'or is likely to have' be deleted. Similarly, in amendment 189 there is a further definition which is effective—now mark the words—"maintaining prices at an unreasonable level by limiting, reducing or otherwise controlling the production, supply or distribution of goods of any description or the supply of any services or in any other manner".

I have been long enough in all walks of life to be able to interpret this thing. 'Monopolistic trade practice' is defined as a 'practice which has, or is likely to have the effect of maintaining ..... limiting etc. production, supply or distribution of any goods of any description or the supply of any services or in any other manner'. I am appealing that there must be some sense in drafting. I am deliberately emphasizing this thing. We are not changing any amendments. But for heaven's sake let us have simple understandable English. This is what I am endeavouring to do. So I have suggested 'or in any other manner' be deleted.

Then there is another curious thing. 'Monopolistic trade practice' may be 'limiting technical development'. I have come across cases in the U.K. Monopoly Commission's report 'Monopolistic trade practice' means:

"limiting technical development or capital investment to the common detriment or allowing the quality of any goods produced, supplied or distributed or any service rendered, in India to, deteriorate"

What is the Minister talking about? He is talking about monopolists maintaining prices at an unreasonable level and have quantitative restrictions and thus allowing goods to deteriorate. Does he want the people to die? I really do not understand the meaning of this thing. Therefore, I have suggested that this should be deleted.

श्री यशपाल सिंह (देहरादून) : सभापति महोदय, मुझे एक निवेदन करना है। मेरी एब्सेस में कमेटी की मीटिंग चल रही थी, मैं उसमें व्यस्त था, इस लिये क्लाज 2 पर मैं अपनी प्रमेण्डमेंट्स मूव नहीं कर सका। कृपा कर

मुझे आजा दीजिये कि मैं अपनी अमेण्डमेंट्स मूव कर सकूँ ।

सभापति महोदय : ठीक है, मूव कर दीजिये ।

SHRI YASHPAL SINGH : I beg to move

Page 3 —

for lines 14 to 18, substitute—  
*‘Explanation VI.—For the purposes of this clause, “relevant year” means financial year;’* (2)

Page 4, line 41 —

omit “unreasonably” (5)

page 5, line 3, and 4 —

omit “together with not more than two other independent undertakings,” (6)

SHRI N. DANDEKER: I have been talking about ‘monopolistic trade practice’. On the definition of monopolistic undertaking, my friend will make a few observations. So I will continue with the rest, namely, amendments 191, 192 onwards.

*Amendment 191*—This is again crystal gazing about ‘or may have’. ‘Restrictive trade practice’ means a trade practice which has, or may have, the effect of preventing, distorting or restricting competition in any manner and in particular.... What is the meaning ‘may have the effect of’? That is crystal gaze again. Are we to go to an astrologer and ask whether this will be the likely effect? It does not seem to have any effect.

Then it goes on saying:

“Which tends to obstruct the flow of capital or resources into the stream of production”

M/P(D)4LSS-4(a)

It says that it obstructs the flow of capital or resources into the stream of production. That is understandable. ‘Which tends to obstruct’—for that I have suggested ‘which obstructs’. In the next amendment for ‘which tends to bring about’. I am saying ‘which brings about’. ‘Which tends to bring about’ does not make any sense at all.

Then I take up the definition of ‘trade practice’. This is really crazy. ‘Trade practice’ means any practice relating to the carrying on of any trade—that is understandable. Then it says:

‘and includes—

(i) anything done by any person which controls or affects the price charged by, or the method of trading of, any ‘trader or any class of traders’.

It is understandable. Then (ii) says: “a single or isolated action of any person in relation to any trade”.

It need not be anything done by the monopolist or it need not be anything done by the restricted trader. It need not be done by the dominant undertaking or inter-connected undertaking. It may be a single isolated action of any person in relation to any trade. I thought that the meaning of ‘trade practice’ was reasonably well-understood. Certainly the meaning of ‘trade practice’ in trade, business, industry, commerce and banking is well-understood. According to the present definition ‘trade practice’ includes even an isolated thing done by any person in relation to trade of any particular company. I must confess that I am defeated on this question of language. I am trying to improve this by my amendment.



[Shri N. Dandekar]

Finally I come to amendment No 33—definition of 'value of assets' on which I do not think I have very much to say. My definition of 'value of assets' is:

“‘value of assets’, in relation to an undertaking, means the value of its assets as shown in its books of account on the last day of its financial year after making provision for depreciation, for renewals and for current liabilities and provisions”.

The members are only thinking of assets. The whole of the discussion in this House not only in relation to this matter but in relation to a number of other matters also raked up all these disputes of this business house and that business house. Somebody says that so and so's assets have increased by 30 per cent. All the time the emphasis has been on assets. These things do not depend on assets. It works on the net assets. The definition of 'value of assets' as given in the Bill is totally wrong and need to be replaced by the definition I have given in amendment No. 33.

SHRI S. R. DAMANI (Sholapur) : My amendments Nos. 13, 14 and 16 are regarding deletion of 'in India or any substantial part thereof' in sub-clause (d) of Clause 2. In this connection I have to submit that for these words 'in India or any substantial part thereof' if we substitute 'in any part of India', it will be all right and the meaning is quite clear. The addition of this phrase 'or any substantial part thereof' will create unnecessary disputes regarding interpretation. Therefore, I suggest that in order to remove the ambiguity, in order to make it clear in interpretation, I suggest that simple 'words in any part of India' will serve the purpose.

My second amendment is amendment No. 17 about 'trade practice'. 'Trade practice' includes a single or isolated action of any person in relation to any trade. This I want to be deleted because 'trade practice' is one thing and mention of 'isolated action' will bring many difficulties and may create legal and other difficulties. Therefore, 'trade practice' according to the dictionary meaning is also 'a habitual action for carrying on trade of habit or repeated exercises, etc.'.

The word 'isolated action' will only confuse and will make way for more litigations. I would submit that if it is removed, it would be better in the matter of exercise of law by the courts. That is why I would like to press for the acceptance of my amendments.

सभापति महोदय : डांडेकर बोल चुके हैं लेकिन उन संशोधनों में इनका नाम भी है इसलिए इनको बुलाया है। दामानी साहब को जाना था इसलिए उनको पहले बुला लिया था।

श्री शिव चन्द्र झा : श्री डांडेकर तो बोल चुके हैं।.....(व्यवधान)...

श्री स० मो० बेनर्जी : क्लॉज 2 पर हमारे भी प्रमेन्डमेन्ट्स हैं इसलिए हमको भी बोलने का मौका दिया जाये।

SHRI D. N. PATODIA : I would like to confine myself to certain observations on Amendment No. 32 which deals with the definition of 'Monopolistic Undertakings'. First, let me quote what has been given in the Bill. It says :

“ Monopolistic undertaking means—

- (i) a dominant undertaking, or
- (ii) an undertaking which, together with not more than 2 other independent undertakings produces, supplies,

[Shri D. N. Patodia]

distributes or otherwise controls not less than one-half of the goods of any description that are produced, supplied or distributed in India or any substantial part thereof."

This definition is not only confusing but is also defective. For the sake of illustration, suppose there is one company which produces 48 per cent of the goods. There is another company which produces 1·1/2 per cent of the goods. There is a third company which produces 1 per cent of the goods. These companies put together would by this calculation be producing over 50 per cent although one of them is producing only 1 per cent. But as per the definition in the Bill all these can be together in such a manner that a company producing less than 1 per cent, would also be considered as a monopolistic company. It is necessary that substantial improvement is made in respect of this definition. Otherwise it would be misleading if such a company in India were to be termed as a monopolistic undertaking.

Then the second part of the definition says :

"provides or otherwise controls not less than one-half of the services that are rendered in India or any substantial part thereof".

It again becomes very confusing if we proceed as per the definition given in the Bill. For the sake of illustration I would like to say this. In the year 1968 company A produces 50,000 units as against the all India production of 1 lakh, 20 thousands. The company is not a monopolistic company because total production of 50,000 is less than 50 per cent of the total all India figure

of 1 lakh 20 thousand. In 1969, for various reasons like recession and many other factors all India production figure falls from 1 lakh 20 thousand to 80,000. The production of A company falls from 50,000 to 40,000. In this case although production of A falls from 50,000 to 40,000 in view of the fact that other companies in India have reduced the production, this poor fellow will be considered as a monopolistic undertaking because of 50 per cent production of all India figure. Therefore, this point can be taken care of by providing that this 50 per cent has got to be of the All India total production or of the installed capacity whichever is higher. Unless the definition is improved in this manner, it will be confusing and difficult of operation. This Bill deals with defining monopolistic undertakings which produce not less than one-half of the goods produced in India. But, Sir, we are passing through a stage where we need more and more of production. We need more and more of efficiency. We should see that more and more production takes place, that it reaches the consumer quickly, and is available at cheaper prices. Are we going to achieve all this by such measures which will hamper production? Or, shall we achieve these results by encouraging production? Even if you are going to define a company as a monopolistic company, it has got to be defined only in the event of that company producing not less than 75 per cent of the all India production. Therefore we have suggested the amendments in this behalf, saying :

"monopolistic undertaking means . . .

(i) an undertaking which produces supplies or distributes not less than three fourths of the total goods of any description that are produced, supplied or distributed in India."

[Shri D. N. Patodia]

We have suggested that it should be three-fourths of the all India production. Secondly, it has been suggested that production should not be calculated on the basis of one particular year's production. It should be the average of three years' production. Unless we do that we will not be able to arrive at a correct proposition. It has been suggested that no undertaking shall be a monopolistic undertaking unless its share has been not less than three fourths of the total amount. By accepting this amendment, we can take care to see that smaller companies producing 1 or 2 or 3 or 5 per cent do not come under the definition to be construed as a monopolistic undertaking. With these words, I request the Minister to accept this amendment.

**श्री देवेन सेन (आसनसोल) :** मेरा 43 नवम्बर का संशोधन यह है कि पेज 4, लाइन 41 के शब्द "अनरीजनेबली" को हटा दिया जाये। यह मेरा पहला संशोधन है। मैं समझता हूँ कि शब्द "अनरीजनेबली" रहने से झगड़ा बढ़ जायेगा। कौन निश्चित करेगा कि यह रीजनेबिल होगा या अनरीजनेबल होगा। कम्पीटीशन रीजनेबल है या अनरीजनेबल है, इसको विचार करने वाला कौन होगा ? बिल जो है इसमें स्पष्ट किया गया है :

Prohibition of Monopolistic and restrictive trade practices.

अगर यह है तो "अनरीजनेबली" वर्ड एड करके मानोपोलीस्ट्स को ज्यादा फायदा दिया जा रहा है। इसलिये मैं चाहता हूँ कि इस "अनरीजनेबल" शब्द को हटा दिया जाए।

दूसरा अमंडमेंट है 45 नं० का कि पेज 5, लाइन 6 में जहाँ पर "टोटल गुड्स का आधा" लिखा हुआ है उस की जगह पर "एक तिहाई" कर दिया जाये।

इस के बाद जो मेरा अमंडमेंट नं० 46 का है उस में यह है कि जहाँ पर "आधा" लिखा हुआ है,

उस की जगह पर "एक तिहाई" कर दिया जाये।

मेरे यही संशोधन इस क्लॉज के ऊपर हैं।

**श्री शिवचन्द्र झा :** सभापति महोदय, क्लॉज 2 पर मेरे 21 संशोधन हैं। उन में से जो पहले चार संशोधन 56 से 59 तक हैं उन के सम्बन्ध में मैं पहले कहना चाहता हूँ। बाकी पर बाद में बोलूंगा।

56 से लेकर के 59 तक जो चार संशोधन हैं उन में पहला यह है कि पेज 2, लाइन 10 में एक तिहाई के बजाय एक चौथाई कर दिया जाये। अगर एक तिहाई रखा जाता है तो मोनोपोली नाम की चीज ही नहीं रहेगी। इस तरह से मोनोपोली कहीं रहेगी ही नहीं अगर डिक्शनरी में इस शब्द को देखा जाये। मोनोपोली की परिभाषा दूसरी है, कंट्रोल करने का तरीका दूसरा है। जो अन्डरटेकिंग्स एक तिहाई प्रोड्यूस करती है अगर वह एक चौथाई भी प्रोड्यूस करती है तो मार्केट को कंट्रोल करने के लिए काफी हो जाता है। अगर आप मोनोपोली को कंट्रोल करना चाहते हैं तो जरा तरीके से कीजिये, सिर्फ लिप-सर्विस के तरीके से नहीं। इस लिये जहाँ आप कहते हैं कि प्रोड्यूसर, सप्लायर, डिस्ट्रिब्यूटर्स और अवरवाइज कंट्रोल्स नाट लेस वन थर्ड वहाँ वन फोर्थ कर दिया जाये।

मेरा 60 नं० का अमंडमेंट एक्सप्लेनेशन 3 के सम्बन्ध में है।

**सभापति महोदय :** अब आप समाप्त कीजिये।

**श्री शिव चन्द्र झा :** सभापति महोदय, आप जरा ढंग से काम कीजिये। आखिर मैंने कितना समय लिया है। एक-एक शब्द मैं बोल रहा हूँ। आखिर यह आपका क्या तरीका है ?

**सभापति महोदय :** आपका यह बोले का ढंग गलत है। यह ठीक नहीं है।

**श्री शिव चन्द्र झा :** आप का यह ढंग ठीक नहीं है घंटी बजाने का ।

एक्सप्लेनेशन 3 में जहां आप कहते हैं कि "फालोइंग फाइटीरिया, नेमली बेल्यु कास्ट प्राइस क्वान्टिटी थार केपेसिटी उस को कंट्रोल करने के लिये वहां क्वान्टिटी के साथ क्वालिटी शब्द भी जोड़ दिया जाये । इसकी यहां पर बहुत जरूरत है ।

इसी तरह से मेरा 61 नं० का संशोधन है पेज 3 लाइन 37 में जहां पर "कंट्रोल" का शब्द है वहां डामिनेन्ट ग्रन्डरटेकिंग को कंट्रोल करने के लिये "इन्फ्लुएन्स" शब्द जोड़ दिया जाये । मोनोपोलीज को तरह-तरह से इन्फ्लुएन्स किया जा सकता है । वहां पर मंत्रालय का भी इन्फ्लुएन्स हो सकता है, कैबिनेट का भी इन्फ्लुएन्स हो सकता है । इसलिये मोनोपोलीज को कंट्रोल करने के लिये यहां पर इन्फ्लुएन्स का शब्द जोड़ दिया जाये ।

इसी तरह से जो 62 नं० का एमेंडमेंट है उसमें मैंने कहा है कि 50 परसेन्ट के बजाय 25 परसेन्ट कर दिया जाये । 69 नं० के अमेंडमेंट में मैंने कहा है कि जहां आधा है वहां एक तिहाई कर दिया जाये । 72 नं० के अमेंडमेंट में कहा गया है कि आधे की जगह एक तिहाई कर दिया जाये । 73 नं० के अमेंडमेंट में कहा गया है कि क्वान्टिटी के बाद क्वालिटी शब्द जोड़ दिया जाये । इसके बाद 75 नं० का संशोधन है कि 3 कलेन्डर इयर्स के बजाय 2 कलेन्डर इयर्स कर दिया जाये एक्सप्लेनेशन 4 में ।

संशोधन नं० 76 न्यूज सर्विस क वारे में है । मैं चाहता हूँ कि न्यूज के स.थ-साथ व्यज भी रख दिया जाय । न्यूज-पेपर्स नीचे होते हैं, व्यूज-पेपर्स भी होते हैं, सिडीकेटेड आर्टिकल्स भी होते हैं । इसलिये जहां आप व्यज को कंट्रोल करने की बात करते हैं वहां व्यज कंट्रोल करने की बात भी होनी चाहिये ।

**श्री प्रोम प्रकाश त्यागी :** सभापति महोदय, मेरा निवेदन यह है कि भारतवर्ष की कता के

दृष्टिकोण से मेरा संशोधन नं० 136 है जिस में यह है कि पेज 2 पर लिखा हुआ है कि "इन इंडिया थार एनी सबटेन्शियल पार्ट वेथर थार" इस की जगह पर "इन एनी पार्ट थार इंडिया" कर दिया जाये ।

मैं समझता हूँ कि इस प्रकार से किसी हिस्से को छोड़ना और किसी हिस्से को रखना ठीक नहीं है । भारतवर्ष के लिये जो कानून बनता है वह सारे भारतवर्ष पर लागू होता है । इसीलिये मैंने रक्खा है कि "इन एनी पार्ट थार इंडिया" ।

इसी तरह मेरा संशोधन सं० 149 है जिसमें दिया हुआ है कि पेज 5 लाइन 7 में "इन इंडिया थार एनी सबटेन्शियल पार्ट वेथर थार" की जगह पर "इन एनी पार्ट थार इंडिया" कर दिया जाये । यहां पर केवल इंडिया रखा जाय क्योंकि जो चीज रखी गई है वह गलत है ।

इसके बाद मेरा संशोधन सं० 246 है जो कि इंडिया के जो माने रखे गये हैं उसके सम्बन्ध में है । अभी तक भारतवर्ष की एक डेफिनिशन रखी गई थी, लेकिन आज कहा जा रहा है कि इंडिया मीन्स वि टेरिटरीज टु व्हिच विस ऐक्ट एक्स्टेंड्स । मैं समझता हूँ कि हमको निकाल देना चाहिये । इससे हमारे संविधान को हमारे स्वाभिमान को ठेस पहुंचती है । इंडिया शब्द रक्खा जाय । इंडिया को हर एक आदमी जानता है, इसमें कोई और बात नहीं आती ।

इसके बाद मेरा संशोधन है सं० 247 इसमें जहां पर मोनोपोलिस्टिक ट्रेड प्रैक्टिस आया है उसमें कंडीशन यह रक्खा गई है कि मेनटेनिंग प्राइसेज ऐंड एंड अनरीजनबल लेवेल में समझता हूँ कि मेनटेनिंग शब्द ठीक नहीं क्योंकि किसी चीज का मूल्य मूल स्तर पर रखने के कई कारण होते हैं । कीमतें जो ऊंची जाती हैं वह किसी एक आदमी के हाथ में नहीं होती है । अगर एक व्यापारी सामान खरीद लेता है और उसका बड़ा भारी स्टॉक कर लेता है और मूल्य को कंट्रोल करत है, किन्हीं दूसरे कारणों से वह कंट्रोल

[श्री श्रीम प्रकाश त्यागी]

कर रहा हो और पड़्यन्त्र करता है, तब वह मोनोपोली में आता है। आपने यहां मॉनोपॉली शब्द रख दिया है। कीमतें बहुत सी बातों पर निर्भर करती हैं। डिमांड और सप्लाई भी होती है। और भी बहुत सी बातें होती हैं। इस वास्ते मॉनोपॉली शब्द गलत है। इसकी जगह मॉनोपॉली शब्द होना चाहिये।

मैं यह भी चाहता हूँ कि आपने जो अनरीजनेबल शब्द रखा है इसकी जगह आप इंटरनैशनल शब्द रखें। इसके बारे में मेरा 248 नम्बर का एमेंडमेंट है। जान बूझकर अगर कोई मूल्य को अनरीजनेबल लेवल पर रखता है तब तो वह इसमें आना चाहिये अन्यथा केवल अनरीजनेबल कह देने से बात नहीं बनेगी।

249 नम्बर के संशोधन में मैंने यह चाहा है कि इंडिपेंडेंट की जगह इंटरकॉर्पोरेट होना चाहिये। देश में दो प्रकार की धाराएं चल रही हैं। एक धारा यह चाहती है कि सब वस्तुओं का राष्ट्रीयकरण होना चाहिये, तमाम चीजें, सरकार अपने हाथ में ले लें और दूसरी धारा यह चल रही है कि आदमी को बेलगाम छोड़ दो, वह कुछ भी करता रहे। मैं समझता हूँ कि हमें मध्य मार्ग का अनुसरण करना चाहिये। मोनोपोली चाहे सरकार की हो या किसी एक आदमी की, दोनों बुरी हैं। हमारे देश में जनसंख्या अधिक है। इस वास्ते आदमी को काम मिले, इस दृष्टि से मैंने यहां इंटरकॉर्पोरेट शब्द का प्रयोग किया है। जिस आदमी के पास पहले से ही उद्योग है उसको लाइसेंस देने का सवाल पैदा नहीं होता है। इंडिपेंडेंटली अगर कोई चलाना चाहता है तभी वह लाइसेंस लेगा। कोओपरेटिव बेसिस पर भी वह काम को चला सकता है। अधिक लोगों को काम मिले, यह आपकी पालिसी होनी चाहिये। इस वास्ते इंडिपेंडेंट की जगह इंटरकॉर्पोरेट शब्द रखा जाना चाहिये।

मैं दंडेकर जी से सहमत हूँ कि

A Single or isolated action of any person in relation to any trade.

शब्दों को हटा देना चाहिये। एक आदमी मान लो दूध का घंघा करता है। क्या उसको आप ट्रेड प्रैक्टिस कहेंगे? यह समझ में बात नहीं आती है। उसको ट्रेड प्रैक्टिस में लेकर आप क्या करेंगे। इसलिये मैं समझता हूँ कि ये जो शब्द हैं, इनको हटा देना चाहिये।

श्री बलराज मधोक (दक्षिण दिल्ली) : मेरा एमेंडमेंट क्लॉज 2 में इस प्रकार से है :-

Page 2, line 7—

after "undertaking" insert—

"whether owned by a private individual or corporation or by the State either directly or through a corporation set up by it" (163)

इसको कहने की मुझे इस वास्ते जरूरत पड़ रही है क्योंकि आगे चलकर क्लॉज 3 में यह कहा गया है :

dominant undertaking. Therefore I want the words mentioned in my amendment to be added here. Clause 3 reads :

"Unless the Central Government, by notification in the Official Gazette, otherwise directs, this Act shall not apply to—

- (a) any undertaking owned or controlled by a Government company,
- (b) any undertaking owned or controlled by the Government,
- (c) any undertaking owned or controlled by a corporation (not being a company) established by or under any Central, Provincial or State Act."

By excluding the State-owned companies and corporations from the purview of this Bill, the Government is trying to make a very invidious and very dangerous distinction. Why are we opposed to monopolies? Because monopolies go against the interests of the common man, of the consumer. The interests of the consumers who are 95 per cent of the people of this country demand that there should be competition, that no one should be able to have control over one particular kind of business or production so that he may have any price, sell any kind of goods. That is the only test by which we have to see whether a policy is good. If monopoly is bad for the consumer, then that monopoly, whether it is mine or that of the Government or that of Tatas or Birlas, is bad. How does State monopoly become good? It is equally bad. In fact, it is worse because private monopoly can be fought by the people with the help of the State, but once the State establishes monopoly, the State has not only economic power but also political, police and military power, and that monopoly becomes so strong and dominating that you cannot fight it. Actually we see what is happening. Because the Government have taken over NEPA mills and established a monopoly, much worse paper is sold at a much higher price. Therefore, monopoly is bad and to keep State monopoly out of the purview of this Bill means that this Government wants to establish State capitalism. Socialism and capitalism are the same. In capitalism individuals control the capital. If the State controls the capital, it is State capitalism. You want to condemn private capitalism and further State capitalism. I want to condemn both. In this country what we need is decentralisation of economic power which means that there should be a larger self-employed sector. If monopolistic practices are developed either by a private

concern or a State concern, both should be checked. Therefore, my amendment is very clear and simple that the State undertakings should also be brought within the purview of this Bill, and this I say because I know that no State corporation or Government undertaking is able to make profit or able to compete in the market unless it is a monopoly. Wherever it comes in competition, it proves a failure and therefore in order to establish your brand of socialism, you are trying to squeeze the people, fleece the people. Give me the name of a single public undertaking which is able to compete and sell its products cheaper.

Therefore, this amendment is very vital and I think that if our Government has really any solicitude for the good of the common man, they should accept this amendment and see that monopoly does not develop even of in the State-controlled concerns.

16-38 Hrs.

[SHRI VASUDEVAN NAIR *in the Chair*]

SHRI LOBO PRABHU (Udipi): I have seven amendments and I would like to give a common framework for them.

I am opposed to all monopolies, and no sensible man, no patriotic person can but be opposed to monopolies in any form. Let that be very clear. I am opposed any form of monopoly whether State or private because they are against economic growth and against the consumer who is punished, and even against the producer who has no incentive to improve his quality or enlarge his market.

Having said that, I would like to pose three criteria. Firstly, is there any monopoly in this country which justifies

[Shri Lobo Prabhu]

this Bill? Secondly, does this Bill have any provisions against such monopolies? Thirdly, are there provisions in this Bill which are not related at all to monopoly, but are related to the power which Government wants to acquire over the economy. I would refer you to the report of the Monopolies Commission which I presume you have read and you will find that there is no reference in that report to any monopoly at all. It distinguishes two kinds of concentration, First, the concentration product-wise, where four classes, high to low are categorised, the former includes only luxuries, barring perhaps cigarettes, and the other category includes textiles and all that the common man wants. Are you thinking in terms of measures against monopoly to favour the rich with better prices? Are you thinking the low category in which there is no monopoly? In that case alone can you take the conclusion that the Monopoly Commission arrived at in respect of what it calls product-wise concentration. But if you take country-wise concentration, it refers to the 75 groups which between them control 1,600 companies with assets of about Rs. 2,600 crores. They constitute about 47 per cent of the total private assets in this country. Now, in respect of them, my point is, nowhere has the Commission referred to their increasing prices or reducing their supplies.

MR. CHAIRMAN: Your time is up.

SHRI LOBO PRABHU: I have got seven amendments and I have not started even on one of them. I would like to point out that there is no justification for the Bill because in that report there is no monopoly as such in this country which is injurious to the economy or to the consumer.

I shall now come to the specific amendments; the first is, instead of

"one-third", the proportion to be fixed for dominant enterprises, it may be one-half. Mr. Dandekar has spoken enough on this, and I would not like to say more about it and I will not be even able to add to what he had said. The Sherman and Clayton Acts do not lay down any percentage. The only percentage laid down is in the British Act of 1964 wherein it is provided that where any company commands one-third of production, it may be reported by the Registrar to the Commission, and the Commission may obtain the sanction of Parliament and after that the proceedings may be taken in court. I want to emphasise that, that where even this one-third arises, there is a very elaborate procedure to check the effect of that on the economy; no similar provision exists here.

MR. CHAIRMAN: Please finish now.

SHRI LOBO PRABHU: I have seven amendments; I shall be brief. That procedure places a limit even for one-third, which you have not got in your Act. There is a provision of 25 per cent in the German legislation which has been somewhat altered by the exception made in favour of exports and certain industries. In the other countries, where there is a monopoly legislation, there is no limit specified as attracting the law. So, I would like you to consider why we should not go back either to the simple definition that a monopoly is such where prices are raised and supplies are reduced which is the American definition and which has worked, or, failing that, I would strongly support Mr. Dandekar's amendment in favour of one-half instead of one-third.

Coming to my next amendment which relates to the word 'control'.

MR. CHAIRMAN: We have hundreds of amendments.

SHRI LOBO PRABHU : Sir, If I am saying any thing irrelevant, you can stop me.

MR. CHAIRMAN : I do not say that it is irrelevant. The time-factor is there.

SHRI LOBO PRABHU : I will do my best to finish soon. If I say anything irrelevant, please halt me.

MR. CHAIRMAN : I do not say you are irrelevant.

SHRI LOBO PRABHU : Then, in regard to (g), "if one owns or controls the other"—that word "controls" is a very vague term which gives Government the power of control over people, or pay for it to do what the Government want them to do. Control not of monopoly but the control is of the Government for its own purposes. As long as you have ambiguity, I think you are going to make it easy for Government to exploit the industries. I would request you to delete that word and in its place make use of the word "employ" which is a very important need today. What is happening is, companies have subsidiaries and they employ themselves under another name, with some participation both as suppliers and as selling agents. This is what you must prevent. Instead of "controls", please use the word "employs" which will remove a very grave deficiency and a very grave defect in our economy, as established by company law.

My next amendment also relates to the word "control". In my amendment No. 230, I have asked you to delete lines 37 and 38. Do not take these omnibus powers because they tend to be abused first by your staff and second by the Government as a whole.

Then, I again ask you to delete the reference to control in (g) (iv) (b) and

to the controls in (vi) in the same sub-clause. Please do not repeat the word 'control' because it is a very vague term which can be misused by anyone who is disposed to do so.

Lastly, I come to the business of family inter-connection. It is absurd for one company to be related to another company because one is related to a third or fourth. This kind of general family connection would make it impossible, as was pointed out, for any company to exist, without being a monopoly. If the provision is to stand it must be subject to some kind of minimum which has been proposed by Mr. Dandeker. He has proposed that the minimum may be 50%. If you consider it high, I would insist that 10 per cent. may be the minimum holding of any company before it qualifies for inter-relation with another company.

श्री कंबरलाल गुप्त (दिल्ली सदर) : सभापति महोदय, क्लॉज 2 पर मेरी बारह एमेंडमेंट्स हैं। एमेंडमेंट 313 और 314 के द्वारा मैं चाहता हूँ कि "भार भद्रवाइज कंट्रोलज" शब्दों को निकाल दिया जाये। मेरा तात्पर्य यह है कि सरकार को स्वीपिंग पावर्ज नहीं लेनी चाहिए, बल्कि उस की पावर्ज डेफिनिट और प्रिसाइज होनी चाहिए। अगर सरकार स्वीपिंग पावर्ज ले लेती है, तो मुझे डर है कि उनका मिस्यूज होगा और उन्हें इंडस्ट्रियलिस्ट्स को डरा-धमका कर अपने मतलब की सिद्धि के लिए इस्तेमाल किया जा सकता है, जैसा कि प्राज तक हुआ है। "भद्रवाइज कंट्रोलज" का तो कुछ भी मतलब हो सकता है। सरकार को इस तरह की वेग डेफिनिशन नहीं रखनी चाहिए।

मैं मंत्री महोदय से यह जानना चाहता हूँ कि वह मोनोपलीज को हटाने या कम करने के लिए यह जो बिल लाये हैं, उस का प्रसर कितने परिवारों पर पड़ेगा। मेरा कहना यह है कि यह



[श्री कंवर लाल गुप्त] :

बिल मुश्किल से सौ परिवारों पर लागू होगा, उस से ज्यादा पर नहीं। मान लीजिये, अगर सरकार ने इस कानून के द्वारा मोनोपलीज को कंट्रोल या कम कर लिया, तो क्या उस के बाद वह ग्राम लोगों के स्टैंडर्ड को ऊपर उठा पायेगी ? बिल्कुल नहीं; हालत वैसी की वैसी रहेगी। इस बिल के लाने से पहले भी सरकार के पास सब पावरज थीं, किसको परमिट या लाइसेंस देना है, यह अधिकार पहले भी उसी के पास ही था, वह इन बातों को कंट्रोल करती थी, लेकिन इस के बावजूद खुद सरकार ने मोनोपलीज क्रीएट कीं। आज वह और ज्यादा पावरज लेना चाहती है, लेकिन उन से उद्देश्य की पूर्ति नहीं होगी। केवल ज्यादा पावर लेने से काम बनने वाला नहीं है। मेरः कहना यह है कि आप को नीचे का जो स्तर है वह भी ऊंचा उठाना चाहिए। अभी तक सरकार ऐसी कोई चीज सामने नहीं लाई। जो लोग पीछे रूके हैं उनके स्तर को कैसे ऊपर उठाया जाये यह चीज इस बिल में आती तो बिल पूरा बनता। यह अभी इनकम्पलीट है। आप कुछ लोगों को दबाना चाहते हैं लेकिन दबा करके करना क्या चाहते हैं यह चीज नहीं मालूम। तो जब तक यह चीज न हो कि आप उस का और क्या इस्तेमाल करेंगे, किस तरह से लोगों को ऊपर उठायेंगे तब तक इससे कुछ होने वाला नहीं है। यह चीज भी सामने आनी चाहिये। और जो सौ परिवारों के भलावा भी और बहुत से लोग हैं उनके ऊपर भी किस तरह से कंट्रोल होगा यह बात भी सरकार ने नहीं बताई। मैं चाहूंगा कि सरकार के पास आलरेडी जो पावरस हैं, एक तो मंत्री महोदय यह बताएं कि मीटे तीर से कितनी इंडस्ट्रीज पर इसका असर पड़ेगा और अभी तक पावर क्या नहीं थी सरकार के पास जिसके जरिए से आप मोनोपली रोक सकते थे ? अगर भी तो आपने क्यों नहीं रोका ? इसके लिये सरकार क्या जवाब देना चाहती है ? मैंने इस पर वन हाफ की जगह 3/4 परसेंट किया है और अभी बलराज जी ने जो बात कही मैं

उसका भी समर्थन करना चाहता हूँ क्योंकि अगर प्राइवेट मोनोपली खराब है तो स्टेट मोनोपली भी खराब है। वह ज्यादा खतरनाक है। जैसा कि उन्होंने कहा उसके ऊपर कंट्रोल करना बहुत मुश्किल होगा। तो एक फ्री कम्पटीशन दोनों में होना चाहिए और दोनों के ऊपर कंट्रोल होना चाहिये। स्टेट मोनोपली के ऊपर भी जरूर कंट्रोल होना चाहिए। अन्यथा यह कन्ज्यूमर को जो गवर्नमेंट मोनोपली की इन-एफिश्येंसी है, क्रप्शन है उस की प्राइस क्यों पे करनी पड़े ? अभी एच० एम० टी० में डेड़ करोड़ का घाटा हो गया यह मैंने आज ही पढ़ा। यह सब बातें फ्री कम्पटीशन होगा तो नहीं होंगी।

SHRI HIMATSINGKA (Godda) : In connection with my amendment No. 416, which seeks to substitute a new sub-clause in place of lines 9 to 32 at page 4, I would submit that all the clauses that were there in the original Bill as introduced have been incorporated in the present Bill except sub-clauses (iii) and (iv), which referred to Hindu Undivided Family which have been replaced by new sub-clauses (vii) onwards. The result has been chaos. A portion of it was explained by Shri Dandekar. If a number of firms are connected by one single partner holding even 1 per cent of the share or even less, they are all inter-connected even though they may have no earthly connection whatsoever. There is some amount of cohesion between members of a Hindu Undivided Family. If I have some business and my son who is joint with me has another business that can perhaps be regarded as inter-connected. But what has been introduced here is:—

“If one or more individuals together with their relatives, or firms in which such individuals or their relatives are partners jointly or severally, own, manage or control the other,”

You know, Sir, the word "relative" has been defined in the Companies Act, section 6, which includes among others, son's daughter's husband and daughter's daughter's husband. My son's daughter's husband and my daughter's daughter's husband are my relatives. But how on earth the business run by the husband of my daughter's daughter can be regarded as inter-connected with my business? This had some sense when it was introduced in the Companies Act because a company could not engage a person, who was a relative of the directors, because they might give him high salary and so on. It had some purpose in the Companies Act. But to incorporate the same provision and bring in their undertakings as inter-connected with the undertakings of another relative, is simply absurd. It makes the whole thing very ridiculous. I cannot understand why there should be any kind of *zid* to retain a definition which will make the whole thing unworkable. As a matter of fact, there is no justification for including undertakings belonging to persons with whom I have no connection except that they are distant relations through my daughter's daughter and so on, for the purpose of inter-connected undertakings. The whole position has become absolutely unworkable and I hope that the Minister will at least be pleased to accept this amendment.

**SHRI S. M. BANERJI (Kanpur):** Sir, I shall confine myself to my amendments Nos. 437, 438, 439 and 440. If the Government is serious to curb monopoly, they have to accept these amendments. We may not be able to eliminate monopoly because it is very difficult for us to do so; but we should be able to minimise it. Much has been said in this House against State monopoly and my dear friend, Shri Gupta, has said that it is going to affect

only 100 families. I do not agree with him. It may affect more families. But it is true that only 75 people control the majority of wealth in this country. As a result of the various commissions and committees—whether it is the P.C. Mahlanobis Committee or the Monopolies Commission, after all this Bill has come. I am not much in favour of this Bill but I am in favour of the substance of this Bill and certain clauses are good. But it would not bring the desired effect which we wanted to bring about. We hope that the Hon. Minister will kindly apply his mind to it and see that these amendments are accepted so that we may curb or minimise monopolies.

**SHRI BENI SHANKER SHARMA (Banka):** Sir, this Bill was conceived by the Hon. Minister two years ago and it has taken more than the natural time of delivery. This clause, clause 2, is very important because it contains the definitions on which the edifice of the Hon'ble Minister's Taj Mahal stands. So, we have got to be very careful so far as the definitions are concerned.

My amendments fall in four categories and I will start from the end by taking up amendments Nos. 392 and 393. In defining the value of assets it has been said:—

'value of assets', in relation to an undertaking, means the value of its assets as shown in its books of account after making provision for depreciation' etc.

This is something very vague. There are some companies or undertakings which may not make any provision for depreciation. I have, therefore, suggested that in place of "after making provision for" the words, "after taking into consideration" may be substituted and after the word "depreciation" the words "as allowable under the Income-tax Act, 1961" may be added.

[Shri Beni Shanker Sharma]

That will give some meaning. I think the Hon. Minister will agree to it. If he has some doubts, he should consult his Finance Ministry because this is a very technical subject and the 'value of the assets' should be taken as it is understood under the Income Tax Act, in as much as, I said, there are some companies or some undertakings who, for some reasons of their own, do not make any provision for depreciation. Therefore, this suggestion of mine would be acceptable to the Minister.

17 hrs.

My second group of amendments are Nos. 383 and 386. In amendment 386 I have suggested that sub-clause (f) giving the definition of India should be deleted, It says:

"'India' means, for the purposes of this Act, the territories to which this Act extends;"

Sir, I would most humbly submit that we should not define India any more. India is well defined and well demarcated a country and this definition is likely to make some confusion. Therefore, I have suggested that by India we understand what territories are comprised in it. It should be left alone and should not be further defined.

In my amendment 383 I have suggested that on page 2, in lines 14 and 15—the words 'or any substantial part thereof' be omitted. Then it would read:

"Provides or otherwise controls not less than one-third of any services that are rendered, in India;"

I do not understand what the Hon'ble Minister means by 'any substantial part thereof'. It refers to India. It should refer to India and nothing but

India. Therefore, the phrase 'or any substantial part thereof' is very redundant and should not be there.

As regards my amendments 380, 382 and 385, they relate to the definition of 'dominant undertakings'. Now, Sir, this 'dominant undertaking' is connected with 'inter-connected undertaking'. In sub-clause (d) a dominant undertaking' has been defined like this:

"'dominant undertaking' means an undertaking which either by itself or along with inter-connected undertakings,—"

This leads us to certain inter-connected undertakings. What is an 'inter-connected undertaking'? On page 3, in sub-clause (g) it has been defined as follows:—

"'inter-connected undertakings' means two or more undertakings which are inter-connected with each other in any of the following manner, namely:—

- (i) if one owns or controls the other,
- (ii) where the undertakings are owned by firms, if such firms have one or more common partners."

Here I have suggested that instead of 'one or more common partners' there should be 'half or more common partners'. Mr. Himatsingka who has just now spoken and who was also on the Joint Select Committee has given a note of dissent. I would not quote it. But I would just draw your attention to it where he has very laboriously and very intelligently pointed out the absurdity of this definition because if you say 'one or more common partner' it will lead to a very absurd situation. I will not read the whole thing. Simply

I would draw the attention of the House to the portion where he has shown how this absurdity arises. So I suggested in order to do away with this absurdity that either Mr. Dandekar's amendment or my amendment should be accepted.

So far as amendment 384 is concerned, that I am not pressing. In other amendments I have simply suggested that instead of 'not less than one-third', 'more than one half' should be substituted. Ours is a developing economy. What we require is more production. If we curtail production by curtailing the size of the undertaking or the industry, we do not know where we shall stand and where it will lead us to. My suggestion is that instead of controlling the size we should devise some means by which there should not be any mal-trade practice and the consumer does not suffer.

SHRI SEZHIYAN (Kumbakonam) : Amendments 453 and 454 are standing in my name and Mr. Kandappan's name. They relate to sub-clause (j) of clause 2. In sub-clause (j) a 'monopolistic undertaking' is defined. It says:

"monopolistic undertaking' means—

- (i) a dominant undertaking which or
- (ii) an undertaking which, together with not more than two other independent undertakings,—
- (a) produces, supplies, distributes or otherwise controls etc."

Sir, as was pointed out by other members, it is not the intrinsic capacity of the undertaking that is in question. It is combining with the other undertaking. Sometimes difficulties will arise. Suppose there is one undertaking which controls 49 per cent of the share capital and there are 2 other undertakings which

control 1 per cent or 2 per cent. If you combine these 1 per cent or 2 per cent undertakings, it will become a 'dominant undertaking' or a 'monopolistic undertaking'. What I have suggested is instead of putting one half, we will say 'any other undertaking having one-sixth'. That undertaking can be called a 'dominant undertaking'. It may happen that the 1 per cent or 2 per cent undertaking may not be aware that there is some one else with 49 per cent. It will lead to so many difficulties. We should judge an undertaking by its intrinsic capacity whether it will be able to produce one-sixth. Therefore, my amendment that instead of having one-half we will take one-sixth.

My amendment is: for lines 23 to 26 substitute:

"Explanation 1. Any undertaking which produces, supplies, distributes or controls one-sixth of any goods or provides or controls one-sixth of any services according to."

SHRI S.S. KOTHARI (Mandsaur) : I have not been allowed to move my amendments. I should be allowed to say a few words. What for am I sitting here? An important Bill is being discussed. I should be allowed to say a few words. I have also written to you.

MR. CHAIRMAN : We are hard-pressed for time.

It does not make any difference.

SHRI S.S. KOTHARI : It does make a difference. When the Banking Bill was in progress, you allowed the Minister to move amendments without notice. Sir, due to certain unavoidable circumstances, I was delayed.

MR. CHAIRMAN : It is not a question of one Member getting two minutes. But I have nothing against any particular amendment. But if at this stage I

[Mr. Chairman]

allow a general debate, there is another member already standing up—Prof. Ranga. Already the time fixed for this clause is over. Please excuse me. The Hon. Minister.

**SHRI ABDUL GHANI DAR** (Gurgaon) : There are 15 amendments in my name. Kindly allow me also.

**MR. CHAIRMAN** : You have not moved those amendments. Don't mislead the Chair. Order please.

**SHRI S. S. KOTHARI** : We have not been allowed to move our amendments.

**MR. CHAIRMAN** : You will get a chance during third reading.

**SHRI S. S. KOTHARI** : I will be allowed during third reading. Thank you, Sir.

**MR. CHAIRMAN** : I hope so.

**THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED)** : Large number of amendments have been moved to this clause. It is difficult for me to deal with each and every aspect which has been placed before the House. I would like to deal with some of the important matters touched by upon the Hon. Members. About amendment No. 28 by Shri Dandekar the main feature is, to raise the limit from 1/3 to 1/2, and the other one is about the concept 'other-wise control'. And then, when the production is shared by interconnected undertakings the share of each such undertaking shall be not less than 15% of production. And then, the other thing is, no undertaking shall be a dominant undertaking unless its share has been one half or more of the goods produced, supplied or distributed or services rendered for at least a continuous period of 3 years immediately preceding the year in which the question arises. He wants to substitute sub-clause (d)

and (e). These are some of the main points.

So far as the first point is concerned, the Monopolies Enquiry Commission in the draft Bill as recommended by them had suggested 1/3 of the total production of the country as criterion for determining a dominant undertaking. This matter was discussed at great length by the Joint Committee which had made this particular recommendation. In U.K. also, they recognise 1/3 production as one of the conditions for determining application of monopolistic law to the undertaking. The definition of the term dominant undertaking has been discussed as I pointed out, and I think it will not be proper for me to accept this amendment after the decision taken by the Joint Committee weighing all the facts and all the circumstances placed before them.

With regard to the concept 'or otherwise control' I wish to say this. A part from producing, supplying or distributing goods there might be cases where the undertaking may be controlling production, supply or distribution of goods or rendering of services by mutual agreement and in such cases those undertakings may not be directly producing the goods. They have control on the overall production of such goods. These cases will go out of the purview of this Bill if the amendment of the Hon. Member is accepted.

**SHRI N. DANDEKER** : Can you give one single instance of a case being like that? If you give one example, then I will be happy.

**SHRI F. A. AHMED** : These are theoretical things and the possibility of everything has been explained. There is one aspect which we have got to take into consideration. The views of my Hon. friend is different from our views.

**SHRI KANWAR LAL GUPTA** : Why cannot you quote a single instance ?

**SHRI F. A. AHMED** : With regard to other matters he said that the word 'tend to' may be deleted but that the actual thing may be put. The 'tendency' also is a thing which should be prohibited. This 'tendency' is a thing which must be taken into account and checked. To accept the suggestion that such inter-connected undertakings should at least have 15 per cent of the total production of the country would make the Bill ineffective. It is all a question of my hon. friend making one estimation and we making another estimation. This matter was discussed in the Joint Committee. This suggestion was also raised by some Members but finally this was not accepted. Whether it is 15 or 20 or 35 per cent is not the question. This matter was very carefully examined. And I accept the finding of the Joint Committee that this does not call for any change. Then, with regard to amendment No. 30, this says, undertakings which are owned by bodies corporate. If your proposal is accepted it will be only one type of interconnection in this category namely bodies corporate under the same management as contemplated under the Companies Act. That is a view which we are not prepared to accept.

**SHRI D. N. PATODIA** : Why not ? Please explain to us.

**SHRI F. A. AHMED** : We want to get at other bodies also which are not in the same managing system but they are inter-connected in some way or other. The idea is to make it applicable not only to those companies which are under same management but which have interconnection with those companies. They may not be under same management but in some other ways they may be interconnected.

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**SHRI D. N. PATODIA** : Please tell us. what type of companies.

**SHRI F. A. AHMED** : He knows it better.

**SHRI D. N. PATODIA** : Frankly speaking, I don't know.

**SHRI F. A. AHMED** : There may be shares or other interests in companies though not actually managed by them.

**SHRI D. N. PATODIA** : If company has 100,000 shareholders all of them will be inter connected.

**SHRI F. A. AHMED** : It is not merely share holding. It is a question of one company having interconnection with other company in a big way, having large number of shares though not directly connected with the management.

Regarding amendment No. 182 it is the same as 129. I need not go into that.

Regarding Amendment No. 181. he wants to add

"owing singly or, as the case may be, jointly not less than fifty per cent share in the firm".

If we accept this amendment it will be a restriction and therefore it will affect the scope of this Bill. Therefore I do not accept it.

**SHRI N. DANDEKER** : I want to restrict it. Otherwise it is endless. It has no limits on either side. I therefore want to limit it.

**SHRI F. A. AHMED** : If we accept it the main purpose for which this Bill has been introduced will be defeated.

So far as Amendment No. 185 is concerned you want to substitute 'indirectly' by 'through one or more relatives'. The acceptance of this amendment will restrict the scope of the Bill as I have already pointed out.

[Shri F. A. Ahmed]

In amendment No. 186, the words 'directly or indirectly' are sought to be omitted.

SHRI LOBO PRABHU : At least concede that—it makes no difference.

SHRI F. A. AHMED : If the word 'indirectly' is deleted, it will restrict the scope of the Bill.

SHRI LOBO PRABHU : 'Indirectly' is very vague.

SHRI F. A. AHMED : Unfortunately we do not see eye to eye ; we move in different directions.

श्री कंवर लाल गुप्त : पहले एक बात तो बतलाइये। अलग अलग डाइरेक्शन है। आप का इधर है और उनका उधर होगा। लेकिन जो कुछ हाउस में पेश है उसके बारे में आप कुछ समझायेंगे कि आप का डाइरेक्शन क्यों ठीक है और शब्द 'इन्डाइरेक्टली' आप क्यों चाहते हैं। दिशा इधर है, ऐसा कहने से तो काम नहीं चलेगा।

SHRI F. A. AHMED : Direct connection has certainly a meaning. Indirect connection has also that meaning. There may not be a direct connection, but through other parties there may be a connection between one and the other.

SHRI KANWAR LAL GUPTA : Can he give some examples.

SHRI F. A. AHMED : I have given. Suppose there is a direct connection between A and B. Between A and C, there may not be a direct connection. It may be only through B. That is indirect connection.

SHRI LOBO PRABHU : The word 'indirectly' is so vague that it will furnish grounds for corruption and abuse of power. Why can he not eliminate that one word ?

SHRI F. A. AHMED : The moment we do that, it will have the effect of

leaving out a number of other companies with which somehow or other there is connection between the main body and the other companies.

Amendment No. 187 seeks to insert 'as the first mentioned body corporate' after 'management'. This is only by way of improvement.

SHRI N. DANDEKER : I do not know same as what. He just now said that he wants everything unrestricted. This is the same as what ? Anything he likes ?

SHRI F. A. AHMED : It is not a question of being unrestricted. It must have some connection.

SHRI N. DANDEKER : No, I want to know same as what ?

SHRI F. A. AHMED : That does not make it very explicit. I do not know what is his intention.

SHRI N. DANDEKER : I want to make it explicit; at present it is not.

SHRI F. A. AHMED : I think he wants to specify that the body corporate and the second body are under the same management.

SHRI N. DANDEKER : No, I do not understand the meaning of the English language here which says 'are under the same management within the meaning of the said s. 370'. Same management as what ? I presume he wants to say same management as the first mentioned.

SHRI F. A. AHMED : If only A and B are mentioned and if they are under the same management, the meaning is very clear.

SHRI N. DANDEKER : If one is owned by a body corporate A and the other is owned by a firm having bodies corporate as its partners, A, B, C, D, E and F, and if such bodies corporate

B, C, D, E and F are under the same management within the meaning of 370, as what? As the first body corporate. Presumably this is what he means.

SHRI F. A. AHMED : They are under the same management.

SHRI N. DANDEKER : Same as what?

SHRI F. A. AHMED : Same management.

SHRI N. DANDEKER : I will read it again. If one is owned by a body corporate A and the other undertaking is owned by a firm having bodies corporate B, C, D, E and F as its partners, if such bodies corporate are under the same management within the meaning of the said s. 370 as what?

SHRI F. A. AHMED : Why is it necessary to specify as what?

SHRI N. DANDEKER : Otherwise this means nothing.

SHRI F. A. AHMED : The meaning is very clear.

SHRI N. DANDEKER : He might as well say 'he means nothing by it and I will accept it'.

SHRI F. A. AHMED : Whether under the same management.

SHRI N. DANDEKER : Same as what?

SHRI BAL RAJ MADHOK : This is a verbal change to make the clause more explicit.

SHRI F. A. AHMED : I do not think any improvement can be made by accepting the amendment suggested.

M/P(D)4LS-5(a)

SHRI S. K. TAPURIAH (Pali) : Do you think he has understood it, Sir? He does not understand it himself.

SHRI F. A. AHMED : The other amendments are also more or less to this effect. We do not accept them because we do not accept his line of thinking with regard to these matters.

As for Shri Damani, his amendments are Nos. 13 and 14.

AN HON. MEMBER : He is not pressing them.

SHRI F. A. AHMED : I come to amendment No. 32 by Shri Patodia. It is more or less the same as No. 28 regarding which I have already made my submission. Therefore, I do not accept it.

Shri Deven Sen's amendments are Nos. 43, 45 and 46. If we accept No. 43, it will mean placing a restriction on trade and commerce. So we do not accept them.

SHRI DEVEN SEN : What is the difficulty in omitting 'unreasonably'?

SHRI F. A. AHMED : It will restrict trade and commerce.

As for No. 45, the effect of it will be to remove the distinction between dominant undertaking and monopolistic undertaking. So I do not accept it.

No. 46 is the same as the previous one and for the same reason I do not accept it.

Shri S. C. Jha's amendments are Nos. 56-76. As for decreasing it from 1/3 to 1/4, this matter has been very carefully examined by the Joint Committee, arguments both for increasing and decreasing were put before them and they after taking into



[Shri F.A. Ahmed]

account all the evidence, circumstances and views of members have fixed 1/3. I do not accept the amendment.

**श्री शिवचन्द्र झा :** आप बनलायें कि क्या संकंस्टान्सेज हैं। इसको कंट्रोल करने से मॉनो-पोलिस्ट होंगे या नहीं। ज्वायेंट कमेटी की रिपोर्ट आती है, उस पर संशोधन आने हैं। जो कुछ ज्वायेंट कमेटी ने कह दिया क्या वह आखिरी बात है ?

**श्री फखरुद्दीन अली अहमद :** मैं यह कह रहा हूँ कि ज्वायेंट कमेटी ने जो भी फंमला किया है, कोई भी संकंस्टान्सेज नहीं है जिन की वजह से हम उसकी रिकमेन्डेशन को न मान लें।

**श्री शिवचन्द्र झा :** एक चींथाई को कंट्रोल करने से मॉनोपोली कंट्रोल ज्यादा होगी या वन-हाफ को करने से होगी ?

**श्री फखरुद्दीन अली अहमद :** अभी उसका कंट्रोल करके दिखाइये। एक जगह पर कम करना चाहते हैं और कोई ऐस भी है जो बढ़ाना चाहते हैं। दोनों व्यूज लेकर वन-थर्ड फिक्स किया है। जो कमेटी ने फंमला किया है, उसको देखा जाना चाहिये कि कैसे चलता है।

अब आगे.....

**श्री शिवचन्द्र झा :** क्वालिटी के बारे में भी मेरा एमेंडमेंट है।

**श्री फखरुद्दीन अली अहमद :** यह भी डिसकस किया था और कहा गया था कि क्वालिटी की जरूरत नहीं है। इस वास्ते क्वांटिटी शब्द इस्तेमाल हुआ है। इस वास्ते मैं इसको एक्सेप्ट नहीं करता हूँ।

**श्री शिवचन्द्र झा :** न्यूज के बाद व्यूज जोड़ने के लिए भी मैंने कहा है। न्यूज मविसेग के साथ व्यूज वाली बात भी बड़ी जरूरी है।

**श्री फखरुद्दीन अली अहमद :** इस एमेंडमेंट के लिए जो आप लड़ रहे हैं, इसमें कुछ नहीं है।

**श्री शिवचन्द्र झा :** है क्यों नहीं, यह बहुत इम्पॉर्टेंट है।

**सभापति- महोदय :** आर्डर, आर्डर, नो आर्गुमेंट प्लीज (इंटरप्वांज)

**श्री फखरुद्दीन अली अहमद :** जहां तक मधोक जी की एमेंडमेंट का ताल्लुक है वह एज्यूम करते हैं कि गवर्नमेंट की भी मॉनोपोली है और उसको भी कंट्रोल करना चाहिए। हमारा और उनका नुक्ता निगाह बिल्कुल मुख्तलिफ है। हम गवर्नमेंट की तो समझते ही नहीं है कि मॉनो-पोली है। गवर्नमेंट अगर किसी काम को करती है तो चन्द लोगों के फायदे के लिये नहीं करती है। गवर्नमेंट के काम से मुल्क को और लोगों को फायदा पहुंचता है। उस में मॉनोपोली हो ही नहीं सकती है।

**एक माननीय सदस्य :** करोड़ों रुपयों का जो नुकसान होता है।

**श्री फखरुद्दीन अली अहमद :** वह दूसरा सवाल है। इस बिल में हमने पब्लिक अंडर-टेकिंग को नहीं लिया है। उनको बिल्कुल बाहर रखा गया है।

**श्री बल राज मधोक :** उद्देश्य क्या है। क्या उद्देश्य यह नहीं है कि कामन मैन का भला हो। कामन मैन का नुकसान मॉनोपोली से होता है। फिर चाहे वह मॉनोपोली बिरला की हो, मेरी हो, आपकी हो। अगर स्टेट मॉनोपोली में नुकसान नहीं होता है तो किस आधार पर आप प्राइवेट मॉनोपोली को कंट्रोल करना चाहते हैं ? उगी आधार पर स्टेट मॉनोपोली को बढ़ने देना गलत है।

श्री फखरुद्दीन अली अहमद : जहाँ तक मोनोपोली का ताल्लुक है हम गवर्नमेंट अंडर-टेकिंग को इसमें लागू ही नहीं हैं। आपका और हमारा नुक्ते नजर अलग अलग है। आपके नुक्ते नजर को मैं एक्सेप्ट नहीं करता हूँ और आपकी जो एमेंडमेंट है उसको मैं अपोज करता हूँ।

Shri Banerjee has also supported increasing the proportion. I have already said that so far as increase or decrease is concerned, we have taken all the views into consideration and we find that the recommendation made by the Joint Committee is not one which warrants any change.

SHRI YOGENDRA SHARMA (Begusarai) : With the present definition of monopolies, can you find any monopoly in India ? Can you name them ?

SHRI LOBO PRABHU : No.

SHRI YOGENDRA SHARMA : Then, you should change the definition, change one half to one third.

SHRI F. A. AHMED : Again, it is a question of quantity. There will be different points of view so far as the quantity to be fixed is concerned. According to some it should be one half, according to others it should be three fourths, one third and so on. All these arguments were considered by the Joint Committee.

SHRI YOGENDRA SHARMA : We do not want to be abstract. Will any of the 75 monopoly houses be covered by this Legislation ?

MR. CHAIRMAN : At this stage if the Members have any illusion that by this kind of questions they are going to get anything from the Minister, I have got only sympathy for them. Let him conclude.

SHRI F. A. AHMED : If they are not monopolies, they will not be covered. Why are you worried about it ?

SHRI KANWAR LAL GUPTA : How many business houses will you be able to control ?

SHRI F. A. AHMED : As I have already pointed out, it is not only that we are tackling the existing monopolies, but also the tendency towards monopoly. If such monopoly does not exist, it will not be covered, but if there is likely to be a tendency towards monopoly, this definition will be able to look after that.

17.40 hrs.

[MR. DEPUTY-SPEAKER *in the CHAIR.*]

MR. DEPUTY-SPEAKER : The question is :

Page 2, line 10, for "one-third" substitute "One fourth" (56).

*The Lok Sabha divided :*

Division No. ] 15 AYES [17.44 hrs.

Banerjee, Shri S. M.  
 Bansh Narain Singh, Shri  
 Daschowdhury, Shri B. K.  
 Guha, Shri Samar  
 Jha, Shri Shiva Chandra  
 Kachwai, Shri Hukam Chand  
 Khan, Shri Ghayoor Ali  
 Khan, Shri Latafat Ali  
 Nair, Shri Vasudevan  
 Nihal Singh, Shri  
 Satya Narain Singh, Shri  
 Sen, Shri Deven  
 Sezhiyan, Shri  
 Sharma, Shri Yogendra  
 Shastri, Shri Ramavatar  
 Sreedharan, Shri A.

## NOES

Achal Singh, Shri	Ganesh, Shri K. R.
Alurwar, Shri Nathu Ram	Gautam, Shri C.D.
Ahmed, Shri F.A.	Gavit, Shri Tukaram
Amin, Shri R. K.	Ghosh, Shri Parimal
Babunath Singh, Shri	Girja Kumari, Shrimati
Bajaj, Shri Kamalnayan	Hajarnawis, Shri
Barua, Shri Bedabrata	Hari Krishna, Shri
Barupal, Singh P. L.	Himatsingka, Shri
Basu, Dr. Maitreyee	Jadhav, Shri Tulshidas
Baswant, Shri	Jagjivan Ram, Shri
Bhagat, Shri B. R.	Jamna Lal, Shri
Bhandare, Shri R. D.	Kamble, Shri
Bhanu Prakash Singh, Shri	Kamala Kumari, Kumari
Bist, Shri J. B. S.	Karan Singh, Dr.
Buta, Singh Shri	Kesri, Shri Sitaram
Chanda, Shrimati Jyotsna	Khadilkar, Shri
Chandrika Prasad, Shri	Kisku, Shri A. K.
Chaudhary, Shri Nitiraj Singh	Kureel, Shri B. N.
Chavan, Shri Y. B.	Laskar, Shri N. R.
Dandeker, Shri N.	Labo Prabhu, Shri
Das, Shri N. T.	Madhok, Shri Bal Raj
Dass, Shri C.	Mahadeva Prasad, Dr.
Deb, Shri D. N.	Maharaj Shingh, Shri
Deoghare, Shri N. R.	Mahida, Shri Narendra Singh
Deshmukh, Shri K. G.	Mahishi, Dr. Sarojini
Deshmukh, Shri Shivajirao S.	Marandi, Shri
Dinesh Singh, Shri	Masani, Shri M. R.
Dixit, Shri G.C.	Masuriya Din, Shri
Dwivedi, Shri Nageshwar	Meena, Shri Meetha Lal
Gajraj Singh Rao, Shri	Mehta, Shri P. M.
Gandhi, Shrimati Indira	Mirza, Shri Bakar Ali
	Mishra, Shri G. S.

Mody, Shri Pilo	Salcem, Shri M. Yunus
Mrityunjay Prasad, Shri	Salve, Shri N. K. P.
Mukerjee, Shrimati Sharda	Sankata Prasad, Dr.
Nahata, Shri Amrit	Sapre, Shrimati Tara
Naik, Shri G. C.	Sayeed, Shri P. M.
Naik, Shri R. V.	Sayyad Ali, Shri
Pahadia, Shri Jagannath	Sen, Shri Dwaipayan
Palchoudhuri, Shrimati Ila	Sen, Shri P. G.
Panigrahi, Shri Chintamani	Shah, Shri Virendrakumar
Pant, Shri K. C.	Shankaranand, Shri B.
Parthasarathy, Shri	Sharma, Shri Madhoram
Patil, Shri Deorao	Sharma, Shri Naval Kishore
Patil, Shri S. D.	Shastri, Shri Sheopujan
Patodia, Shri D. N.	Shiv Chandika Prasad, Shri
Qureshi, Shri Mohd. Shaffi	Shivappa, Shri N.
Raju, Dr. D. S.	Siddayya, Shri
Ram Dhani Das, Shri	Singh, Shri D. N.
Ram Sewak, Shri	Somani, Shri N. K.
Ram Swarup, Shri	Sonar, Dr. A. G.
Rana, Shri M. B.	Sondhi, Shri M. L.
Randhir Singh, Shri	Supakar, Shri Sradhakar
Ranga, Shri	Tiwary, Shri D. N.
Rao, Dr. K. L.	Tula Ram, Shri
Rao, Shri J. Ramapathi	Uikey, Shri M. G.
Rao, Shri Thirumala	Verma, Shri Prem Chand
Raut, Shri Bhola	Virbhadra Singh, Shri
Roy, Shri Bishwanath	Vyas, Shri Ramesh Chandra
Roy, Shrimati Uma	MR. DEPUTY SPEAKER: The
Sadhu Ram, Shri	result* of the division is Ayes : 16;
Saha, Dr. S. K.	Noes : 120.
	<i>The motion was negatived.</i>

\* Shri G. Viswanathan also recorded his Vote for Ayes.

MR. DEPUTY-SPEAKER : I shall now put all the other amendments to the vote.

श्री शिव चन्द्र झा : मैंने अपने संशोधन संख्या 76 के द्वारा शब्द "न्यूज" के बाद "अर व्यूज" बढ़ाया जाने का सुझाव दिया है, क्योंकि कई ऐसी भी संधिमेज होती हैं, जो व्यूज को प्रसारित करती हैं और अपने पत्र-पत्रिकायें निकालती हैं। उन्हें भी इस विधेयक की परिधि के अन्दर लाया जाना चाहिये। इसलिए, मंत्री महोदय को इस संशोधन पर कोई आपत्ति नहीं होनी चाहिए और उन्हें इसे एक्स्पैट कर लेना चाहिए।

MR. DEPUTY-SPEAKER : I shall put all the other amendments to the vote.

*All other amendments\*\* were put and negatived.*

MR. DEPUTY-SPEAKER : The question is :

"That clause 2 stand part of the Bill."

*The motion was adopted.*

*Clause 2 was added to the Bill.*

*Clause 3. (Act not to apply in certain cases.)*

SHRI M. R. MASANI : I move :

Page 7,—

*for clause 3, substitute—*

"3(1) Unless the Central Government, by notification in the Official Gazette, otherwise directs, this Act shall not apply to—

- (a) any trade union or other association of workmen or employees formed for their

own reasonable protection as such workmen or employees, or

(b) any company which transacts the business of banking in India and is covered by the Banking Regulation Act, 1949 (10 of 1949).

(2) The Central Government shall, whenever it thinks expedient, with the consent of the Commission, review from time to time the industries to be exempted from all or any of the provisions of this Act, in particular to such of the—

(a) priority industries ;

(b) depression-hit industries; and

(c) price-controlled industries as need exemption from the Act, in order to increase their production, supply, demand or employment potential in the interest of the national economy." (34)

SHRI KANWAR LAL GUPTA : I move :

Page 7,—

*after line 38, insert—*

("f) any undertaking owned by purely charitable trust or registered society." (325)

SHRI HIMATSINGKA : I move

Page 7, line 24,—

*after " Act" insert—*

"except the provisions of Chapter IV and V" (346)

SHRI N. K. SOMANI : I move :

Page 7,—

*omit lines 25 to 31. (479)*

\*\* The other amendments negatived were : Nos. 2 to 6, 13 to 17, 28, 30 to 33, 57 to 73, 75, 76, 163, 182 to 193, 199, 200, 226 to 232, 246 to 253, 313, 314, 315, 317, 319 to 324, 380 to 385, 387 to 393, 416, 453, 454 and 477.

SHRI M. R. MASANI: Mr. Deputy-Speaker, Sir, clause 3 of the Bill is one of the most objectionable in this altogether objectionable measure because it seeks to exclude from the purview of monopolies and monopoly power the only real monopolies in this country which are Government of India enterprises like the LIC, IAC and others.

The amendment that I have tabled and which I am moving, amendment No. 34, seeks to remove from this exclusion enterprises and companies of the Government of India, corporations of the Government of India and private limited companies owned by the Government of India. About trade unions, which are evidently on the border-line we have no objection to exclude them from the scope of the Bill and the amendment takes care of them.

Now, in the earlier discussion on the previous clause, a certain amount of discussion of this matter also took place. Shri Bal Raj Madhok made out a very good case why Government monopolies are at least as bad as other monopolies and in many respect, worse in so far as the exploitation of the consumer and the common man is concerned. The opposition of the Government to my amendment and clause 3 of the Bill quite clearly show that the purpose of the hon. Minister and his Government in introducing this Bill is not to fight monopoly but to fight and remove any competition to the monopolies which his Government enjoys in the form that I have mentioned. If my amendment is not acceptable to the Minister, we shall vote to reject the whole clause because this clause, as Shri Bal Raj Madhok pointed out, is discriminatory and inimical to the interests of the consumer.

Earlier this afternoon, the hon. Minister asked where this Bill differs

from the report of the Das Gupta Commission on Monopolies. When I had made that complaint in my speech, he said that the Bill is more or less on the lines of what the Das Gupta Commission recommended. Here, is an example which I shall give to the hon. Minister, which goes bang in the face of what the Monopolies Commission itself had recommended. I quote from the Das Gupta Commission's Report. It says :

"It was rightly pointed out that all such public enterprises are no less capable of indulging in restrictive practices that may be harmful to the public than their private sector competitors. If the latter require in the public interest the controlling supervision of the Commission, such controlling supervision is equally required for the public sector enterprises."

Here is one glaring and clear example where this Bill goes entirely contrary to the recommendations of the Das Gupta Commission.

Similarly, the hon. Minister, in his speech which was nothing but an attempt to throw dust in the eyes of this House, made another misleading statement. He accused me of misquoting Prof. Galbraith. I quoted from Prof. Galbraith a few words in which he describes Government enterprises in this country and many others as "irresponsible, remote bodies, immune from public scrutiny or democratic control."

Now the hon. Minister has the impertinence of accusing me of misquoting Prof. Galbraith who happens to be a good friend of mine. I shall read from the book which Prof. Galbraith had been good enough to present to me a year ago. I quote and let

[Shri M.R. Masani]

the hon. Minister apologise to the House for throwing about his accusation lightly. I quote from pages 101 and 102 of Prof. Galbraith's latest work, *The New Industrial State*, where he makes a slashing condemnation of governmental enterprises which the hon. Minister is trying to sanctify and hold up to this House. This is what he says :

"In India and Ceylon, as also in some of the African countries, public enterprises have not, as in Britain, been accorded autonomy."

I cannot for lack of time read the whole of the two pages. Let him read it and let him apologise. But I shall read extracts from these pages.

"Here and elsewhere"—

meaning India and Ceylon—

"if the Minister is to be questioned, he must have knowledge. He cannot plead that he is uninformed without admitting to be a non-entity, a condition common enough in politics that can not however be confessed. Technical personnel are less experienced than in older countries. Organisation is less mature. These lead to error, and suggest to parliamentarians and civic bodies the need for careful review of decisions by a higher and presumably more competent authority....."

"India, in particular,"

he says

"has a legacy of its colonial past"—

the colonialists are sitting over there—

"has an illusion of official omnipotence which extends to highly technical decisions  
....."

Poverty makes nepotism and favouritism in letting contracts both more tempting and more culpable than in a rich country where jobs are plentiful and business is easier to come by."

He concludes—

"A poor country which needs most capital is thus denied the source on which the rich countries most rely. In India and Ceylon"—

he points a finger at you again—

"nearly all publicly owned corporations operate at a loss."

This is the condemnation of your State sector from your great socialist friend, Professor Galbraith. So please do not try to correct accurate statement that I make. If you have any decency you will apologise to me and to the House for daring to say that I did not quote Professor Galbraith accurately.

Sir, we shall press over amendment to the vote. It is a crucial matter. If Government enterprises are excluded from this Bill, this Bill becomes a gigantic fraud on the common people of this country and we will not be parties to this fraud.

श्री कंबर लाल गुप्त : उपाध्यक्ष जी, जो अभी मसानी साहब ने कहा है मैं उसका पूरी तरह से समर्थन करता हूँ और मैं यह समझता हूँ कि अगर प्राइवेट मोनोपली कन्ज्यूमर के लिए खतरनाक है तो सरकारी मोनोपली उससे भी

ज्यादा खतरनाक है। मैं एक दो उदाहरण देना चाहता हूँ। पेंसिलिन बनाने में सरकार का कितना खर्च आता है और किस भाव सरकार पेंसिलिन को लोगों के लिए बेचती है? मेरा कहना यह है कि पेंसिलिन के ऊपर कम से कम 500 टाइम्स से ज्यादा नफा सरकार लेती है। इसी तरह से स्टेट ट्रेडिंग कारपोरेशन को देखें। कई कई चीजें जो दस रुपये किलो आती हैं दो दो सौ रुपये किलो सरकार बेचती है।

**श्री पीलू मोदी :** ब्लैक मार्केटिंग ।

**श्री कंबर लाल गुप्त :** क्या यह कन्ज्यूमर्स के हित में है कि आप दस रुपये की चीज मंगवाएं और दो सौ रुपये के भाव में बेचें? क्या यह खराब चीज नहीं है? क्या वह सरकारी है इसलिए अच्छी हो गई और कोई दूसरा प्राइवेट आदमी प्राफिटियरिंग करता है तो वह खराब है? मैं समझता हूँ कि यह डबल स्टैंडर्ड नहीं होना चाहिए। सर्वसाधारण आदमी के हित के लिए, कन्ज्यूमर्स के लिए यह जरूरी है कि जहां प्राइवेट मोनोपली खराब है, जहां उन के द्वारा एक्सप्लायटेशन नहीं होना चाहिए वहां सरकार भी उसका एक्सप्लायटेशन न करे।

दूसरी चीज सरकार के हाथ में ज्यादा ताकत देने से एक स्टेट कैपिटलिज्म भी आता है। इसलिए दोनों का फ्री कम्पिटिशन हो जिससे कि सर्वसाधारण आदमी को लाभ हो कन्ज्यूमर्स को भी लाभ हो।

दूसरी चीज- जो मेरा संशोधन है उसमें मैंने यह कहा है कि जो चैरिटेबल ट्रस्ट है उनको भी एग्जम्प्ट कर देना चाहिए जिनका प्योरली चैरिटेबल है, इस तरह की अगर कोई प्रोजेक्ट चला रहा है, ट्रस्ट बगैरह तो उसे भी एग्जम्प्ट करना चाहिये, यही चीज मैं कहना चाहता था।

**SHRI N. K. SOMANI :** Sir, while speaking on my amendment No. 479 I would like to add to the remarks which have already been made by hon. Members by saying that a

consumer in India or anywhere else is not at all concerned whether a good or product or a service is being given by a co-operative or a State-owned undertaking or a private sector company. All he is interested in is that the goods or services that he wants to make use of are of good quality and he gets them at an economic price. Therefore, if it is the intention of Government to render protection to the consumer on the one side and to fight monopolies on the other side, I do not see what objection the hon. Minister can have in accepting this amendment which seeks to extend the powers of this anti-monopoly Bill to the State undertakings also.

Mention has been made about the STC. I say it from personal knowledge that they not only indulge in profiteering (*Shri Piloo Mody : Black-marketing.*) In several items which are scare but I may be tempted to use the words used by Shri Piloo Mody and say that they can be called to be doing blackmarketing because they are the sole monopolists in certain items which go directly against the interest of the consumer, whether he is an industrial consumer or a non-industrial consumer. The way this Government is exhibiting its lust for unbridled power in its hands, I am constrained to say that this seems to be the only way they can achieve their orgasm, by denying everything to the consumer of this country.

**SHRI AMRIT NAHATA :** Mr. Deputy-Speaker, Sir, I want to oppose the amendment moved by Shri Masani.

**SHRI N. K. SOMANI :** We are not surprised.

**SHRI PILOO MODY :** Not having an amendment of his own.



SHRI AMRIT NAHATA : His eminent aging heaviness may allow me to speak. and goes contrary to the interests of the community.

The purpose of this Bill is to curb private monopoly and to prevent further concentration of economic power.

AN HON. MEMBER : Who says that?

SHRI PILOO MODY : Do you accept that definition?

SHRI N. K. SOMANI : Do you accept that version as official?

SHRI F. A. AHMED : Let him say what he wants to say.

SHRI PILOO MODY : Say, "Yes" or "No". Let him disown his own member or go beyond his brief.

SHRI AMRIT NAHATA : There is State monopoly in railways also.

SHRI N. K. SOMANI : Bad enough.

SHRI AMRIT NAHATA : In education also.

SHRI PILOO MODY : Bad enough. In All India Radio also. Bad enough. In the Indian Airlines. Bad enough.

SHRI AMRIT NAHATA : Would the Swatantra Party want education to be given to the private sector?

SHRI PILOO MODY : Who cares for your monopoly?

SHRI AMRIT NAHATA : What is a monopoly? Wherever the negation of competition is there, which leads to monopoly and profits in private coffers that is harmful

SHRI PILOO MODY : What about the Minister's pockets?

SHRI AMRIT NAHATA : Despite the fact that the public sector undertakings fix their price taking into consideration the elasticity of demand, the profits that the public sector undertakings earn are used for the betterment of the people of the country. They are used for social services. Their profits do not go to enrich private individuals who abuse their economic power to corrupt the political fabric of the country and to corrupt the people of the country. On the one hand the Swatantra Party people say that the public sector undertakings are running heavy losses, on the other, they say that the public sector undertakings, the State monopolies, earn exorbitant profits. This is a contradictory statement.

SHRI D. N. PATODIA : They exploit the consumer.

SHRI AMRIT NAHATA : Who are the consumers?

SHRI D. N. PATODIA : You are the consumer. They exploit you.

SHRI AMRIT NAHATA : They talk of State capitalism. The grievance is of the private sector is that it is not being fed by the public sector with cheap prices. If the demand is inelastic, we expect the public sector undertakings to mop up the demand and the profits from the private sector so that the State sector has greater resources at its disposal for the development of the country. Therefore if State monopolies are not motivated by private profit and exploitation of people, there

should be no objection. It is good that the public sector undertakings have been excluded from the purview and mischief of this Bill because the two, private monopolies and State monopoly, cannot be equated.

SOME HON. MEMBERS: Question.

SHRI AMRIT NAHATA: The equation of the two exhibits a total ignorance of the purpose for which the public sector undertakings function and a total ignorance of the basic elementary economic laws.

MR. DEPUTY-SPEAKER : This will continue on the next occasion.

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17-59 hrs.

BUSINESS ADVISORY COMMITTEE

FORTY-THIRD REPORT

THE MINISTER OF PARLIAMENTARY AFFAIRS, AND SHIPPING TRANSPORT (SHRI RAGHURAMAIAH): Sir, I beg to present the Forty-third Report of the Business Advisory Committee.

For the information of the House I may say that this report contains two important recommendations. One is that there will be a sitting on Saturday, the 20th December. The other is that Lunch Hour will be dispensed with from tomorrow. Members need not dispense with their lunch.

SHRI RAMAVATAR SHASTRI (Patna): Is it a unanimous recommendation?

—

18 Hrs.

HALF-AN-HOUR DISCUSSION

DEVELOPMENT OF CALCUTTA

SHRI SAMAR GUHA (Contai): I am raising in this House to-day the most tragic story of the biggest city of India, the historic city of our country. Recently a foreign journalist visited Calcutta. He was so much horrified by the dismal spectre of the dehumanising chaos prevailing in Calcutta to-day that he alarmingly observed; "Calcutta is a dying city." Although Calcutta has become a concern for international anxiety, our leaders in Delhi are showing a callous apathy, abject indifference and neglect towards the problems of Calcutta. Recently, the World Health Organization called "Calcutta as an international health hazard." The World Bank observed that "the problems of Calcutta are a national economic problem of the whole of India." Recently, a team of British and American experts on urban development visited Calcutta and commented:

"We have not seen human degradation on a comparable scale in any other city of the world".

Let us not forget that this City of Calcutta till 1912 was the capital of India. Let us also recollect that this historic city radiated the message of national renaissance of India, created a saga of self immolation for the cause of national freedom.

Let us remember what this great city of Calcutta has contributed to India and to the world. This historic city gave to our country and to the mankind great sons of India like Raja