

[Sh. Vijay Kumar Yadav]

This is having an adverse effect on the environment of this region and it is feared that hot water springs of this area may dry up.

As a result of all this, not only will the place lose its attraction from the point of view of tourism but the Government will also lose revenue and particularly the foreign exchange.

Hence, I request the Government to immediately take stringent measures to stop felling of trees and cancel the lease for the land.

(vii) **Need to appoint a high level Committee to look into the functioning Kendriya Vidyalaya Sangathan**

[English]

SHRI MUHI RAM SAIKIA (Now-gong): The employees' associations of Kendriya Vidyalaya Sangathan have threatened to resume their agitation if they are not given representation on the Sangathan and its Board of Governors if JCM is not formed and recommendations of Chattopadhyaya Commission are not accepted immediately.

During the preceding session, no recruitment or promotions were made. 188 Kendriya Vidyalayas are without principals, thousands of teachers' posts remain unfilled and *ad hoc* appointees are not available.

Transfers of last session are not yet complete. Applications for new session have not yet been invited. Transfers decided by the Establishment Committee are held up. Admissions are being denied to eligible students but are being granted to thousands of ineligible ones.

I will urge upon the Central Government to appoint a high level or parliamentary committee to look into the matter.

(viii) **Need to reintroduce the cancelled trains between Sambhal and Moradabad**

[Translation]

DR. S. P. YADAV (Sambhal): Sir, I would like to draw the attention of the House towards an important matter under Rule 377.

Sambhal Lok Sabha constituency is a very backward area. There is a branch line between Sambhal and Moradabad. Six passenger trains used to run on this line. D.R.M. Moradabad has suddenly cancelled four trains out of the six—ISR, 2SR, 3SRM, 4SRM. This has caused resentment among the people. The poor labourers are facing hardships.

Sir, the Government should restart these four trains without further delay so that the people are not deprived of rail facilities.

12.35 hrs.

DEMANDS FOR GRANTS (GENERAL) 1991-92—Contd.
Ministry of Industry—Contd.

[English]

MR. DEPUTY SPEAKER: The House will now take up Item No. 9, namely, further discussion and voting on the Demands for Grants under the control of the Ministry of Industry. Shri Jeevarathinam.

[Translation]

*SHRI R. JEEVARATHINAM (Arakkonam): Mr. Speaker Sir, Extending my support to the demands for grants pertaining to the Ministry of Industry, I would like to put forth some of my views.

*Translation of the speech originally delivered in Tamil.

National Aromatics and petrochemicals project is coming up in Manali near Madras. The project is being taken up with an investment to the tune of about 1400 crore rupees. To ensure that this unit commences its production in time, I request the Hon'ble Minister for Industries to allocate and release required funds immediately.

In 1981, Hindustan Photo Films took up the scheme a cine colour positive film unit in Ooty at a cost of about Rs. 250 crores. But it is learnt that Ministry of Industry has neither approved this scheme nor allocated necessary funds to set up the unit. Hence I request the Hon'ble Minister for Industries to give due consideration and take up the matter immediately.

Our former Prime Minister, Pandit Jawahar Lal Nehru took to setting up Heavy Industries through public sector to ensure the development of our Economy and growth of our Industry. It is only because of his contribution in this direction that our economy has a strong foundation today. But this Government, as it appears, has changed the priority and private sector is to get a boost now. But who invests in the private sector? Who is to mobilise the capital needed? Is it to be mobilised from the public? Oh is to be obtained from the Banks? Or will the Government be coming forward to extend the money needed towards the capital investment? I wish this may kindly be explained by the Minister of Industry. Apart from that a limit or a ceiling should be fixed for the private sector. A clear cut decision on demarcating the items or list of industries for both the private sector and public sector should be evolved. There should be a healthy competition between the private sector and public sector and it should be fostered in a right spirit. That will help us to bring down the prices in the country.

The prices of iron rods and wires are on the increase. Government should take immediate steps to bring down the prices. In the name of free market and in the guise of giving boost to private sector if Government does not intervene now, it will affect the construction industry and other industries and ultimately the common man. To effectively bring down the prices of these iron rods, I would like to suggest that Government may consider setting up small units to manufacture iron rods and wires in every Assembly Constituency or in every block. Such units may be targeted to produce 20 to 50 tonnes a day thereby taking care of the needs of that particular area. Private Sector can be encouraged in this production. Iron and cement should be made available on controlled prices. Honourable Minister for Industries informed us that cement has been permitted to be sold in the free-market. He also said that Government is only controlling the cement units and their production but has nothing to do with the prices quoted in the selling of cement. If this situation is to continue, the cement that is sold for Rs. 110 and Rs. 120 may further go up. Likewise iron rods sell at Rs. 13,000 per tonne. If this be the situation how can common people and people from the middle classes can go for construction of houses. I request the Hon'ble Minister for Industry to look into it. Even if the Government allows private sector in this production, adequate care must be taken to curb price rise and there should be control over it.

Cement price rose to Rs. 110 during the Janata Dal rule. I had raised this issue then. Even today same situation prevails and even it is costing more now. We have promised the people through our Election manifesto that we will bring down prices. Both cement and iron are very very important. I request the Minister for Industry to bear this in mind.

[Sh. R. Jeevarathinam]

Not only in our country but also in other countries through out the world, Hotel Industry is found to be an important one. Today there are many hardships in running Hotels and Lodges. Government was providing 15% subsidy to construct lodging houses. During Janata Dal rule, subsidy that was given till then was stopped. I raised this matter then through a Question and got a reply from the Government. The Hon. Minister for Industry assured us that lodges would soon get the subsidy but that was not implemented.

Lodging and Hotel industry as they are at reaching people are very important in our country. It is only because lodging houses are run by private sector, most of our people could travel from one part to different parts of our country and stay comfortably. Public sector can not run all the lodging houses. Hence I request the Hon'ble Minister for Industry to look into this and give a serious consideration to give certain facilities to those who run lodging houses and those who venture to construct lodges. Lakhs of people are finding employment opportunity in this sector. Hence I request the Hon'ble Minister to give priority and extend certain facilities to this industry.

Arakkonam constituency which I represent is a backward area. State Government is about to announce certain concessions on this count for those who propose to set up industrial units in places like Arcot. Hence I would request the Government to set up a Scooter manufacturing unit either in the public sector or in the private sector. Most of the heavy industries' units are in the North India. For instance Maruti Car manufacturing unit is in North India.

Many parts of Tamil Nadu still remain backward. Former Industries Minister, Shri N. D. Tiwari gave an assurance that several industrial units

would come up in industrially backward areas in Tamil Nadu. That promise too has not been implemented. Hence I would request that a big industrial unit should be set up in Arakkonam Parliamentary Constituency.

BHEL has a unit in Ranipet which forms part of my Constituency. But it is a small unit and it employees only about two thousand people or even less. Whereas, Hardwar unit of BHEL employees about 20 thousand people. I had been there recently and on enquiry I gathered this information. Ranipet unit of BHEL which employs lesser number of people does not give priority to local people. Hence I seek the Ministry of Industry to expand the Ranipet unit of BHEL and thus provide more job opportunities to local people. There was rampant corruption in the Ranipet unit of BHEL and I raised it in the House during Janata Dal rule and I also got reply from that Government. Hence I request the authorities to set up a Commission to look in to the performance of the executives in that unit and to expand the unit to provide more job opportunities to local people. Even those whose lands have been acquired are not getting any priority in recruitment.

I would like to say that there cannot be any other unit in Tamil Nadu where corruption is rampant.

Now there is another point which I had brought to the notice of the previous Finance Ministers. When Shri V. P. Singh was there he took steps to set up a Mint in his constituency. A unit was set up in the name of late Shri Rajiv Gandhi in his home state Uttar Pradesh. Another Finance Minister, Shri Janardhan Poojary also saw to it to have one such unit in his home state. Whereas we Tamils are left high and dry. Hence I request the Government to set up a Mint in Tamil Nadu which has a population of about five and a half crores.

[English]

MR. DEPUTY SPEAKER: Mr. Jeevarathinam, your allotted time is over.

[Translation]

SHRI R. JEEVARATHINAM: Sir, let me be given few more minutes because I have got an opportunity to speak after two months. In and around Ranipet there are many leather tanning units. Recently there is a lull in the export activities, there is a stagnation rather. To overcome the problem, subsidy may be given to the leather processing industry. If this measure is not taken immediately, China and Bangladesh may be far ahead of us in getting in to the world market. Hence I request you that subsidy may be extended. Thousands of people around the place are dependent on leather industry there. Hence I feel it is imperative that subsidy must be given to tanning units in that area.

Ceiling on investment in setting up industrial units should be categorically stated. Private Sector and Public Sector should be clearly earmarked the capital investment with which they can go ahead. Whether it could be 200 crores or 300 crores or 500 crores of rupees should be clearly indicated by the Hon'ble Minister of Industry. Small industries now get a loan of about 35 thousand rupees through Tamil Nadu Industrial Investment Corporation. Because of price rise it is insufficient now. Hence I request you to raise it to 70 thousand rupees. Various kinds of IDB loans that are being extended through Tamil Nadu Industrial Investment Corporation have a ceiling now. The ceiling should be raised from Rs. 3 to 5 crores.

Now there are many sick units in the country. Recently I got a reply from the Government through a question I raised in the House. I learn

that there are about 200 sick units. I request the Hon'ble Prime Minister, the Hon'ble Industries Minister the Hon'ble Finance Minister to evolve corrective measures to revitalise and effectively run these sick industries. Several crores of rupees invested in such units should not go waste. For many years now many of these sick units are remaining closed. When Shri N. D. Tiwari was our Industries Minister he even set up a Committee to study the maladies of these sick units.

The present Minister of Industry is an able hand, he should set the house in order, he should take effective steps to revitalise the sick units.

Recently there was a hike in car prices. Middle class people will find it extremely difficult to go far a car. If the benefits of independence should go to them conditions should be created in such a way as to enable them to buy cars. Hence I request the Hon'ble Minister for industry to reduce the excise duty and the hike in other taxes pertaining to Automobile industry.

I thank the Deputy Speaker for having allowed me to speak at least this much. Thank you.

SHRI BHUBANESHWAR PRASAD MEHTA (Hazariabagh): Sir, the new industrial policy of the Government is tilted towards liberalisation. There is no dearth of capital in our country. In 1984-85 when the Congress(I) was in power, it had started the Open General Licence system due to which resulted a debt burden of Rs. 40,000 crores on our country between 1984 and 1990. This policy is against the promises made by the Congress Party during elections that the new policy will fulfill the dreams of Pandit Nehru who had formulated a policy aimed at making India self-reliant. But this new policy is against the policy envisaged by Pt. Nehru in

* Translation of the speech originally delivered in Tamil.

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1956. The new policy clearly shows that the Government has been influenced by the I.M.F. and our country's capitalists. This is the reason that conditions set by the I.M.F. have been accepted while framing the policy.

Sir, in our country 60% of the people have nothing to offer except labour and hard work. Only 8-10 crore people are prosperous enough to purchase luxury items. Indian as well as foreign capitalists have colluded with each other to exploit this class. These capitalists have monopoly over the economy of the country. If they are allowed to expand their business in the country it will result in more exploitation of our society and foreign capitalists will call the shots.

Sir, at present there are 244 large-scale public sector units in the country. Of these, 100 are closed and 50 among them are those which had been locked up by the private sector and were taken over the Government. The other 50 are the units which were exploited by the capitalists who held a monopoly. Therefore, the multinationals will have to be kept at bay, otherwise. Indian companies like BHEL and SAIL will incur losses. When Pandit Nehru had formulated the industrial policy in 1956, several heavy industrial units like Hatia, Bokaro, Rourkela and Bhilai plants were set up. But whosoever joined the Congress Government after Nehru, whether it was Shrimati Indira Gandhi or Rajiv Gandhi, could not set up a single such industry and instead money was borrowed from International Monetary Fund and the Government bowed before foreign capitalists and the Industrial Policy has been framed in a way that it will bankrupt the country.

Mr. Deputy Speaker, Sir, the public sector industries in our country are running in loss. There is an annual loss of Rupees 2,000 crore but why such a loss? The Government will have to think over it. A.T.A.C.

C.I.T.U. INTUC, all the trade unions and their leaders in these industries have repeatedly requested the Government that a meeting may be convened or a seminar organised to consider as to why the losses are being incurred and how can these losses be checked. But no thought has ever been given to it in the past. Rather the public sector undertakings are being reduced to bankruptcy. Such scenario will continue to prevail unless these undertakings are wrested from the clutches of the bureaucracy. Whenever any Managing Director is posted in any sector or Chairman is reinstated, be it the Coal India or BHEL or SAIL, they tend to render these undertakings quite inefficient with the result they incur losses, Managing Directors or Chairmen covet these posts only after spending crores of rupees. Where such practice continues and such persons hold these posts, the losses in public sector undertakings cannot be checked. Therefore, I submit that first of all we shall have to exert some sort of pressure on the bureaucracy in order to free the public sector undertakings from it and curtail the expenditure.

Mr. Deputy Speaker, Sir, it is being discussed for the last so many days that there should be workers' participation in Management. The Congress Party has been assuring in its election manifestos only that there would be workers' participation in management but did not make any effort in this direction. There is no reference to workers' participation in the Industrial Policy. During the previous Government of Janata Dal, Shri Vishwanath Pratap Singh had, however, made an effort. Shri Ram Vilas Paswan was present here who also made an endeavour to bring forward a Bill but by then the Government fell. With the result the Bill could not be brought forward. I would like to say that unless the workers are allowed to participate in management, these undertakings cannot be wrested from the bureaucracy.

Therefore I would like to tell the Government that this is the most important aspect of the Industrial Policy which has been left by it. It may be added and the workers should be allowed participation in management. Then alone the public sector industries can be saved from running in loss.

It is well known that the World Bank suggested the devaluation to the tune of 13% in 1990 and now the devaluation has reached 28%. In our country we are facing price-rise and unemployment. People in large number are unemployed. Can the Government explain how it would provide jobs to the unemployed under this industrial policy? The more we borrow from the World Bank or International Monetary Fund, the greater will be our unemployment and the poorer we will continue to become. The Congress Government has encouraged it and that is why it has framed such an industrial policy. Now the industries need not go in for licences. There was a gas disaster in Bhopal. It is still not known as to who gave the permission to set up this gas factory in the heart of the city. This factory was there in the heart of the city where thousands of people were killed and 50,000 people are still suffering from the diseases caused by the toxic gas. Those people are still staging a dharna in front of the Supreme Court to seek justice for their rights. Such incidents can take place only when some exemption is granted while issuing the licence. If such exemption is granted, the industrialist will set up an industry wherever he likes. Unless there is some sort of pressure or restriction on the bureaucracy the situation cannot improve. Mr. Deputy Speaker, Sir, that is why we submit that it is not proper to exempt the industrialists from licence. There is rampant corruption in the issuance of licences and the people have to face lot of difficulties in getting licences. So the Government should give a thought to this situation, impose certain restrictions and make some pro-

vision which is not mentioned in the policy.

The Government extends all the facilities to the industries and companies in the private sector but does not audit their accounts. It does not take into account the limit of their income. Despite our previous industrial policy and M.R.T.P. Act, the capital of all the monopolist capitalists like Tatas, Birlas and Dalmias doubled in five years and at times it exceeded that but there is no control on it. Sweden is a country with highest income group and lowest income group. Their gap between the higher income group and the lowest income group is the lowest in the world. The sole reason is that the Government is having control on the market and it levies taxes to the extent and has so much control that the whole profit does not go to capitalists and that is why I submit that the Government should have control on market failing which it is not known as to where the industrial policy would lead our country.

As far as the small industries are concerned, their number in our country is 9 lakh. Eighty lakh people are working in these industries but there is a limit of capital to the tune of Rs. 60 lakh for these small industries and as per the Report of the Development Commissioner of Small Scale Industries 90 to 95 per cent small industries are such as have invested capital to the tune of Rupees 2 to 5 lakh. If the facilities, which are made available to big industrialists, are given to small industrialists, it will solve the problem of unemployment and small industries will be set up in every village. But the way the Government has enhanced the limit would enable the monopolist capitalists like Tatas, Birlas and Dalmias to enter in to small scale sector through back door who will ultimately come forward and the small industries would banish. Therefore the Government's boastfulness that it would develop and assist small scale industries is

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nothing but nonsense and instead it is a conspiracy to bring an end to the small scale industries. Mr. Deputy Speaker, Sir, I and my party oppose this industrial policy because it will literally destroy the public sector industries. It is meant for helping monopoly and capitalists in the real sense, promoting I.M.F. and accepting its terms and conditions. Mr. Deputy Speaker, Sir, there is coal industry in my district. Corruption is rampant in the industry. We understand the style of living of top officials. Managing Director and General Manager is not less than that of a Minister and the life-style of the Chairman is not less than Prime Minister's.

13. 00 hrs.

So much money is spent but even then the coal industry is running in loss. C.C.L. has certainly shown a profit of Rupees 20 crore but if it is run properly and the corruption checked, there is possibility of earning more profit.

I would like to submit that there is no arrangements for supplying electricity to all the new coal industries that are opened. There are two or three projects in my district, namely, Ashoka Project, Peeparwar Project and Magadh Project. There was also a project along with these projects that a Thermal Power Station at North Karampura would be set up but it has been shelved. God knows whether these projects will come up or not. If they would come up, they won't get electric supply. If the projects don't get any electric supply, how can they function. This way the production of coal is impossible. I believe that the way planning is done or the industries are set up is faulty. They don't see whether the industries they are going to set up will get any electric supply and other facilities or not. It is because of the same reason that all our industries are incurring losses. I would like to submit that there is much scope for setting up mica indus-

try in my district. Girdih as well as in Chhota Nagpur.

SHRI KALKA DAS (Karol Bagh): Mr. Deputy Speaker, Sir, the hon. Minister is to make a statement on the incident that took place in the Patel Nagar yesterday. Please ask him to make the statement.

[English]

MR. DEPUTY SPEAKER: You have another three minutes to speak. Will you kindly conclude by that time?

[Translation]

SHRI BHUBANESHWAR PRASAD MEHTA: There were nearly 500 mica mines in my constituency.

Nearly one lakh workers were employed in the industry and there were about 10,000 dealers. Now because of the wrong policies of the Government only 15-20 mines are functioning and rest have been closed down. One lakh workers are starving. They have no work even to earn Rs. 5 or Rs. 7 a day. Mica industry was a big foreign exchange earner for the Government, but it has come to a grinding halt. Government has never delved into the causes of closing down of mica industry. My submission to the Government is that it should think over the measures of reviving the mica industry and reopening of mica mines, with a view to providing jobs to one lakh workers, who are jobless. These workers are facing great hardship.

There was a proposal to set up an ordnance factory at Hazaribagh. Survey and acquisition of the land as per requirement had been done by the Government of Bihar, but is not known where the project is pending.

Sir, in Bihar large tracts of land are under forest. Forest produce was a means of livelihood to the tribals, but with the nationalisation of forest by the Government they are facing extreme hardship due to the nonsetting up of forest produce based industries in the area to offer them employ-

ment opportunities. Tribals can be provided employment in these industries only. I would like to request the Government to immediately set up forest produce based industries for the speedy development of areas like Chhota Nagpur and Santhal Pargana etc.

New industrial policy does not mention a word about reviving a number of sick industrial units of Bihar.

SHRI KALKA DAS: Mr. Deputy Speaker, Sir, please call the hon. Minister of Home Affairs, as he is supposed to make a statement on Patel Nagar incident.

[English]

MR. DEPUTY SPEAKER: I am fully aware of it. I am waiting for him to conclude.

[Translation]

SHRI BHUBANESHWAR PRASAD MEHTA: Dalmia Paper Mill is lying closed rendering 15-20 thousand workers on its rolls unemployed. Government is not serious about revival of the mill and nor has it made any mention in the new industrial policy about the steps it proposes to take to provide jobs to jobless workers of the above mill. I would like to draw the attention of the Government to the dreams of Gandhi and Nehru who dreamt that India would become a self-reliant and a strong nation. Ours is a vast and great country. Though a comparison is made with the small nations like Taiwan and Singapore, yet the present Government forgets the ground realities facing the nation, nor does it formulate schemes in accordance with the requirements of our country. Government has turned a blind eye to making India self-reliant economically and socially, and how to provide jobs to poor workers of our country. That is why I say that the new industrial policy is not suitable for a country like India. Dictates of IMF are clearly visible in the new industrial policy. There is a need for

urgent review of the new industrial policy for the speedy development of Public Sector units. The present conspiracy to do away with the Public Sector Units and granting more monopoly and rights to industrialists like Tatas, Birlas and Dalmias in the new scheme of things, in place of Public Sector should be stopped. With these words I conclude.

[English]

MR. DEPUTY SPEAKER: Now, Shri M. M. Jacob to make a statement regarding the death of a suspect in police custody.

13.07 hrs.

STATEMENT BY MINISTER

Death of a suspect in police custody in Patel Nagar, New Delhi on 19th August, 1991.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI M. M. JACOB): I wish to apprise the Honourable Members of this august House about the tragic death of a suspect in police custody in Patel Nagar, New Delhi on 19-8-1991.

Following a complaint made by one Smt. Samarjeet Kaur, a resident of Civil Lines, Karnal, Haryana, that her purse containing about Rs. 1,000 in cash, a gold chain and a mangal sutra had been stolen at Community Centre, Patel Nagar on 18-8-1991 where she had gone to attend a marriage, the Police registered a case at police station Patel Nagar, and arrested one Manoj, aged about 12 years. Manoj was earlier also arrested in a case of theft and as per the police version, confessed to having stolen the

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purse and handed it over to his father. Injections were given to Shri Jai Ram. He was brought to the police station at about 11.00 p.m. and questioned by SI Satbir Singh, ASI Siri Ram and Constable Satbir Singh.

At about 3.30 a.m. on 19-8-91 Shri Jai Ram was taken to the nearby Khera Nursing Home by SI Satbir Singh. At the Nursing Home two injections were given to Shri Jai Ram. At about 4.15 a.m. Shri Jai Ram collapsed and died. Thereafter senior police officers reached the spot. The ACP, Patel Nagar also requested the Sub Divisional Magistrate, Patel Nagar to conduct inquest proceedings under section 176 Cr. P.C. The dead body was shifted to the Subzimandi mortuary for postmortem examination.

At about 10.30 a.m. some residents of the area, including family members of Shri Jai Ram gathered outside police station Patel Nagar and the crowd increased to about 400/500 at about 12.30 p.m. They were agitating against the police and efforts to pacify them failed. The crowd became violent and indulged in stone throwing and stopped the traffic. They also set on fire a DTC bus and broke window panes of four DTC buses. They stopped a vehicle carrying soft drinks and bottles were thrown on the police. Police used tear gas shells and resorted to cane charge to disperse the crowd at about 1.00 p.m. Three persons were arrested on charges of rioting, arson etc. and a case registered.

Meanwhile senior officers including the Additional Commissioner of Police (Southern Range), had reached the spot, discussed with the local people present and also conducted a *prima facie* inquiry into the events. At about 11.00 a.m. the three concerned police officials, namely SI Satbir Singh, ASI Siri Ram and Constable Satbir Singh had been placed under suspension. The Commissioner of Police also visited Patel Nagar police station at about 1.30 p.m. After he made inqui-

ries into the matter, it was decided to register a case of murder against the three concerned police officials. A case under section 302/342/341 IPC was accordingly registered against SI Satbir Singh, ASI Siri Ram and Constable Satbir Singh. The investigation was entrusted to the Crime Branch.

An inquest into the death of Shri Jairam is being conducted by the S.D.M.

The Government shares the anguish of the Honourable Members over this ghastly incident. I would like to assure the House that the Government is determined to take deterrent action against those exceeding or abusing the use of their powers.

(Interruptions)

SHRI KALKA DAS (Karolbagh): Sir, I would like to ask a clarification.....(Interruptions)

MR. DEPUTY SPEAKER: There is no specific provision to ask any question or any clarification under Rule 372 of the Rules of Procedure. It is given in the Rule that no question shall be asked.

(Interruptions)

[Translation]

SHRI KALKA DAS: Sir, please protect my rights. On all statements made in the House points of clarification have always been sought.

[English]

MR. DEPUTY SPEAKER: I will convince you. We are very much guided by the rules of the House. There is a well-established procedure. Here rule 372 specifically bars any member to put any clarification or any question to any Minister on the Statement made by him.

[Translation]

SHRI KALKA DAS: The entire story, has been fabricated as the police is involved in this case. I am a representative of the area and was present at the spot and it is the police who has fabricated the story just to suppress the facts.

[English]

MR. DEPUTY SPEAKER: You have framed the rules and you have accepted them. If you really feel that there should be some scope for Members to seek some clarification or extract some information, then you have to move an amendment to the rules.

[Translation]

SHRI KALKA DAS: If some one committed theft should his father be called to the police station and killed.

SHRI MADAN LAL KHURANA (South Delhi): It has been the practice that a Member if he so desires, can seek a clarification with the permission of the Chair.

[English]

MR. DEPUTY SPEAKER: Yesterday, Mr. Paswan wanted to ask some questions, but the Chair did not permit him because under Rule 372 the Members are not allowed to do so.

[Translation]

SHRI KALKA DAS: The Members can seek clarifications under the discretionary powers of the Chair. So that the point becomes clear. Sir, please protect my rights and use your discretionary powers and allow me to seek clarification. (Interruptions)

SHRI TARA CHAND KHANDELWAL (Chandni Chowk): The point as to why the accused was taken to hospital and killed is missing in the statement.

SHRI KALKA DAS: Police stations are set up to protect life and property of citizens. So, how can these be used for killing people?

[English]

SHRI BASU DEB ACHARIA (Bankura): On one occasion in this very session five Members were allowed to ask questions after Minister's statement on bank robbery.

[Translation]

SHRI KALKA DAS: I would like to ask a few clarifications, as I am the representative of the area.

[English]

MR. DEPUTY SPEAKER: Everything is correct and true. But with all that, you are Governed by the rules of procedure.

[Translation]

SHRI KALKA DAS: Five points of clarifications were allowed on the statement in bank dacoity case.

[English]

SHRI BASU DEB ACHARIA: The Rules Committee has already accepted this amendment.

SHRI MADAN LAL KHURANA: My request to you is that you allow two or three clarifications on this.

MR. DEPUTY SPEAKER: What was applicable to Mr. Paswan yesterday will apply to you today also because not even 24 hours have elapsed.

(Interruptions)

[Translation]

SHRI KALKA DAS: Mr. Deputy Speaker, Sir, it is all right that the rules do not permit it, but the matter

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is very serious, killings are taking place inside police stations. Therefore, I request you to use your discretionary powers to protect my rights and allow me to place the facts before the House...*(Interruptions)*...

SHRI RAM VILAS PASWAN: Mr. Deputy Speaker, Sir, I could not raise my point. That day also, I had said that there has been one or two occasions in this very session itself when the Chair allowed some hon. Members to seek clarifications. I had brought this thing to your notice that day and I am repeating the same today also. In the other House, sometimes almost the whole day is spent in seeking and answering clarification, while here no one is allowed to seek clarifications. Both are extremes. That is why, the Rules Committee had provided that one or two clarifications may be allowed, of course, with the kind permission of the Chair. Therefore, I request you kindly to permit the hon. Members to seek clarification...*(Interruptions)*

SHRI KALKA DAS: Sir, the bank dacoity was a serious issue, and the present case is also serious. People are being called to Police Station for interrogation and there they are tortured to death. It is a wrong practice. The police took away cash and jewellery from house where a theft had taken place. Manoj's father, Jairam was called to the Police Station for interrogation and there he was beaten up like anything, so much so that he had to be taken to a Private Nursing Home for treatment and he succumbed to his injuries there.

SHRI MADAN LAL KHURANA: I would like to know whether the Police Officer has been arrested or not. This is the fifth such case, in this very police station in last two years. They were all tortured to death inside the Police lock-up. What Special measures have been taken by the Government to check the recurrence of such incidents in future? Had action been

taken on time by the Government immediately there would have been no burning of buses and no demonstration.

SHRI TARA CHAND KHAND-ELWAL: Mr Deputy Speaker, Sir, there is no mention in the statement that the deceased was beaten up in the Police Station. If that is the case, then why was he taken to hospital?

[*English*]

This is a very important fact which has been hidden in this statement.

[*Translation*]

SHRI MADAN LAL KHURANA: You may please ask the hon. Minister of Home Affairs to convene a meeting of the Members of Parliament from Delhi and discuss the Law and Order situation in the capital. This incident took place inside the police station.

[*English*]

MR. DEPUTY SPEAKER: Would you like to respond to this?

SHRI M. M. JACOB: I am always interested in having discussions with the MPs on the general law and order situation in Delhi. I want actually to get more feed back from you, the Representatives of the People.

[*Translation*]

SHRI MOHAN SINGH (Deoria): I would like to seek clarification on two points, with reference to the statement made by the hon. Minister. First of all, what does the Post Mortem report say and circumstances under which the accused was taken to the hospital and the purpose for which he was administered two injections?

[*English*]

SHRI MADAN LAL KHURANA: You call a meeting of the Delhi MPs.

SHRI M. M. JACOB: I have already welcomed Shri Khurana's suggestion.

MR. DEPUTY SPEAKER: There is one more thing. Of course, many people have got their own doubts, so far as this statement is concerned. For that purpose my request is that you kindly make it convenient to meet Shri Jacob later...*(Interruptions)*...

[*Translation*]

SHRI MADAN LAL KHURANA: That nursing home is meant for heart patients.

SHRI KALKA DAS: Why was the accused taken to a Private Nursing Home, instead of a Government hospital? It was precisely because the nursing home people were hand in glove with the police and gave the latter a 'febricated' report. Yesterday also, I desired to know whether the Government has decided to pay a compensation of Rs. 5 lakhs, to the bereaved family. Secondly, both the crime branch and the vigilance branch are part and parcel of the same police set-up. Therefore I had demanded that the case should be handed over to the C.B.I. Has the Government taken any decision in this regard?

[*English*]

MR. DEPUTY SPEAKER: Would you like to respond?

SHRI M. M. JACOB: Sir, if you want, I can react to one or two points mentioned by my hon. friends. One point is about the people who are arrested from the locality. They were released. About three persons, as I mentioned, were also arrested because they were rioting and they were released.

Another thing is this Nursing Home is a private Nursing Home and not a

Government Nursing Home. At the same time, I was making the statement that the matter is referred to the SDM for thorough enquiry and the Crime Branch is entrusted with the responsibility of further enquiry. All these things are going on. If there is anything that the hon. Members want to inform me, I am at their disposal. They can bring those things to my notice...*(Interruptions)*.

[*Translation*]

SHRI KALKA DAS: That is what I am asking. When Government hospitals are there, why the accused was taken to a Private Nursing Home?

SHRI MADAN LAL KHURANA: You call a meeting of Delhi MPS...*(Interruptions)*.

SHRI INDERJIT (Darjeeling): Mr. Deputy Speaker, Sir, the hon. Minister has already agreed to meet the M.Ps from Delhi and sort out the matter. I do not think we should take any more time of the House on this subject.

SHRI E. AHAMED (Manjeri): Mr. Deputy Speaker, Sir, one thing we have to appreciate that the Government has taken steps to charge these accused under section 302. Even in the *prima facie*, they have charged them. So, that also should have been appreciated. It does not mean that he (the Minister) need not meet the M.Ps; the hon. M.Ps. can very well discuss the matter with the Minister but they have to welcome the stand of the Government also.

[*Translation*]

SHRI RAJVEER SINGH (Aonla): The hon. Minister of State for Home Affairs, presented the report before the House which the police officers prepared for him. Through you, I would like to ask the hon. Minister, whether any new law has been enact-

[Sh. Rajveer Singh]

ed, under which a person accused of a minor theft could be taken to a police station and beaten up?

[English]

MR DEPUTY SPEAKER: Rajveer Singh Ji, we know what is going on and the hon. Minister...

(Interruptions)

SHRI KALKA DAS: The public should also know what is going on.

[Translation]

It is not proper that the Police take away people to the Police Station, under the pretext of interrogation and torture them to death in the lock up and thereafter, the Minister concerned reads out before the House, a statement prepared by the Police. Will the Government order a C.B.I. inquiry into this case? Will the Government pay a compensation of Rs. 5 lakhs to the next of the kin of the deceased?

[English]

MR. DEPUTY SPEAKER: You have asked and the hon. Minister has responded to it. My request is, after all, the Presiding Officer shall have to be guided by the rules and this hon. House has made the rules. In our practice, if there are any hurdles to dig out truth, as Paswanji has suggested, Rajveer Singh Ji has suggested, amendments shall have to be introduced, and when they come into force, certainly you can ask clarifications. As the law stands today, rule 372 does not permit clarifications. I hope you are satisfied.

[Translation]

SHRI KALKA DAS: At least, the hon. Minister can say whether the case would be handed over to the C.B.I. or not? Because the Crime Branch is part of the Police and we cannot expect justice from them. Therefore, I would like to know whether

the Government intends to order a C.B.I. inquiry into the matter and whether it proposes to provide Rs. 5 lakhs to the bereaved family, as compensation?

MR. DEPUTY SPEAKER: Further the hon. Minister also, with open heart, wants to know the truth of it and he has warmly welcomed you to discuss the matter with him. So, let us make use of the services offered by him.

SHRI KALKA DAS: Thank you very much, Sir.

13.24 hrs.

DEMANDS FOR GRANTS (GENERAL), 1991-92—*Contd.*

Ministry of Industry—*Contd.*

[English]

MR. DEPUTY SPEAKER: Now we can go ahead with the discussion. Shri Vilas Muttemwar.

[Translation]

SHRI VILAS MUTTEMWAR (Chimur): Mr. Deputy Speaker, Sir, we are having a discussion on the Demands for Grants of the Ministry of Industry, the Industrial Policy, the Policy on small-scale industries etc.

Today, the focus of the entire world is on the country's industrial policy, as it provides a vast market for them. Keeping all this in mind, I agree with the sentiments expressed by many hon. Members that the importance of the subject required a separate debate on the new industrial policy.

One thing is clear that this policy has been widely acclaimed by everyone including the entrepreneurs, economists and the common people of

the country Unfortunately, over the years, it has become a common feature with the opposition to oppose all Government policies, ignoring all their merits. I am disheartened by the irresponsible stand of some sections of the House. During the course of discussion on the industrial policy, yesterday, Shri Acharya and some of his colleagues expressed their apprehensions that the country is being sold to the foreigners. I consider their apprehension unfounded. I would like to mention here that the country remained an imperialist colony for 150 years and thanks to the sacrifices made by our people, we are enjoying the fruits of freedom today. On behalf of those very people, I would like to assure my apprehensive friends that the people of this country will not tolerate any kind of servility, as they have suffered a lot in the past. It is a fact that...
(Interruptions)...

SHRI BASU DEB ACHARIA (Bankura): The people will oppose it.

SHRI VILAS MUTTEMWAR: I am not giving you any personal assurance, rather, I am speaking on behalf of the people. It is alleged that this policy has been formulated under pressures from the I.M.F. and the World Bank. I am of the view that such allegations are baseless. Let the hon. Members who look upon the Soviet Union as their ideal, make self-introspections...
(Interruptions)

SHRI RAJVEER SINGH (Aonla): Who are those Members?...
(Interruptions)...

SHRI VILAS MUTTEMWAR: Well, that whole party looks upon the Soviet Union as its ideal. Let them look at the present state of Soviet economy and let them not ignore the fact that the Soviet Union realized the importance of foreign capital for its economic development. They realized the need to allow entry to Multi-nationals for the rapid industrialization of their country. Anyway, it is not proper to discuss all these things

here. It was also discussed here that the Socialist frame work laid down by Shri Nehru was nothing but a humbug and that he is to be squarely blamed for the present industrial backwardness of the country. I would like to tell these friends that if they sincerely go through the statistics, they will find that the country has made tremendous progress, compared to those countries, which attained independence alongwith us. Under the Seventh Five Year Plan, last year, the industrial sector recorded a growth of eight percent, which was higher than the rate of growth, during all the previous Five-Year Plans. The accusations of the opposition despite all this, is not proper. I request you to remove all kinds of fears from your minds that the country is being sold at the hand of foreigners.

One of the notable features of this policy is the incentives proposed to be given, to boost exports. The new policy also outlines proposals to improve the efficiency of the existing industries so that more and more people could be involved. Despite all this, it is not proper to condemn this policy. Similarly, there is also a proposal to introduce liberalisation policy. So far, we have had a 'Licence Raj', but now that has been done away with and no one will find it difficult to get a licence to set up a unit. Isn't it a landable step? In fact, this industrial policy should have been welcomed wholeheartedly, but unfortunately, that didn't happen. Opposition, just for the sake of it is not a positive attribute. It's high time, we change our narrow mindedness for a broader outlook. I believe that in the coming days, we will all contribute a great deal towards the country's development.

We have opened our doors to foreign capital and have asked the foreigners to invest in the country. Some hon. Members have expressed the fear that they will usurp our market. But today, if we look at the Global Market situation, I don't think that despite

[Sh. Vilas Muttemwar]

all concessions and incentives foreign entrepreneurs would enter country's market in large numbers...*(Interruptions)*...It is not that all the multinationals in the world will invest in India. Every attempt is being made to attract some foreign capital into the country. It is not India alone, but many countries in the world are trying their best to attract the multinationals to invest in their countries and such incentives do not necessarily guarantee. If we too want to attract the multi-nationals, then we will have to improve our infrastructural facilities required for setting up industries and it would have been a welcome step, had the hon. Members chosen to deliberate on this aspect of the policy.

It is my humble submission to the hon. Minister of Industry that unless we link the infrastructural facilities available in the country with the industrial policy, the chances of our industrial policy drawing a blank, cannot be ruled out. Another feature of this policy is that it is market-oriented and I would like to know as to what we have done so far in respect of 60 per cent market of our country? We have kept in mind the purchasing power of 10 crore people of the country. At the same time, while finalising this industrial policy we have taken these 10 crore people into account. But it is all the more necessary to involve 60 per cent of our foreign market in this policy. If we can do something in this respect, I feel, this policy will be of some use.

One more thing that I would like to mention here is that we have liberalised M.R.T.P. Act and the entry of Multi-nationals into our markets would mean a healthy competition between them and our own industrialists, which in turn would result in upgradation of our standards, improvement in the quality of our products etc. and the competition at home would help our industrialists to compete and establish themselves in

foreign markets. However, there are also chances that mismanaged, inefficient and of course small scale industries would find themselves lagging far behind in the competition between the titans. The Ministry of Industries should formulate some schemes to keep them moving.

There is nothing to be apprehensive about so far as the 51 per cent equity formula is concerned. Rather, I would say that if any amendment is possible, there is no harm in increasing it to 100 per cent, provided, such industries are set up in underdeveloped, backward areas, areas untouched by modernity and declared by the Government as such. Another pre-condition should be that such industries should arrange for the infrastructure on their own. We can overcome our weaknesses by making investment in other areas. Foreign capital would enhance our production capacity and it has been reiterated in our industrial policy that export promotion is one of our major objectives, whether it be our own industries or those set up by foreigners. If this policy results in an increase in our exports, we shall easily overcome the present Foreign exchange crunch.

Friends, there was also a mention of Public Sector Units. I feel that, it should be a matter of concern for all of us that capacity utilisation in the Public Sector is not upto the mark. We should all agree, irrespective of our party affiliations that there should be maximum capacity utilisation. In fact, it is the need of the hour. Everyone should join hands to make it possible. If we do not do so, our country will continue to remain backward and apart from being a national wastage, it will also be a kind of treason as well. *(Interruptions)*

Mr. Deputy Speaker, Sir, ours is a policy of self-reliance and as I mentioned earlier, the new policy would not only boost exports but also further industrial growth. But one thing I would like to mention here is that very less has been said about giving encouragement to Small-Scale industries

Over the years, the Small-Scale industries have made a mark of their own, contributing to 40 per cent of our total industrial output and 25 percent of our exports. Unfortunately, I find the new industrial policy, as a death-knell for small scale industries. The responsibility of safeguarding their interests, increases, in the coming days.

One of the major problems faced by the Small Scale industries is the difficulty in securing bank loans, but far more important than that is lack of any Governmental assistance in the marketing of their products. We have miserably failed in this direction.

The second issue relates to the fact that we have invited foreigners here and encouraged the development of major industries but in this process the small industries will suffer set back. We often talk about encouraging the small industries but these industries are not given adequate facilities to sell their products and small industries have to suffer on account of it. You have permitted the companies like Tata to make salt, soap, cycles, trucks etc. Birlas are permitted to manufacture cars and singhania's are manufacturing shoes. The big industries manufacture products like shoes, buttons and soaps whereas these can be manufactured by the small scale industries. You have not left any thing for small scale industries. On the one hand you assert that you encourage the small industries but it is not true because I feel that there is a little difference between our saying and doing. You have invited the big and the small industries to compete in the same field and even then you are saying that you have the policy to encourage the small scale industries. I believe that such a thing is not right.

[English]

SHRI NIRMAL KANTI CHATTERJEE (Dum Dum): Do you oppose the Industrial Policy?

[Translation]

SHRI VILAS MUTTEMWAR: I am not a Member of C.P.M. but still I think that I have highlighted your point.

[English]

We are also concerned about our country.

[Translation]

I am of the opinion that the small scale industries should be given protection. Recently there was a scheme to set up industries in the backward regions but it has not been mentioned categorically in our Industrial policy. You have just made a casual reference to it. The backward areas have been totally neglected.

PROF. PREM DHUMAL (Hamirpur): The Minister in-charge of Heavy Industries is present in this House but the Minister looking after small scale industries has left. (*Interruptions*)

SHRI VILAS MUTTEMWAR : I would request the hon. Minister to pay more attention towards the people living in backward areas. Attention is not being paid towards their development. Due to this various kinds of terrorism is spreading in the country. We have ignored it this time also. I understand that whatsoever progress has been made in the other part of the country but even then we could not check terrorism, and our plans for socialism and ruling the country smoothly will not be fulfilled in this manner. As such in order to prevent regional imbalance in the country you will have to consider the interests of the backward areas. You have not mentioned about regional imbalance. Irrespective of the policy we chalk out, our main objective should be to curb regional imbalance and maintain regional balance.

Mr. Deputy Speaker, Sir, you have rung the bell and as such I consider it necessary to once again keep these

[Sh. Vilas Muttemwar]

two issues before the House. I would urge the Minister of Industries that the prime objective of our policy should be to remove rural unemployment. But you have not said anything in this context. In present times, there are industries which can solve the problem of rural unemployment but it is necessary to include them in this industrial policy. Fortunately Tarun Gogoi who looks after this Ministry is present here, the Minister of Industry is also here. I would urge upon him that among the industries which can provide employment to the rural masses are the sugar factories. They have their monopoly. These are in the cooperative sector. But you have imposed restrictions on those and the instructions given to cooperative sectors to set up sugar factories is a detrimental policy. For the last five years its capacity was twelve and a half hundred tonnes daily but now it has suddenly shot up to 2500 tonnes. When a new industrialist desirous to set up an industry with the idea of investing Rs. 25 lakhs you advise him to invest Rs. ten lakhs. This industry comes under the cooperative sector. On one hand your objective is to encourage the cooperative sector and on the other hand your intentions are not clear. You want that the co-operative sector should get a boost but you have increased the capacity of non-co-operative sector on the pretext that the newly established Industries are not economically viable and have enhanced the capacity from twelve and half hundred tonnes to twenty five hundred tonnes. For establishing an industry of capacity of two thousand five hundred the share capital required is seven crores. People in the backward regions have just started the agriculture start in a planned manner. If you take stringent measures against those who are willing to grow sugarcane, I understand that it is not the right step. Presently rupees twelve crore are needed to be invested on a

factory producing one thousand two hundred fifty tonnes and rupees twenty five crore on a factory producing two thousand five hundred tonnes. I think that your policy is faulty. The proposal is before you and I request you to amend it.

Secondly I would urge the Minister of Energy to make a nodal agency and implement the Industrial policy, the small scale policy, the business policy, the import policy and other policies which would come during winter session and if this is not done there will be utter confusion. If you want them to run smoothly you will have to set up a nodal agency. The people will be gathered through the medium of nodal agency and you will have to work for proper implementation of industrial policy.

Till now I was talking about the country as a whole but it is my duty to highlight the problems faced by the people of my constituency which is an Adivasi dominated area. I have been elected from there for the third time. I would urge upon the Minister of Energy that we hail from Maharashtra and whenever we talk about the said state the response is that the state of Maharashtra has progressed leaps and bounds. In Maharashtra industrialisation has been done in Bombay, Thana, Pune, Jalgaon, Nasik and Aurangabad. If you look into the statistics in detail you will find that Marathwada and Vidharbha are two backward areas. Our efforts should be to bring them forward from the industrialisation point of view. Today, for setting-up industries in Maharashtra letter of intent is asked but the industries are set up only in the nearby areas of Bombay. On account of this Vidharbha and Marathwada have remained backward. Today the demand is for development and efforts are need to be made for achieving it.

I would urge upon you to declare centrally backward are as no-industry district. Garchiroli district falls in my area. In 1983 you declared this district as no industry district. I am trying continuously to include this

area for setting up industries in this district. I was in the consultative committee of Ministry of Industry. A move to set up an industry was raised. You said that since industries are going to be set up there letter of intents have been given. A rice mill and newsprint mill were set up. Licences for worth three to four hundred crores were issued to set up factories there. But later it was shifted to some other area. You have no evidence which proves that industries were set up after the letter of intents were issued. Similarly the backward regions continue to remain backward. Garhchiroli area has gone under the control of Naxalites. Naxalite activities have become an daily affair. They have now entered Yavatmal near Nagpur. I urge you to pay more attention towards its development. While coordinating all these things the Ministry of Railways should not be given a back seat. You are interested in setting up an industry in the backward area. You want to set up industries in backward areas. But a railway line is not laid there the industries cannot be set up. Industries can be set up exclusively in developed areas. As such it is necessary to coordinate with railways in regard to the Industrial policy. Only then our policy can attain success. I would like to assert that the industrial policy received a hearty welcome. In 1956 Nehruji had kept the concept of mixed economy before you keeping in view the diplomatic, social and economical situation of the country. If we agree to what Russia says we are branded to be following others. We have adopted the phenomena of five year plan from Russia. When the Janata Party formed Government in 1977 they aired the view of removing it. Today we stand gracefully before the entire world. We give suggestions in respect of the industrial policy but please don't condemn it. With these words I conclude my speech.

[English]

MR. DEPUTY SPEAKER: I want to tell one thing. Those who get the chance to speak in the beginning will

have more time and those whose names come at the end will get less time because virtually the Bell will go on ringing and ringing with the result there will be unrest among the Members. The question is immediately after 10 minutes there will be a Bell. After that another five minutes will be there. The result is that everybody will get a fair chance in representing his whole ideas in this House. So, let us stick to this norm.

SHRI ANIL BASU (Arambagh): There was an assurance from the Chair that the time will be extended.

MR. DEPUTY SPEAKER : That may be there. But if you speak only for 15 minutes then many hon. Members will have a chance to speak.

SHRI ANIL BASU: This is a new policy concerning so many issues.

MR. DEPUTY SPEAKER : You are perfectly correct. But everyone wants to express his own ideas in this House. So, nobody could be denied the opportunity to speak. Hence, my request to you is to just stick to the time. I now call Shri K. P. Reddaiah Yadav to speak.

SHRI K. P. REDDAIAH YADAV (Machilipatnam): Mr. Deputy-Speaker. Sir, I thank you for having given me time to participate in the discussion on the Demands for Grants under the control of the Ministry of Industry. On the new Industrial Policy, many senior leaders from all the parties have spoken. I have got a problem in discussing this subject because when I went to my constituency, the workers and cadre from all parties gathered there at Machilipatnam. They have asked me to put their views about the new industrial Policy—not in my own language, not in the language of the leader of the party and not in the language of the party but they wanted to put their views in people's language. Therefore, you may be kind enough to give me some more time to put forth the voice of the rural masses in this August House so that justice is done.

[Sh. K. P. Reddajiah Yadav]

The people of this country have clearly understood the new Industrial Policy. And they are also in agreement that under the leadership of Pandit Jawaharlal Nehru, the country had prospered and due to his forethought for having established the huge industrial base and also the agricultural policy of the country. There is no doubt about it. Subsequently, during the last ten years, the whole system has changed and the pity is that whatever Pandit Nehru had envisaged, that has not been fulfilled by the latter part of the Congress leadership (*Interruptions*). During 1956, under the leadership of Pandit Jawaharlal Nehru, they had framed a new Industrial Policy as well as the Agricultural Policy. As per the wishes of Mahatma Gandhi that the fruits of the freedom should be distributed to among all the people of this country—According to wishes of Gandhiji Congress was discussing the issue of implementing the social reforms. Then Panditji told them that if they wanted to distribute wealth at the particular time it was the poverty that could be distributed as we had recently got the Independence and no wealth was created during this period. He said, "let us wait for ten or fifteen years more and let us create wealth so that we can distribute it at a later time since we are the rulers of this independent country and we can do it at any time." Then the forty crore people of this country in 1956 made these Congress leaders the custodians of the entire property and wealth of this country. What did they do? the people have waited plan after the plan. The country was slowly developing. At all times, they were postponing the implementation of the social distribution of wealth created with the hard work of the farmers and the workers of this country. What happened subsequently is well known. Shri Rajasopala Chari many times told Pandit Jawaharlal Nehru that the Congress Government was introducing the licensing raj; the reason for Congress Government to introduce the licen-

sing raj is that the artisans and the farm community of rural India could not enter into the industrial field. That is the reason why the Congress people have put the licensing system in the beginning. When the 1956 Industrial Policy was introduced.

Those who can write; those who can go to Delhi, Bombay and Hyderabad, only can get the licences. That is how the Congress has made the industrialists who constitute 0.1% of population to loot the whole country's wealth in a systematic manner. Now Sir, that process has been completed. They have looted this country's money and the whole wealth was concentrated in a few industrial hands—these are the feelings of the rural masses in India about the Congress Government. This is what I am trying to put before you. I will come to the other points later.

What happened in the process of 45 years of Independence? There has been accumulation of wealth—unaccounted wealth—which has been deposited in the banks of Switzerland and Sweden. During the last two to three years, there was a lot of pressure on the Governments of Switzerland, Sweden and America from the public that they should not allow people from other countries to put their illegally earned money in secret accounts; they must open it and disclose the names and they should not allow any secret accounts. Fearing that the Government of India wants to bring back such money immediately, that is the reason why, they have formed this new industrial policy of 1991. Otherwise, there was no necessity to form the 1991 new industrial policy except for the reason of bringing back black money. No, they want to make disinvestment in the Public Sector Undertakings? Why? What is the reason? They have to show some way out to bring back secret money and that is by way of selling the public shares to the NRIs, to the politicians, bureaucrats and the businessmen who have the black money in their secret Accounts and who have

deposited it in Sweden and in other countries. They want to show a way out. So, in a gentleman way, they have to bring back and put their black money and make them occupy the Public Sector Undertakings—which was the idea of Pandit Jawaharlal Nehru. This is the understanding of the people—the commonman—about the new industrial policy of 1991.

Sir, now I will make some points. I am not going to make a speech. The new Finance Minister and other Congress friends have said that "we are going to compete with the industrially advanced countries and soon by selling out on interests to multinationals. Had Mahatma Gandhi visualised that this was the desire of the Congress people, he could have not opted for free India. He could have, as well, asked the British people "well, my dear friends, you develop our country; you develop our industrial production; you develop our agricultural production and give all necessities of life to my country men and women and we do not want to take away power from you and we don't want Swatantra Bharat".

But, now these people say, Sir, that it is better if a foreign country man can come and establish a steel industry or any other heavy industry. The congress leaders have forgotten what does self-respect mean? Self-respect does not mean to yield or surrender to anybody for any amount of help or wealth. It is not like that. I am a poor man. People have elected me as a Member of Parliament and I had defeated a *multicrorepati* who have looted almost all nationalised banks. You do not understand it. The money cannot play any role in this democratic set up. According to the new industrial policy, this Government is offering the NRIs and foreign investors to put their money here and allowing them to have 51 to 100 per cent equity. Sometimes

they are talking about Russia and China. I must tell you that the NRIs might have put their money amounting to Rs. 20,000 crores in the Indian banks. That amount of money may be big enough for a small country like Srilanka and it may be big for a country like Singapore. But for a country like India with 900 million people, it is like oxygen given to a patient on the death bed and the patient may survive. But afterwards what are you going to do, is the question to be thought about. Are you ready with a new infrastructure to save this country after survival with a small dose of IMF loan?

14.00 hrs.

They have not come out with any specific proposal of a new infrastructure. They just say that they want to develop the industry as well as the agricultural system in this country. They want to experiment the new industrial policy with the existing infrastructure which is full of corruption, inefficiency. That is the reason why we are doubting the credentials of this Government—whether they will bring the country to prosperity.

They are talking about China. But what is the infrastructure that china have got shall be understood by us? Recently in 1985 we have exported a tobacco ship to China. There they found that the tobacco is not good and instead of tobacco our people have put some stones and leaves. The China officials who had come here and inspected the material while loading into the ship were hanged by the China Government. But the persons who had sent it here have been rewarded by the then Finance Minister* with new orders of the order of several crores. This is the infrastructure you are having! You are boasting that we are going to take this

*Not recorded.

[Sh. K. P. Reddaiah Yadav]

country to the level of America and China. (*Interruptions*)

SHRI VILAS MUTTEMWAR : M. Deputy Speaker, Sir, I am speaking in the context of his speech. A group of people, led by Yashwant Sinha and Harish Rawat, who were staging a 'dharma' outside the residence of the Railway Minister were lathi-charged by the jawans of the R.P.F. and were arrested. They have submitted their demands to you. The then Railway Minister promised them to support their demands and they had given a notice that they will resort to hunger strike from 21st. So we want that.....(*Interruptions*)

SHRI K. D. Sultanpuri (Shimla) : They are being lathi-charged and the hon. Minister is sitting here. (*Interruptions*)

[*English*]

SHRI BASU DEB ACHARIA : I also gave a notice. I have received a message from there. Hundreds of RPF people have been lathi-charged.

SHRI PAWAN KUMAR BANSAL (Chindigarh): Some of our MPs and ex-MPs sitting in Dharna along with the members of the RPF have been lathi-charged. This is a serious matter. The Government, on the basis of a unanimous resolution of this House, had decided to accord recognition to RPF association. This order should be implemented immediately.

MR. DEPUTY SPEAKER : The hon. Member is on his legs speaking on the demands for grants of the Industry Ministry.

SHRI BASU DEB ACHARIA : I am on a point of order Sir. The decision to restore the recognition to RPF Association was taken by the previous Government. That was announced on the floor of this House by Shri Janeshwar Mishra, the then Railway Minister.

MR. DEPUTY SPEAKER : You kindly listen to me. If you wanted to raise this issue, immediately after the Question Hour, you should have done it.

SHRI VILAS MUTTEMWAR : Today also we have made our case. Just now only, there was a lathi-charge on the people sitting there.

MR. DEPUTY SPEAKER: I would like to know from the hon. Members whether we can raise such issues whenever we want. Rules do not permit this at all. Things of this type, under extraordinary circumstances, could be raised immediately after the Question Hour. Many things may go on outside. But we are all bound by the rules and regulations of this House and we have to follow them.

SHRI BASU DEB ACHARIA : The Minister is here: he should respond.

MR. DEPUTY SPEAKER : Shri Reddaiah is on his legs. The Minister is not going out; he will be here. So, let him complete first: have some patience

(*Interruptions*)

MR. DEPUTY SPEAKER : Are you so afraid that the Minister will go away now? Let the hon. Member complete his speech.

(*Interruptions*)

SHRI BASU DEB ACHARIA: Sir, the decision was taken by the Ministry; by the Cabinet. Now, we want to know as to when he is going to implement the decision taken by the earlier Government. (*Interruptions*). Sir, there can be no two opinions on this. The House is unanimous (*Interruptions*) The Minister is here and he should respond now. (*Interruptions*)

MR. DEPUTY SPEAKER: The hon. Member, Shri Reddaiah is on his legs: let him complete.

(*Interruptions*)

SHRIMATI BASAVA RAJESWARI (Bellary) : Sir, I am on a point of order.

MR. DEPUTY SPEAKER: Point of order is raised by Shrimati Basava Rajeswari. Let us hear her point of order.

SHRIMATI BASAVA RAJESWARI : I have been hearing Shri Reddaiah's speech. He was talking about the new industrial policy. He went on saying that the Congress people only have got the Letters of Indent and licences. Does he mean to say that Telugu Desam people have not received any licence and Letter of Indent? This is my first point.

My second point is this. He was making allegations against the previous Finance Minister.* He is not in the House and how can he defend himself? Can the hon. Member mention the names?

Sir, I would like to have your ruling on these two points.

MR. DEPUTY SPEAKER: If any allegations were made, I will expunge them.

(Interruptions)

DR. LAXMI NARAYAN PANDEYA (Mandsaur): I am on a point of order.

MR. DEPUTY SPEAKER: Point of order is raised by Shri Pandey. Let us hear his point of order.

[Translation]

DR. LAXMI NARAYAN PANDEYA: Sir, the proceedings of the House are regulated by the Rules of Procedure and Conduct of Business in the Lok Sabha. When four days ago the matter regarding lathi-charge on Kashmiri migrants was raised in the House, whoever was in the chair disallowed it. Every matter has its own importance and we accept this

*Not recorded.

fact. But we are bound by certain rules of procedure and we must go by the rules.

[English]

SHRI BASU DEB ACHARIA: Sir, there are precedents. In the past, we have raised and the Ministers have responded because of the urgency of the matter. So, when the Minister is here, he must respond. *(Interruptions)*

SHRI SRIKANTA JENA (Cuttack): Though he has not lathi-charged, at least he can respond to that!

(Interruptions)

SHRI E. AHAMED (Manjeri): This is a sort of lathi-charge in the House itself against the Minister!

(Interruptions)

MR. DEPUTY SPEAKER: Shri Acharia, kindly excuse me. Suppose, even if the Minister were to respond to it, can I ask the hon. Member to stop his speech so that the Minister may respond?

SOME HON. MEMBERS: Yes, you can.

MR. DEPUTY SPEAKER: It may not be very fair. Let him complete his speech first; and afterwards, let us see.

(Interruptions)

14.09. [RAO RAM SINGH
in the Chair]

SHRI K. P. REDDAIAH YADAV: Mr. Chairman, Sir, you have heard all the interruptions. So, I should be given sufficient time.

Sir, they are just boasting that the foreign countries will give all their technology and help and that they will invest thousands of crores of dollars in India. It is wrong. You must understand that they may help South Korea; they may help Singa-

[Sh. K. P. Reddaiah Yadav]
 pore; they may help Srilanka. But India being a potentially political threat to America, Britain, Canada or China—they are afraid that India once become self-sufficient it will become one of the leaders of this world—you should not expect that the Western countries will come and help you to become yourself self-sufficient. Today, in the ONGC, we are not having technology, we are not having funds. We have offered Multinationals a share in oil produced to the extent of 25-30 per cent.

Why are they not coming forward to assist? That means that they will not help us to that extent that India become self-sufficient in all fields. They are the monopolists and they will dictate their terms. You are undermining the self-respect of 80 per cent of the masses of this country. You may not be having self-respect. Your AICC may not be having the self-respect. But the Indian people will die and sacrifice for the national prestige and national integration.

For the last 40 years, even with one *roli*, people living in huts have made you custodians of this country to safeguard the interest of the country. Still you are not realising what sacrifices have been made by the rural masses of this country, including Harijans, Muslims or anybody else, that is, 'have-nots'. Therefore, I am telling that you should not over-estimate that the multinationals will come and make this country potentially stronger which is dangerous to them. You are not allowing a right person with integrity to come up in the political field even in your party. There is a competition everywhere. Therefore, the multinationals or foreign countries will never help you to enable you to become self-sufficient in all fields. You kindly remove that idea from your mind. Whatever probable things are there, you just design a new plan or industrial policy of your own.

Now they are telling that all the losses that are incurred will be reco-

vered the moment the multinationals and NRIs purchase our public undertakings and our industries.

SHRI E. AHAMED: There is absolutely no mention like that.

SHRI K. P. REDDAIAH YADAV: Why are you going for disinvestment of public shares which sounds the same meaning. Now we have got our own philosophy. In a village, they say that whenever you go wrong, whenever you incur a loss in your field or business, you apply Marwari economic law.

SHRI E. AHAMED: There is a change.

SHRI K. P. REDDAIAH YADAV: Therefore, you need not go to the multinationals and try to learn the new economic theories. We have got our own theories. A Marwari says that when we are earning Rs. 100, you enjoy 50 per cent of the profit. When you are not earning anything, then you should not touch the paid-up capital, that is, *Mooladhan*. You should not touch that at all.

MR. CHAIRMAN: Please wind up.

SHRI K. P. REDDAIAH YADAV: Sir, they have taken ten minutes. This is not my speech. This is the people's speech.

[Translation]

MR. CHAIRMAN: You have borrowed time from everyone else and spoken for 15 minutes.

SHRI K. P. REDDAIAH YADAV: No, no, Sir. I have taken only five minutes. In-between, they have interrupted. And they have exchanged their views. Now, I will leave all those things aside. What exactly my CPI, CPI(M), Telugu Desam and Janata Dal workers have given me to put before the Hon. House is that. (Interruptions) People are very much

frustrated about the selling out of the public undertakings to the NRIs and multinationals. Our opinion is this. The public undertakings are continuously incurring losses. Some industries are making profits. Have the Government or the Secretaries or the CMDs of those particular undertakings analysed why are we incurring continuous losses and did they locate where the fault lies? This is the problem. And what my workers of Machilipatnam have told me to place before this House is that the public sector undertakings are running on loss due to political interference and rampant corruption. The head of our country is the Prime Minister and the head of the State is the Chief Minister and for industry, the head is the Chairman and Managing Director, that is, the CMD. Now, unless the CMD is a person who works with integrity and honesty, the workers will not work and even the machine, sometimes, will not take instructions from him, to start or to stop. Therefore, Sir, if in this country, any head of any institution works honestly for one year, the country's problems could be solved easily. I would like to give an example in heavy industry.

MR. CHAIRMAN: Please conclude.

(Interruptions)

SHRI K. P. REDDAIAH YADAV: Sir, if you do not hear the problems of the rural masses, they will curse you. I am placing before you the workers' problems.

MR. CHAIRMAN: Whatever you are speaking, you are doing so on your own responsibility. Do not say that since your workers have said that everybody is corrupt, therefore, everybody is corrupt. You speak on your own authority here.

SHRI K. P. REDDAIAH YADAV: My submission is that I do not want to speak in convent language and that is the reason, I am trying to put in a simple language.

Sir, there are undertakings like that of BHEL which have brought name and fame to this country and we should agree to this fact. There may be some industries which might be running on loss. But that does not mean that we have to wind up all such industries. The business industry will always try to defeat our goal, that is, the public sector undertakings.

I would like to narrate one example at this stage. The NBCC, NTPC, ECIL, etc. are public sector undertakings which are running perfectly all right. Even the World Bank team has praised the NBCC and NTPC like anything but the moment the one particular Minister took a charge in 1985, even their paid-up capital was eaten away by them. Who is responsible for that? Are the scientists responsible or the CMD responsible or the workers responsible for it? No. It was due to the political interference and the business people who wanted to undo these public sector undertakings and wanted them to run on loss. I would tell you one instance. The Hindustan Cables Limited is a public sector undertaking. And IPCL is another undertaking which was established with Rs. 153 crores and it was running well. A Minister who took charge said that he will give ten licences per private industrialist and I do not want to go into the details of what he did after having given the licences. IPCL has to supply raw materials of HCL. It is the sister concern of another public sector undertaking. They said that they would not supply the raw materials but they will give them the same materials to private companies KTL, UPCOM, Tele Line Nicco Finolex etc. (Interruptions)

[Translation]

SHRI K. D. SULTANPURI: Sir, names are being mentioned. Names should not be mentioned.

[English]

SHRI K. P. REDDAIAH YADAV: OK. I will not say any names. The

[Sh. K. P. Reddaiah Yadav]

Hindustan Cables Limited is incurring heavy losses for the last two years. Who is responsible for this? Can you sack the IPC people HCL was established in 1953 and was going on well. But in between you introduced private entrepreneurship. You wanted to divert all the raw material to those private people. You must analyse all these things in this manner.

MR. CHAIRMAN: You kindly wind up now. You are taking the time of your colleague Shri Ramaiah. If you take more time, he will not get a chance to speak.

SHRI K. P. REDDAIAH YADAV: I will take just one minute Sir. During the last 42 years, not a single paisa was spent for my constituency Machilipatnam by Central Government. In Visakhapatnam, Central Government invested 8,000 crores of rupees. In Hyderabad, Rs. 15,000 crores were invested. In Vijayawada, one thousand crores of rupees were invested. Unfortunately, nothing is invested in my constituency, though Machilipatnam happens to be the birth place from where the AICC President, Pattabhi Seetaramiah hailed. Therefore my humble submission to the hon. Chairman is this. You please use your good offices and make them understand that at least one major project from the Central sector is installed at Machilipatnam. It may be either a petro-chemical project or a salt based or agri-based project—should immediately be given to my constituency.

I will just mention one last sentence regarding the multi-nationals and then conclude my speech. There is a sugar factory in my Vuyuru Assembly constituency. You say that they are safeguarding the interests of the farmers, workers and everybody. I wonder whom they are safeguarding. Within 50 seconds, I will narrate the story. This sugar factory was established long back and today it is earning crores of rupees. Even its reserve fund has gone upto Rs. 35 crores. But, for the last ten years the

workers are employed on a daily wage basis. If a tea shop owner or a cloth shop owner employs a man for more than six months, he should be made a permanent employee. For the last ten years, these poor workers, who have to carry sugarcane load on their heads, are working on daily wages and they are not made permanent till now. They do not get any salary and other benefits. Even a landless worker working on a farm gets Rs. 30, but these workers are paid just Rs. 12 per day. What is the reason for this? The reason is very simple. The CMD has direct links with the concerned Minister and the concerned Secretary and the concerned officials such as the Labour Inspector, Labour Commissioner and so on. These are the persons who will safeguard the self-respect of the rural masses! How can I believe it?

Another point that I would like to mention is...

MR. CHAIRMAN: That was the last point. Please conclude.

SHRI K. P. REDDAIAH YADAV: I will say just one word about the NRIs and then finish. Sir, do you know what these NRIs are? There are a thousand NRIs in my district. They are the people who studied in Bangalore Medical College, Bangalore Engineering College, after paying donations, etc. Then they had gone to America and earned a lot. This black money is now being pumped into the country through these NRIs. These people have studied in our colleges funded by poor people's money. On every student, we are spending nearly one lakh rupees. Now you want to elevate these NRIs to the rank of angels and you want to treat your own brothers and sisters in the country as second class citizens. We have paid for their education in our colleges. We do not want the money of.....**NRIs and multi-nationals.

**Expunged as ordered by the Chair.

MR. CHAIRMAN: Please conclude. I think you can avoid the use of this word, because it is unparliamentary.

SHRI K. P. REDDAIAH YADAV: Sir, in my life I will never come to you with any request but for this. During these five years, if this Government continues, I will not ask for any favour, but you please give me one minute more.

I would like to know whether the Government had explored all possibilities that this country cannot survive without selling the gold or without having IMF loan. We are earning about Rs. 32 crores every year by way of export and at the same time we are importing goods worth Rs. 42 crores. The trade gap is about Rs. 10,000 crores. That is the situation you have brought us in. If we had cut down the capital Goods imports of Rs. 10,000 crores for one or two years the problem could have been solved.

You are spending about Rs. 2000 crores on the imports of fertilisers. We have got a well established poultry. It has been developed like anything in India. We get 3.8 lakh tonnes equivalent of fertilisers from this poultry. If you encourage the Gujarat and Rayalseema farmers, to grow groundnuts we can do away with the import of edible oils import. We can export raw cotton to the tune of 2,000 crores. Why cannot we cut down the capital goods import for two years which is accounting for Rs. 10,000 crores?

SHRI BASU DEB ACHARIA: Sir, when Deputy Speaker was in the Chair, he gave a ruling to raise a very important matter after the hon. Member finishes his speech.

MR. CHAIRMAN: You must either move a substantive motion or

give it in writing in the morning to Hon. Speaker.

SHRI BASU DEB ACHARIA: I gave the notice also and I wanted to raise it in the Zero Hour but another incident took place. (Interruptions)

MR. CHAIRMAN: This is not listed in today's business.

SHRI BASU DEB ACHARIA: A former Minister along with hundreds of RPF workers were lathi charged. (Interruptions)

MR. CHAIRMAN: Deputy Speaker gave no such ruling. It is not on today's business. I am sorry, I cannot allow you.

(Interruptions)

MR. CHAIRMAN: If four gentlemen speak at the same time, I cannot hear.

SHRI BASU DEB ACHARIA: Sir, the Railway Minister was about to respond then, but the Deputy Speaker said that after the hon. Member finishes his speech, the Railway Minister can respond.

MR. CHAIRMAN: I am sorry, it was not listed on the business for the day and the Deputy Speaker gave no such ruling.

SHRI BASU DEB ACHARIA: Sir, it is a very urgent matter. Hundreds of RPF workers are lathi charged along with a former Member and a former Minister of this House.

MR. CHAIRMAN: I will bring it to the notice of the Speaker and if he admits it for tomorrow, you can raise it.

(Interruptions)

SHRI BASU DEB ACHARIA: Sir, the Railway Minister is here. He can respond because that incident took place in front of his residence. I was also there.

MR. CHAIRMAN: It is not listed on today's business and the Deputy Speaker has over-ruled this point. I cannot under any circumstances admit it.

SHRI BASU DEB ACHARIA: Sir, he assured us that we can raise this matter after the hon. Member finishes his speech.

MR. CHAIRMAN: You raised this point when Deputy Speaker was in the Chair and if he wanted, he could have asked the Railway Minister to reply. But in his wisdom he did not think it fit to ask the Minister to intervene.

Now, if you move a substantive motion or give it in writing, I will bring it to the notice of the Speaker.

(Interruptions)

SHRI BASU DEB ACHARIA: You can go through the proceedings. What he said is this. When I said that the Minister was ready to respond, he said that this can only be done after the Member finishes his speech.

MR. CHAIRMAN (Rao Ram Singh): I was here. He did not say what you are saying just now that after the Member finishes his speech, he will respond.

(Interruptions)

SHRI BASU DEB ACHARIA: Yes, he said it. When the Minister is here, he must respond to it. *(Interruptions)* It is a very serious matter. A decision was taken by the previous Government to restore the recognition to RPF Association and also a decision was taken by the Cabinet and that decision was not implemented... *(Interruptions)*

MR. CHAIRMAN: Nothing will go on record.

*(Interruptions)**

*Not recorded.

SHRI NIRMAL KANTI CHATTERJEE: Let me give you the latest information. Shri Yashwant Sinha, a Member of Rajya Sabha... *(Interruptions)*

MR. CHAIRMAN: This point was raised by Shri Acharia when the Deputy Speaker was in the Chair and the Deputy Speaker ruled.....

SHRI NIRMAL KANTI CHATTERJEE: No. That was in the morning. That was regarding a Report about *Dharna* and a response was sought from the Railway Minister or whoever he may be. Now, the latest report is that 55 of them, including Shri Harish Rawat, who is an ex-MP and Shri Yashwant Sinha, who is the Member of Rajya Sabha, have been sent to Tuglakabad *Thana*. There, they have been lathi-charged by the DCPs and others. This is something which has happened. We did not know about this in the morning. So, their own Member, who is an ex-MP accidentally, and others have been taken into custody and there, they are being beaten. *(Interruptions)*

SHRI MANORANJAN BHAKTA (Andaman & Nicobar Islands): What the hon. Member is saying, if it is correct, then I think the Government should say something. It is because Shri Harish Rawat was a Member of this House and Shri Yashwant Sinha is a Member of Rajya Babha and if they were taken to the Police Station and lathi-charged, then I think, the Railway Minister should respond.

MR. CHAIRMAN: You have said what you wanted to say. Now, it will take the Minister—even if he wants to give a reply—some time to collect the facts. He cannot...

(Interruptions)

DR. ASIM BALA (Nabadwip) He is ready to reply... *(Interruptions)*

MR. CHAIRMAN: Okay, please sit down.

**THE MINISTER OF RAILWAYS
(SHRI C. K. JAFFER SHARIEF):**

Sir, I am extremely sorry to hear what has happened today. In fact, as you rightly pointed out, I do not have the full facts. I have to collect them. Nevertheless, only a few days back, in the corridors of Parliament, Shri Yashwant Sinha spoke to me. I told him, "Let the Session be over. We will sit and discuss it." Shri Harish Rawat is my own party Member. He is an ex-MP. He also spoke to me. I also gave him the same assurance. Not only that I wrote to them...

SHRI BASU DEB ACHARIA:
What have you written?

SHRI C. K. JAFFER SHARIEF:
"The Session is on. We are busy with so many things. Let the Session be over and then we will sit and discuss, the Heavens is not going to fall. This is a matter which is related to the disciplined force. We will have to discuss it with the Home Ministry and other people. Kindly give me time." And the understanding was that let the matter end here and after the Session is over, we were supposed to have sat and discussed it. I did not get even an iota of information that this morning they are going to come to my house. I was in my house. I met a lot of people, a lot of Railway employees, public and everybody. I came to my Office around 11 O'clock. Till such time, nobody came. When I was in the Office, in a Conference, I was told that some RPF personnel, some DTC personnel, some trade union workers and some other people have gone there. They have gone near my house. They are sitting on a *Dharna* there. I sent a message that let them sit there.

There is no need to disturb them. After all, they are our people; let them sit there. In between, I do not know why did the police go there and take them away? From my side, there is no question of giving any

instructions to the police. Later, I was told that they were rounded up. Then I asked the police why did they do it? They said, that area is prohibited area or something like that. If it is prohibited area, the police should not have allowed them to come in. Now having allowed them to come near my house, they should not have taken them away. Anyhow, I do not know the full facts. I will have to ascertain them. But something I want to tell you because my friend Shri Basu Deb Acharia all the time has been demanding that there has been a decision taken by the earlier government with regard to recognition.

SHRI BASU DEB ACHARIA:
I can quote it.

SHRI C. K. JAFFER SHARIEF:
It is their decision... On some other issue, you demanded something to be done. I said, "O.K., I am sending my recommendation to the Cabinet." I have sent it.

Now, coming to this issue, all of us should understand that there was an election. The earlier government is not here now. We have come with the mandate of the people. Whatever the earlier government did is not going to be mandatory on us. In that case, the earlier government gave a number of free passes to the people. Do you want me to continue that? (*Interruptions*) When they demanded a statement from me, they must have the courtesy to listen to me; they should not interrupt me. We are functioning in a democratic system. Government comes and government goes. Every political party would get an advantage and come with the mandate of the people and it runs the government of the country. What is in the larger interest of the people, what is in the best interest of the system is more important to me than what the earlier government had decided. What the earlier government decided, I am not going to do it here. But I will adjust it. So, please do

not quote that since somebody has taken a decision we should also follow it. I am not here to be dictated by anybody; I am here to run the Government, to run the system in the larger interest of the people. This is not my private concern, this is not my private property. I am here to serve the people; I am here to obey even what you say, as Members of Parliament, as representatives of the people. But don't keep telling us that since somebody has taken a decision we should also follow it. I am not here to follow that kind of a thing.

MR. CHAIRMAN: The House is in no position to take cognisance of any rumour that may be circulated. Once you receive some authentic information, then by all means you can raise this point by tomorrow. By tomorrow, the Minister will also be fully in the knowledge of the facts and he will tell you something about them. At present, you have heard some rumour.

SHRI NIRMAL KANTI CHATTERJEE: Who do you say that this is a rumour? You please bear with us. What we want is let him make a statement.

MR. CHAIRMAN: You might have heard some rumour or have received some authentic information. Kindly see that it is checked by tomorrow.

SHRI NIRMAL KANTI CHATTERJEE: Why tomorrow? This is not Madras; this is Delhi itself.

MR. CHAIRMAN: At present, the Minister has given whatever information he has. When I am on my legs, nobody will get up. Kindly have some discipline in the House. As soon as the Minister receives any firm and definite information, then he will be in a position to place it before the House. But, at present, he is not in a position to give any further information than what he has already consented to give.

SHRI NIRMAL KANTI CHATTERJEE: Whatever you have said in your wisdom, we have to obey. But kindly bear with us. What we want is this. He has said that he is not bound by the decision of the earlier government; he is right; he is not bound. But we are agitating on this point for quite some time now. Let him come out with a statement that he is not bound; he is oppose to give recognition; then we shall see what can be done; he is perfectly right in his position that he is not bound. Let him make a statement here that he will not give recognition; then we shall see what we can do. Let him not take time on that. As in the case of the 691 employees, let him not take time, let him come out with a decision when Parliament is on.

And secondly, we have heard this, not as a rumour, we have been specifically informed about the events in the *Thana* itself that these people have been detained. We are sitting in Delhi. It is their duty, it is the Government's duty, may be of the Home Minister, may be of the Railway Minister may be anyone who is now in position here, to find out and let us know whether it is a rumour or not before we break up for the day. The only request that we make to you is to instruct the Government to come out with it before we adjourn for the next day. That is the only request that we make.

MR. CHAIRMAN: You are right. You have all been agitating on this for a long time. But my point is, what urgency has occurred at this minute? Have you received any specific information in this connection? Is that information authentic? The Minister has been sitting here for the last two hours, I have been seeing him. What information you have received at this particular minute, obviously he has not received. He had not had the time to confirm. Now I cannot say—it is almost Three O'Clock—whether by the time the House adjourns he will be in a position to contact the concerned

machinery and give the information. I cannot say. I only say that tomorrow you raise this point and I will request the Hon. Speaker to ask the Government to be ready.

SHRI NIRMAL KANTI CHATTERJEE: Tomorrow?

MR. CHAIRMAN: I cannot give an unjustified direction to the Government to give the information by Five O'Clock and that you will have the information readily. It is not possible.

SHRI NIRMAL KANTI CHATTERJEE: The only request we make is not an unjustified request. What request, which we have made, is unjustified? We are pointing out that we are sitting in Delhi. Just a telephone call to the *Thana* will give him all the information. Let him find out.

Therefore, we submit that it is possible to make a report before we adjourn in the evening.

MR. CHAIRMAN: Shri Chatterjee, you have made your point, which I think the Minister has noted, and I am sure that the machinery will be geared and something will be done.

(Interruptions)

MR. CHAIRMAN: Now, Shri Sartaj Singh.

14.44 hrs.

DEMANDS FOR GRANTS (GENERAL) 1991-92—Contd.

Ministry of Industry—Contd.

(Translation)

SHRI SARTAJ SINGH (Hoshangabad): Mr. Chairman, Sir, in the controversial new Industrial Policy it has been accepted that the policies framed till now were faulty. The new industrial policy negates the first industrial policy framed in 1956. The Government has conceded that the policy framed in 1956 gave priority to the public sector and this was detrimental to the economy of the country. It is

due to these faulty policies that the country is facing a difficult situation today. Huge debt has piled up. Assistance from foreign countries has become so necessary that in order to pay off our debts we have had to pledge our gold. *(Interruptions)*

Today the Government is in a dilemma. While the Industrial Policy of 1956 is being negated the decision of the people who formulated the policy is not being criticised. The country is facing the consequences. It has been said many times that the nation has made much progress. Compared to our neighbouring countries we have made much progress. Just now hon. Shri Vilas was also saying the same thing. The reality is quite different. Statistics presented with the Industrial Policy show the figures of per capita income. According to the figures, India is last among all the eighteen neighbouring countries in this respect. Compared to India's per capita income of \$ 870, Indonesia has a per capita income of \$ 1820, China \$ 2470, Thailand \$ 3280, Brazil \$ 4660 and Greece \$ 6440. All these figures prove that it is wrong to say that our per capita income has increased or our country has made progress in industrial field.

According to official figures, India's rate of industrial growth is 5.5% whereas that of Pakistan is 10.8%, Thailand 11.5%, Taiwan 13.2% and South Korea 16.5%. So we cannot say that India has done better than other countries in the industrial sector. The rate of agricultural growth in India is 2.1%, in Malaysia 4.7%, Thailand 4.5%, Indonesia 3.5% and Phillipines 3.6%.

SHRI VILAS MUTTEMWAR: Please suggest some steps that would help the country make progress.

SHRI SARTAJ SINGH: In the context of the new Industrial Policy, I would like to say that all industrial policies in our country are influenced by foreign countries. The Industrial

[Sh. Sartaj Singh]

Policy of 1956 was influenced by Russia. I have no hesitation in submitting that it is a fact that our new Industrial Policy has been formulated under the influence of IMF and World Bank. Whenever Industrial Policy is formulated Government never takes into consideration the requirements of the people in the country, the prevailing circumstances and the problems the country is facing. The Government invited foreign industrialists to invest money in India and also terminated the limit required under MRTP, but it did not make any effort to protect cottage industries.

Ours is a country of villages. Cottage industries are the back-bone of our country. However, the Government has not protected any industry which may provide job opportunities to people. Many items which can be produced in cottage industries are being produced by multi-national companies in our country. As it has already been stated that even shoes are being manufactured in big factories, so much so that the items like hair-oil, soap, tooth paste etc. are also being manufactured by the multi-national companies. These things should be prepared in cottage industries. This is the outcome of the wrong industrial policy adopted by the Government. They have not protected those industries which may provide job opportunities to people. If a cottage industry is given protection, it would provide job opportunities to a number of people. Bidi udyog can be taken as an example for it. Bidis are not prepared with machines in big industries. This industry has been providing job opportunities to lakhs of people in the country. In the new industrial policy the Government should specify some industries as cottage industries and give protection to them. Only then the people in the country will get job opportunities. We are backward for which our wrong policies are responsible. Rampant corruption and negligence are having adverse effect on our industries and creating many problems.

When the matter of foreign exchange comes we find that there is shortage of foreign exchange in our country. I would like to give an example of the public sector industrial unit set up in my area. The only unit for producing paper for currency notes is situated at Hoshangabad. Paper meant for currency notes only is produced there. That unit is supposed to produce 10 tonnes of paper per day, whereas 7 tonnes of paper is being produced. The reasons for this under production are very ridiculous. Yesterday Shri Vaghela, in his speech, referred to corrupt methods that are applied to get railway wagons. The factory is having less production than what is required because wagons are not available for the booking of the paper already prepared. Four channels work in the entire production process and one or two channels have to be closed due to the lack of space for keeping the stock material. On the one hand the production in the unit is low while on the other hand the employees have been fighting for bonus. The Government on their own invited global tenders to import paper meant for currency notes. Recently a tender for paper required for preparing five thousand metric tonnes of currency notes has been invited though it can be prepared in the country itself. It is a matter of examination why efforts are not made to run the factory properly. Measures should be taken to increase the production which may meet the requirements of the country. How many currency notes are printed, should also be known, because paper is prepared in accordance with it. It cannot be used for any other purpose. Water mark and denomination number have to be printed during the preparation procedure, even thread has also to be put at the same time. About 7 tonnes of paper is being prepared everyday in the country and about 5000 metric tonnes of paper has to be imported. The details of the scale at which the currency notes are being printed should also be provided. In this manner the common man has to bear the burden of price-rise only due to the prevailing corruption in

the industries and the conspiracy by the industrialists. Just now during the Question Hour we were discussing the prices of cement when the price of cement was Rs. 30/- per bag the excise duty was the same as is today when the price of cement is Rs. 110/- per bag. Why the situation has deteriorated to the extent that the price of cement has increased from Rs. 30/- to Rs. 110 per bag in spite of the fact that neither tax has been imposed nor excise duty has been increased on it. The only reason behind it is that the companies manufacturing this product in the country have been conspiring to charge the prices arbitrarily. My submission is that the Government should give incentives to them so that they increase the production. However, increase in production does not mean that they are free to charge the money they want. One of the other causes given for increase in cement prices is the freight rates. This increase in freight rates may cause a nominal increase in the prices but not such a big increase from Rs. 30/- to Rs. 110. The Government should take measures to check this conspiracy being hatched in the country to cheat the people.

Same situation prevails in the tyre industry. The owners are increasing the prices arbitrarily, the industrialists are conspiring to charge the prices arbitrarily and no action is being taken by Government. If the economy of the country has to be improved we will have to check corruption. Multi-national companies are permitted to manufacture petty items like hair oil, soap, tooth-paste etc. They should not be allowed to do so. The Government invites them to prepare common drinks and permit them to prepare Pepsi Cola. If at all we have to invite them, we should do so for specific purpose. They should not be allowed to enter into cottage industries. If the Government provides complete protection to the cottage industries by transferring a certain share of the production from big industrialists to them, it should not only increase the production but also remove unemployment. Now Industrial Policy does not have these

provisions and thus it would not solve any problem. Rather it poses various threats, it would prove beneficial to big industries and multi-national companies. Small industrialists may have to face problems in running their industries and they may close their units. No provision has been made in the new Industrial Policy to protect the cottage industries. Therefore I oppose it.

SHRI ANKUSHRAO RAOSAHEB TOPE (Jalna): Mr. Chairman, Sir, I rise to support the Demands of Grants of the Ministry of Industry and I am very grateful to you that you gave me an opportunity to speak. The hon. Member sitting in front of me has severely criticized the industrial policy. But my submission to him is that the country which could not manufacture even a small needle before independence has developed to the extent that it is capable of manufacturing even the defence items like tanks, ships, aeroplanes etc. We have no need to import defence material any more. Until 1970 foodgrains was imported and it is only the result of our Industrial Policy that we have become self-sufficient in that respect. Rather we have started exporting it. We have also become self-reliant in textiles and medicines. Earlier the machinery required for setting up heavy industry like Steel Plant, Sugar Plant, Petro-Chemicals Plant, Fertilizer Plant, Oil Refineries, Thermal Power Plant etc. was imported and now the same is being manufactured in the country itself.

15.00 hrs.

We should be proud of the fact that we are not required to import anything from abroad. We can manufacture all these items indigenously and it is the outcome of our excellent industrial policy.

Mr. Chairman, Sir, we should be proud of the fact that India is the leading producer of scooters, chemicals, electronic goods etc. In this

[Sh. Ankushrao Raosaheb Tope]

context, I fully welcome the industrial policy formulated by our Government and our party. It is also a fact that the outstanding outcome of this policy will be felt soon after its formulation. More and more industries will be set up and the red tapism and bureaucratic hurdles will be removed. More and more unemployed people will get employment as a result of it. The stock of foreign exchange will definitely be augmented.

Mr. Chairman, Sir, with regard to the new industrial policy I want to draw the attention of the Government towards certain aspects of it. With the liberalisation of the policy, there will be radical changes in the infrastructure and additional facilities will be provided and the industrialists will set up their industries in the complex. I am a member from Maharashtra. Marathawada is a very backward area of Maharashtra. It has been unanimously accepted that Maharashtra is a prosperous state as far as industrialisation is concerned but this is not true with regard to all the areas of Maharashtra. For example, we take Bombay and Pune belt. Owing to the excellent availability of all the infrastructures at these places all the industries are concentrated there; thus creating pollution problem. But as far as Marathawada and Vidharba are concerned, they are backward areas and also on account of the non-availability of infrastructure I apprehend whether the new industrialists will set up their industries in that area or not? I apprehend also whether the regional imbalance prevailing in this area will be dispelled or not?

Mr. Chairman, Sir, I would urge the hon. Minister that Marathawada area is a very backward area. Nobody knows National Highway. Even a single kilometre broad gauge line is not there in this place and there exists wide communication gap. I have my own fear if the industrialists will set up their industries in backward areas despite liberalisation of the policy. As such, through you I would like to

bring this fact to the notice of the Government that more and more infrastructure should be made available in these backward areas otherwise more and more industries will be set up in those places where these already exist in large number and that will create serious problems. As such infrastructure is required to remove the regional imbalance and more and more attention should be paid to this aspect. Just now our colleague Shri Vilas Muttemwar rightly asserted that emphasis on infrastructure should be laid in those areas, where no broad gauge or national highway exists. The industrialists do not take interest in setting up industries in these places unless they find good infrastructure there. As such you should pay your attention to this aspect.

Sir, I am an employee of cooperative sugar industry. I would like to draw your attention towards the fact that twenty seven new industries have now received, licences. They are all cooperative sugar mills. Here the small farmers have contributed Rupees One thousand each and thus collected one and a half crore rupees. They have got licences for sugar industries, and for obtaining machines for these industries the supply order has already been given, and some good progress in their work has been noticed but a letter was issued by the term lending institution—I.F.C.I. and I.D.B.I. directing them to stop their operation, because their units were not considered feasible and viable. This thing should be taken into consideration while giving the licences. It is correct that these are not viable and feasible and incentives are very less but it should be considered at the time of licensing. We have talked to the Minister of Food in this regard. But delaying it further would result into constant escalation of project cost and if the project cost increases, the whole units are likely to be born sick. Therefore, financial institutions should look into this aspect.

Sir, the policy adopted in respect of the new industries comprises of eighteen

items and sugar is one of them. I have just now told you that I am an employee of a cooperative sugar mill. In Maharashtra all the sugar mills are in cooperative sector. A favourable policy started by the Congress Government is still continuing in Maharashtra since then. Previously applications were invited by the state Government and after considering those applications, these were sent to the State Food Department with due recommendation. Thereafter the screening committee of the Department of Food looked into all these applications and then gave its recommendation; and only then the licences were issued by the Department of Industry. But V. P. Singh Government changed the entire thing. They started inviting applications directly through Department of Industry. They did not consider the availability of sugarcane to start a mill and distance of the new unit from the existing mill. Ignoring all these important factors, applications were invited directly by the Department. If you look at the licences issued during their regime, you would find that all the licences were issued to the top industrialists, millionaires, the people who do not belong to any cooperative or public sector. If the policy is not changed, I apprehend that in future also, all the big industrialists will grab these licences and cooperatives and public sector would be denied these licenses. As such I am of the opinion that whenever you make any amendment to the policy relating to sugar industry, you should follow the old procedure that was being followed during the Congress regime. The Government should invite the applications, Food Department should pass them on to the Screening Committee and thereafter on the basis of its recommendations Department of Industry should issue licences. This is the proper procedure. Meanwhile, another clause was imposed on us. Previously the plant capacity of a cooperative sugar mill used to be one thousand two hundred fifty tonnes, but due to the pressure of industrialists, the plant capacity for sugar mill has been increased to two

thousand five hundred tonnes. As such the cost of the factory has gone upto Rs. 35 crores. As such our submission is that in the proposed policy, this limit in respect of new factories should be reduced to 1250 tonnes only and if it is not possible then it should be at the most 1500 tonnes. They will keep on expanding as their supply of sugarcane increases. As such, in the new industrial policy the concept of 2500 tonnes should be replaced by 1500 tonnes. This is what I want to bring to your notice.

Mr. Chairman, Sir, since these days by-products are taking the place of the main products, and main products are becoming by-products in hazardous chemicals. Moreover a lot of importance is being given to distilleries. There is a substance called molasses and the distillate too, which is prepared from molasses, has been included in the list of 18 hazardous chemicals. My request to hon. Minister is to delicense at least this by-product. It is all right as far as sugar is concerned because sugar covered in 18 items, but the by-products of sugar i.e. molasses industry should be delicensed as has been done in case bag-gase based industry. If you delicense molasses industry, more and more cooperative distilleries will come up.

Sir, I would also like to state that agro based industry should be given top priority. Similarly, while framing the policy for sugar you should give top priority to cooperatives and public sector and not to private sector. As such I want to bring this thing also to your notice.

Mr. Chairman, Sir, in the end I would like to know from you as to when you are going to declare agriculture as an industry. We pay attention to and come to the rescue of sick industries, but when faced with the similar situation, the agriculture sector or our farmers do not get adequate facilities. For instance, when an industry turns sick,

[Sh. Ankushrao Raosahab Tope]

it gets assistance through BIRF, but if agriculture fails, no such facilities is provided.

A number of hon. Members have expressed their views on fertilizer price policy. I had myself said that there should not be dual price for fertilizer as it was not going to benefit the small farmers. Yet the Government went ahead with its decisions of dual price and the result is that the small farmer has to suffer.

Having said this, I would say that the industrial policy should be such which could benefit the maximum number of farmers. With this, I support the Demands relating to the Ministry of Industry that have been presented in the House.

SHRI MOHAN SINGH (Deoria): Mr. Chairman, Sir, the objective of the industrial policy of our country is to eradicate unemployment and poverty, increase production and development of India as a modern and socialist state, etc., but unfortunately the new industrial policy that is being adopted in the country is a total departure from our earlier policies. We can raise production in the name of modernity, but modernity or automation has no answer to the problems of growing unemployment, poverty and hunger. Our industrial policy has undergone fundamental changes during the last one decade and on the basis of these basic changes. We see that the rate of growth of employment in the industrial sector which stood at 3 per cent in the 80's slumped to 1.5 per cent when we started importing modern and automatic machines. It means that automation in the industrial sector has resulted in progressive decrease in growth rate of employment. Consequently the number of unemployed youth registered with employment exchanges in the country has swelled to 4 crore, of which 11 lakh are skilled workers, i.e. doctors, engineers, junior engineers, etc. The number of such educated unemployed youth in the coun-

try is somewhere in the region of 11 to 13 lakhs. Apart from that a large number of unemployed persons in the rural areas do not get themselves registered with employment exchanges as they do not have an access to them. If they are also added, the number of unemployed will further go up. The crux of the matter is that the policy of the Government is resulting in continuous growth of unemployment.

The tempo of production may look to be picking up, but we are certainly drifting from the time tested policy of providing a type of industrial infrastructure which is employment oriented and suited to higher productivity at low capital investment. Today we are trying to initiate the European model which has been adopted by only 7 countries whose total population is just 17 per cent of the world's population. Yet these industrially developed seven countries are producing a staggering 75 per cent of the world's total industrial production. Their objective is to achieve higher productivity with higher capital investment but with a lower labour inputs which suits them since their population is very small. On the contrary, our objective should be to raise productivity with lower capital investment by providing employment to more and more people. Our blind imitation of the western model, we are spoiling the very industrial infrastructure of our country. The result would be that foreign capital would dominate our industrial sector. Our attention is centred around the people of so-called consumer culture who number only 9-10 crore and constitute just 3 per cent of our total population. They own cars, bungalows, refrigerators and are enjoying the luxuries of air-conditioners and all other gadgets available in the domestic and foreign market. This is the reason that the multi-nationals who are invited here have shown tendency only to increasing production of consumer goods in the country. Consequently, unemployment is increasing and expansion of industrial network has

slowed down. I have read a book on multinationals by one Dr. Swamy. By giving an illustration he says that when he conducted a survey of Colgate Company in 1982, he found that their product 'Promise Toothpaste' is manufactured in small cottages in villages and it costs just eight annas, but the company puts its label on it and sells it at Rs. 10.50 in the market.

Mr. Chairman, Sir, advertisement culture is on the increase in our country. The multi-national companies flood the markets with their consumer products through advertisements on the Doordarshan and thus they are destroying the small and cottage industries in the country. Therefore, we shall have to clearly demarcate the domain of multi-national companies vis-a-vis small and cottage industries in our industrial policy. Let us take the example of Lux and Lifebuoy brands of bath soaps. The advertisement slots propagate that Lifebuoy soap is helpful in improving health in the country. Taken in by such advertisements, the village youth uses Lifebuoy soap, but finds no improvement in his health. This advertisement culture of Doordarshan is gradually eating into the small and cottage industries of this country. This has got to be checked. If at all we invite the multinational Companies to set up industries in this country they should be totally banned to enter the areas meant for cottage and rural industries.

Mr. Chairman, Sir, Bata Company which manufactures shoes entered our country with a very small capital investment. But now this company has captured the market in such a way that many of the 30 lakh tanners in this country have been rendered jobless. They have no means of livelihood. The Bata Company gets its shoes manufactured through them at a rate of, say, Rs. 100 per pair, but aided by advertisement, sells the same for Rs. 300 to Rs. 400. Thus the capital of our country is flowing into the multi-national companies. Therefore, such areas will

have to be well defined and demarcated so that the items meant to be produced in the cottage and small industries are not thrown open to multi-national and big companies. Restrictions should also be imposed on the advertisements which make exaggerated claim of the quality etc. of the products. I would rather suggest that such advertisements should be totally banned on Doordarshan.

The Government of India owns a Leather Corporation based at Kanpur. Among other things, the Corporation has its tannery which softens the leather for shoe manufacturing and other uses, but this public sector company has been incurring losses all these years. We all must ponder over the reasons for these losses. We should also give thought to the causes of sickness in public sector units. I feel that we all politicians, and corrupt officers are responsible for it. Therefore, Government should give all these things a fresh thinking.

Mr. Chairman, Sir, during the last 10 years, about 6 lakh textile workers have been rendered jobless in 450-500 textile mills in the country in the name of modernisation. My suggestion is that since fine cloth can be woven on the loom in the cottage industry, textile mills should be given only the work of spinning and the weaving part be left to the handloom industry. I do not think, the Government should have any objection to it. If this is done, we should be able to provide work to the weavers in each and every village. It will not only increase employment but will also pave way for industrial progress and employment opportunities on large scale can be created.

Sir, the influence of multi-national companies and foreign capital is resulting in deterioration in the economic condition of the poor in our country. Some people say that investment of foreign capital is being

[Sh. Mohan Singh]

encouraged in almost all countries around the world. But we shall have to see as to what has been the results of such a step. The example of USSR has been well illustrated before us. To think that we should invite foreign capital because countries like USSR and China are also doing the same is not correct. But keeping in view the sequence of events taking place there we feel that a powerful country like Russia will be converted into a political arena of Western Europe and America. What kind of Government should be there, would not be decided in USSR, but it will be decided in Washington and America. If we want to create similar conditions in our country, there is no objection, but we can only give our suggestions to to Government. Our country is being continuously burdened by foreign debt. During the last decade our country has come under the burden of foreign debt to the tune of one lakh and twenty thousand crore rupees. Our country is under the burden of internal loan of nearly two lakh and eighty thousand crore rupees. The economic condition of our country resulting from the burden of foreign debt is such that had it been a Private Limited Company, it would have warranted bankruptcy proceedings. Therefore, the foreign capital and foreign investment should be restricted. I am not totally against inviting it, but if it is necessary, its areas should be restricted so that the old industrial policy formulated in 1948 and 1956 which aimed at achieving indigenisation and self reliance could be properly followed and protected in our country.

Secondly, the jurisdiction of M.R.-T.P. Act should be widened in our country. This Act has favoured some private business houses. The experience of the last 40-45 years shows that the way industrial capital was cornered by some industrial houses through monopoly, in the same manner as some cities are advancing industrially and the remaining areas are becoming poorer and weaker. Its jurisdiction should be widened, and

it should be provided that no fresh capital issues would be allowed to monopoly houses and no new licences for establishing industries would be given in those areas where capital to the tune of Rs. 500 crores has already been invested in Public Sector or Private Sector. This way we can improve the condition of backward areas of our country. There are areas which are industrially backward and people are fleeing to big cities and industrialised areas in search of employment, thereby multiplying the problems of the cities. By setting up industries in backward areas, we can help the weaker and poor people of this country and develop the backward areas.

I would like to suggest to the Government that a committee of this House should be formed to review the industrial policy ab-initio. The new industrial policy formulated by this Government is an effort on the part of the Government to put an end to the generation of employment, promotion of industry and indigenisation in this country. While opposing it and bitterly criticizing it, I would urge upon the Government to make a change in it and to reconsider it ab-initio. Government should enact new laws and formulate new rules for the establishment and protection of the agro-based industries.

With these words I conclude my speech and express my thanks to you for giving me an opportunity to speak on industrial policy and the budget of the Department of Industry.

[English]

SHRI E. AHMED (Manjeri): Mr. Chairman, Sir, I rise to support the Demands for Grants for the Ministry of Industry as well as the Policy Statement of the Government.

Much has been said about the new industrial policy statement of the Government and there were arguments for and against the new industrial policy.

But I would just like to mention that immense economic changes are taking place throughout the world. In such circumstances we cannot lag behind and close our eyes the changes that are taking place around the world in the industrial sector. I view that the Industrial Policy of the present Government gives impetus to the new industries and it will also accelerate the process of industrialisation in our country. For the last 30 years, we could not raise the standard of life of our people. It is not because we do not have any policy or programme. It is not because that our leaders, the rulers have no desire to do so. But there was something wrong with our policy, with our approach and with our perspective plan which we have formulated in 1956 and after that also. I must say that the controls—even one may call it as a cancerous growth of controls—which the Government has introduced in every sphere of our economic activity have resulted in this present position as far as the industrial sector is concerned. Therefore, this change is a welcome feature. It is a matter of welcome and satisfaction that the Government have come forward with a realistic approach in regard to the industrial sector of this country. So, the new policy is welcome.

Sir, I have heard some of my friends who were attacking it and also quoting the 1956 Industrial Policy Resolution. The 1948 Policy statement was modified in the Industrial Policy Resolution of 1956. Again, we can find that it has further been modified in 1973, 1977 and 1980. But these people who have been opposing the present Policy statement were the persons who were opposing the modified Policy statement all these years. I could not see at any time some of my friends who have been opposing the present Policy statement have supported the Policy statement of 1973, 1977 or 1980. The modification is quite essential. It is not departing from the fundamental policy of what the Government decided

in 1948, 1956, 1973, 1977 and 1980. We are living in changing times. We have to run up with the changing times. The situation in India in 1948 was not the same. The situation in India in 1991 is quite different. The industrial situation of 1973 is different. There is sea change between the two situations. Therefore, changes are essential. It is in this regard that we have to view the changes and welcome it.

Some of my friends have expressed apprehension with regard to the role of the Public Sector Undertakings and the change in the stand of foreign technology. What I could see in the new Industrial Policy statement that things are quite different. I would just highlight what the new Policy says. It says that no licensing is required except in the case of 18 industries. It also says that there will be no asset limit in the case of MRTP companies nor prior approval required for such MRTP companies. Moreover, approval will be given for foreign investment up to 51 per cent and in the case of 34 high-priority industries, automatic permission will be given for foreign technology agreements and like that. Here, I just want to mention one thing. In spite of the fact that we have given all encouragement to our indigenous industries to develop technology may I ask this question: Could we just go beyond the present state of the screw-driver technology in our industry?

15.30 hrs.

[Shri P. M. Sayeed *in the Chair.*]

Who are responsible for it? I do not find fault with our scientists alone. But at the same time, we do not have the necessary infrastructure facilities to develop our scientific ability whereas our nation has the largest number of technocrats and the scientists. Therefore, the present policy of the new Government is based on a realistic approach to the problem and the present situation prevailing in the country. Even after forty years, we have not got more

[Sh. E. Ahmed]

industries but we have more regulations. And there was only one change, I should say, which was during the regime of late lamented Shri Rajiv Gandhi. It was he who first relaxed the licence and the permit raj of this country. But unfortunately, we have only delays, demoralisation, cost escalation and the loss of moral fibre and at every point of control. When we consider about control, we find that every point of control has become a point of corruption. And we have been going along with this system for the last thirty to forty years. The present policy is a change.

Another opposition was about the role of the public sector undertakings. But I think, if one goes through the Policy Statement of the Government and especially para 15 and 16, one need not have any apprehension about it. In paragraph 15, the Government has made it abundantly clear and I quote:

"The Government will ensure that the public sector plays its rightful role in evolving the socio-economic scenario of the country. Government will ensure that the public sector is run on business lines as envisaged in the Industrial Policy Resolution of 1956 and would continue to innovate and lead in strategic areas of national importance. In the 50s and 60s, the principal instrument for controlling the commanding heights of the economy was invested in the capital of the key industries. Today the State has other instruments of intervention particularly fiscal and monetary instruments. The State also commands the bulk of the nation's savings."

Therefore, there shall definitely have the rightful place for the public sector industries in the new policy also. I would request the hon. Members who opposed this Policy Statement to take the entire policy as one unit and not to separate one paragraph from another paragraph. Paragraph 16 of the Policy Statement also elucidates

the Government's policy with respect to the protection to the labour. I quote:

"The Government will fully protect the interest of labour, enhance their welfare and equip them in all respects to deal with the inevitability of technological change. The Government believes that no small section of society can corner the gains of growth, and leave the workers to bear its pain. Labourers will be made equal partner in progress and prosperity. Workers' participation in the management will be promoted. Workers' cooperatives will be encouraged to participate in packages designed to turn round the sick companies, intensive training skill development and ungradation programme will be launched."

Therefore, there shall be no apprehension with respect to the role and the welfare of the labour under the new Policy Statement. Therefore, we are to compliment the Minister and the Government for bringing out the new Policy Statement in the industrial sector. We must continue to strive for more growth whatever the difficulties we have in our way. That is the only way by which the country could achieve its industrialisation.

While discussing the industrial development policy, I may mention about the investment projects of NRIs. One of the hon. Members from Andhra Pradesh—I am sorry to hear about that—was just describing the role of NRIs in a very uncharitable way.

I do not want to mention about it. Describing the NRIs, he has used the word.....*. But unfortunately, my friend, has to know that the NRIs are responsible for paying the largest amount of foreign exchange, to this country. He was asking why our doctors are going away? Why our engineers are going away? He does not know perhaps, that our doctors

*Not recorded.

were here and our engineers were here. without any employment. (*Interruptions*)

SHRI K. P. REDDAIAH YADAV: Sir, just a minute. I want to say something.

SHRI E. AHAMED: No, Sir. I am on my legs and I may be protected.

MR. CHAIRMAN: Shri Reddai-ah, please be seated. The convention of the House is that if anybody is speaking and if he yields then only the other person can speak. (*Interruptions*)

MR. CHAIRMAN: Shri Reddai-ah, that is not the way to conduct yourself. Shri Ahamed, you may continue.

SHRI E. AHAMED: Mr. Chairman, Sir, why these NRIs are compelled to go to foreign countries and work there? Had they been provided with jobs and other facilities here, do you think that anybody will leave this country. How many engineers are there in Kerala, who have been seeking for employment? Government had failed to provide employment to them. You only gave them degree and you want them to just go around and seek a job. And they do not have any job. Only by their going away, we were also able to accommodate other people in those jobs. Only this morning, the hon. Minister has placed on the Table of the House, the list of the unemployed persons—both skilled and unskilled—as on December 1979. In my own State, there are, as per the records of 1979, 29 lacs seeking jobs. Now, it must have crossed the figure of 35-40 lacs. In the West Bengal, in 1979, there were job seekers of 45 lacs and more. Now, it must have crossed 55-60 lacs. Why the State Governments, then, are not in a position to provide jobs to these persons? And these poor people, they have gone out of this country seeking their livelihood and

we call them as.....* NRI's. Sir, who are the.....*people? I am sorry to say this. I cannot say the word.....* to an hon. Member of this House Therefore, I refrain from saying so.

Sir, these NRIs are trying to come and invest all their money, here, in their mother land. They have not been encouraged: they have not been given incentives. Therefore, I take this opportunity, to request the hon. Minister that not only he should enunciate or envisage policies and call the NRIs and say you can come here and work, but, also should give them necessary information. You must also educate them and also where they have to come and invest their money.

Therefore, it is essential for the Industrial Development Ministry, to have a separate cell to educate and attract the NRIs. Have you got any project profile to present before them? Have you got any information to present before them? Government just say in policy statement that all NRIs should come here and we will give all these things. But, we are not in a position to present anything before them. In this respect, I would even request the hon. Minister to emulate the steps taken by Gujarat Government. Gujarat government have made certain arrangements to attract the investors. I would say that Government need not go after the investors. The investors are very intelligent people. They know where to invest, when to invest and how to invest. The Government should also make certain arrangements to attract them, to educate them, to guide and assist them. Simply your saying that they will be given assistance us will not hold water. All the Indian Missions abroad should also be equipped with facts and figures to provide information as and when necessary. Then only the Government will be able to succeed in attracting NRIs. I hope the Government will take necessary further steps in this matter.

*Not recorded.

[Sh. E. Ahamed]

Another matter I would like to mention is about the reconstruction of the sick industries that we have in this country. We have one corporation known as BIRF. We should say that it is a blind corporation. When I had the privilege to be the Minister in charge of industries in Kerala, many of the industrialists used to say that it is a blind corporation. It is a corporation of something like a steamroller, making a lot of sound and moving at a snail's pace. What is the use of this corporation? Could the Minister be pleased to review what are their activities? It is now in the Finance Ministry. Unfortunately Finance Ministry does not know what are the steps to be taken to make it useful. Finance Ministry is separate from the Industry Ministry. Therefore, BIRF should be under the Industry Ministry. It shall not be under the Finance Ministry. If BIRF is put under the Industry Ministry, the Industry Ministry will be able to do something to accelerate the process of revival of the sick industrial units. I hope the Government will consider this matter in the proper perspective.

About the investment subsidy that the Central Government is committed to give to the State Governments, I am given to understand that the Union Government is taking a very narrow approach to the problem and also delaying the disbursement of the industrial subsidy that the State Governments have already given to the entrepreneurs, when there was the provision for industrial subsidy. Now the Union Government are taking shelter under some technical excuses. It is quite unfair on the part of the Central Government. Whatever the amount the State Governments have already given to the industries, the Central Government should reimburse it and it shall not be delayed. Especially in a small State like Kerala where we find it extremely difficult even to meet our daily requirements, if crores of rupees of reimbursement is delayed by the Central Government, how can we run the State Govern-

ment? I hope the Central Government and the Minister will take further steps to release the money to the State Government.

About the central investment, I am sorry to find that a State like Kerala has not been given adequate investment by the Central Government in the industrial sector. I have one paper here furnished by the Central Government to the State Government. It mentions:

"The total Central sector investment and the shares received by some of the major States vis-a-vis Kerala as on 31-3-1990 are given below:"

I have absolutely no objection if any State is given more aid. But at the very same time my only complaint is that Kerala has been ignored. I don't want to use the word 'neglect' because the Government will not neglect our State.

In this connection I refer to above mentioned document of 1990 that Maharashtra was given Rs. 19,933 crores; that is 17.59%. Madhya Pradesh was given Rs. 12,580 crores; 11.09%. Andhra Pradesh, Rs. 11,412 crores; 10.6%. Bihar, Rs. 9,638 crores; 8.50%. Uttar Pradesh, Rs. 8,794 crores; 7.76%. The figures for West Bengal, Orissa, Tamilnadu, Gujarat are also there. Kerala's share is only Rs. 1,701 crores which is 1.5 per cent. It is only 1.5 per cent. Sir, last time it was much more than that. Every year that passes by, Kerala's share is being reduced and I do not know why it is so. We have only a few industries there and the investment of all these industries was very low. Is it because of the fact that we are sitting here in Delhi and Kerala is far away that our bureaucrats and Ministers cannot see Kerala as such? If it is so, I venture to say, "please change the mind as well as the decision". Kerala is also part and parcel of this country. Kerala can also play its own constructive role. (Interruptions) Whether the Minister of Industry is

Prof. Kurien or not, I am not concerned. But, I am here speaking for the State of Kerala.

MR. CHAIRMAN: Please conclude.

SHRI E. AHAMED: This is a very important thing, Sir. Some years back, we have been offered the Railway Coach Wagon Factory. Later on, we have been told that it has been shifted to some other place. I do not want to say that if went to Kapurthala or to some other place. But what about Kerala? What are the new industries that are going to set up? There are wide scope for setting up Down-stream industries making use of raw materials like Benzine, such other by product from the Cochin Refinery or the Caprolactum Factory. Unfortunately, it has not been utilised. How much raw material—which could be one of the by-products for many of the industries—is going waste? It is a great loss to the country, as such. Why not the Government take some steps in this matter? Kerala is a model for other States for the development of bigger industries, larger industries. There may be some labour disputes here and there. But, I would like to present before this House that Kerala is one State where the Government of India can invest large amount for the development of the petroleum-based industries and other chemical-based industries.

SHRI PIUS TIRKEY (Alipurduars): It is a very small State.

SHRI E. AHAMED: It is a very small State; but it is very potential State, much more potential than the State to which my hon. friend belong to.

While supporting the Demands for Grants of the Ministry of Industry and also taking this opportunity to compliment the Government, I would say that we must still strive hard to have the industrialisation, taking the labour, taking the technocrats, taking the entrepreneur with us and to make this country a successful one for the well-being of every citizen of this country.

With these words, I conclude. (*Interruptions*)

SHRI K. P. REDDAIAH YADAV: Sir, I have to make one clarification. He has made a very serious allegation against me. (*Interruptions*)

SHRI E. AHAMED: I have not made any charge against anybody. That is not my practice. (*Interruptions*)

MR. CHAIRMAN: Shri Reddaiah, if there was any objectionable utterances against you or against any other hon. Member, I would have asked him to withdraw that or I would have ordered to expunge that. But, I do not think that there is anything of that nature which has gone on record. So, please cooperate with me. Now, Shri Madhukar.

(*Interruptions*)

SHRI K. P. REDDAIAH YADAV: Sir, when he has made an allegation against me, I have got every right to clarify that. (*Interruptions*)

MR. CHAIRMAN: Shri Reddaiah, you cannot pressurise the Chair like this. I said that there was no derogatory remarks against any Member, much less against you. Therefore, please resume your seat and do not disturb the proceedings of the House. Shri Madhukar now.

(*Interruptions*)

SHRI K. P. REDDAIAH YADAV: Sir, kindly give me one minute. I will clarify. (*Interruptions*)

MR. CHAIRMAN: I am telling you that there was no derogatory remark.

(*Interruptions*)

SHRI K. P. REDDAIAH YADAV: He has made an allegation, Sir. (*Interruptions*)

MR. CHAIRMAN: You cannot shout like that. Shri Reddaiah. Please do not do that.

(*Interruptions*)

SHRI K. P. REDDAIAH YADAV: What is this, Sir? He has levelled charges against me and you do not want me to clarify that. *(Interruptions)*

MR. CHAIRMAN: I do not think that he has levelled charge against you.

(Interruptions)

SHRI K. P. REDDAIAH YADAV: The whole speech was misunderstood and misinterpreted by the hon. Member. You can give me half-a-minute time. I have not said that. If you give me half-a-minute time, the matter will be over. I have only said that the NRIs are not angels. They have studied in Government colleges which were funded by the poor people's money in this country. On every student, Rs. 1.5 lakh have been paid by the poorest of the poor of this country. You are putting them at a higher plane making all Indians as second-class citizens to them.

MR. CHAIRMAN: Do not make any speech on this.

SHRI K. P. REDDAIAH YADAV: Like any other man, they can invest in India *(Interruptions)* NRIs are now being used by the black-money people to siphon their money to Switzerland and again bring it back through NRIs, and they are using it for clandestine deals. *(Interruptions)*

MR. CHAIRMAN: Please resume your seat.

(Interruptions)

MR. CHAIRMAN: If you shout like this, I may have to name you. Do not do that.

(Interruptions)

MR. CHAIRMAN : I have given you the time to explain it and you have clarified the position.

(Interruptions)

MR. CHAIRMAN: Please resume your seat.

(Interruptions)

MR. CHAIRMAN: Please do not disturb the House.

(Interruptions)

SHRI E. AHAMED: I did not mean anything. He has used the word 'bloody'. *(Interruptions)*

MR. CHAIRMAN : You cannot say anything and everything any time.

(Interruptions)

MR. CHAIRMAN : Nobody can stand up like that.

(Interruptions)

SHRI INDRAJIT GUPTA (Midnapore): I was not here when the Hon. Member spoke. If that word 'bloody' has really been used, it should be expunged. *(Interruptions)*. The record may kindly be examined.

MR. CHAIRMAN : If there was any such objectionable word, he will be either asked to withdraw or the Chairman will expunge it.

(Interruptions)

SHRI E. AHAMED: Sir, I have taken exception to the word used by the hon. friend.

MR. CHAIRMAN: That is over. Now, Shri Kamla Mishra Madhukar...

[Translation]

SHRI KAMLA MISHRA MADHUKAR (Motihari) : Mr. Chairman. Sir, I appose the new Industrial Policy of the Government, because this policy is framed by the Government in the name of industrialisation and promotion of science and technology; but as a matter of fact, it is based on multinational companies, big industrialists, world Bank and I.M.F. The police of self-reliance adopted by our country

has been discarded. No doubt, the Government may be in favour of implementing it, but basically it will increase unemployment, price rise and the local talent of the country would not be utilised. We have to see as to what extent industrialisation takes place as a result of implementation of this policy.

The Members from our party who spoke before me have already expressed their views on this subject. I would like to limit myself to my district of East Champaran. Hon. Minister and all the Members sitting here must have heard the name of Champaran. It is the place where Mahatma Gandhi had led the movement of farmers after his return from Africa. So you must be familiar with the name of Champaran. But it is a matter of regret that even after 44 years of independence, no industrial development has taken place there and we have only that sugar mill there which was established by Englishmen during the British Raj. In Champaran district, there is Rama cast Engineering Works in which 200 workers were employed, but the factory is now lying closed. We tried time and again to get it re-opened, but it could not be reopened. When we went to see the authorities and the Ministers, we came to know that there is a relative of Birlas, who had obtained a loan from the Government. But no efforts were made to reopen the mill in Champaran. The mill was not re-opened, with the result, 1200 workers had to take to rickshaw-pulling, and they are passing through a bad phase, and they have got no means of livelihood to bring up their children. Champaran is predominantly an agricultural area and fruit and vegetables are produced in plenty there. Foremost among the fruits are lichi, mangoes and bannana, but no food processing industry has been set up there. The Government should set up such industries at Champaran. Cottage industries have been in existence there for almost a century. Under the cottage industry sector, buttons are manufactured from shells and these are exported also. Ornaments are

also made under this industry. Government does not pay any attention towards it. There is no running capital in this industry of Champaran, which could help develop this industry. Sugar mill was there since the British rule. No new industry was set up since then. Rama Cast works is already lying closed. I met the Ministers and officials in this connection, but nothing came out. In sugar mills, there is a by-product called bagasse and the local people are demanding that bagasse so produced should be utilised for producing spirit and a distillery may be set up there. I have been elected to the Lok Sabha for the fourth time and I have said many a times in the House that an industry based on bagasse should be set up for the development of Champaran. Champaran is producing so much of sugarcane that it is sent to Nepal as well. It would be very nice if a sugar mill is set up in the Private Sector at Adapur in Champaran. There are small industries also. There are small as well as big steel industries also in which rods are manufactured. Because of lack of capital and marketing facilities, these industries are facing closure. Government had formulated a scheme to set up a leather industry at Champaran. But that plan is lying in the cold storage. Minor footwear business is running in Chakia and many other cities. But because of lack of marketing facilities, their condition is pitiable. Assistance may be provided to those industries for their development. Champaran is an agriculture dominated area, so some help should be rendered for setting up of agriculture-linked industries there so that some agro-based industries could be set up. Arrangements for providing financial assistance should be made by the Industries Department. I would also like to demand that a jute industry should also be set up there. The Government has provided funds for the modernisation of the sugar mill. Government should find out whether these mills have been properly modernised or not and whether the funds provided by other financial institutions have been properly utilised or

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not. An enquiry committee should be set up for this purpose. We can't be self-reliant by the new Industrial policy. It has created tremendous price-rise in the country. With these words, I conclude my speech.

16.00 hrs.

[English]

SHRI N. DENNIS (Nagercoil) : While supporting the Demands for Grants for the Ministry of Industry, I wish to make the following points.

Industrial development is highly essential for the overall economic development and also for generation of employment opportunities in the country. India has 15.5 per cent of world's population, but it generates only 1.5 per cent of its wealth. Since Independence, we have improved considerably in industrial production. Our industrial production is five times more than what it was in the year 1951.

As far as the number of scientists and technologists is concerned, we rank third in the world. But when it comes to industrial production, we rank only tenth. So, we have to gear up our production by adopting the latest technology, by hard work and by improving the quality of our products.

I would like to say a few words about the present Industrial Policy. To cope up with the changed circumstances within the country as also in the world, it is highly necessary that we have to adopt new methods to suit the new circumstances. On previous occasions also policy and procedural changes were made. Policy statements were made in 1948, 1956, 1973, 1977, 1980, 1985 and 1986, apart from the present Industrial Policy of 1991. These policy and programme statements are based on the experience gathered from previous policies and programmes. The new policy would promote overall industrial growth. It would also facilitate the flow of foreign capital and foreign technology into our country.

There are criticisms regarding the present Industrial Policy. It is pointed out that this policy is a deviation from the policy pursued so far and that it has deviated from the Gandhian path. As I have stated earlier, these changes are necessary to suit the present circumstances. In the Policy Statement 1991 itself it is mentioned that this policy is a continuity with change.

It is seen that the Policy is silent about the target of growth and also employment generation. It is also silent about rural industrialisation. It is pointed out that it has deviated from the path of self-reliance and that it relies on foreign capital for our industrial development. Heavy machinery based industrial approach would result in large scale unemployment. It would also lead to concentration of wealth in a few hands. Therefore, it is highly necessary that a demarcation be made between the items manufactured by big industries and these items produced by small scale industries.

Sir, it is imputed that this Policy is an outcome of pressure from IMF. It is highly uncharitable to say so. An overall assessment of the policy we find that this is an excellent policy document which we need for our industrial advancement.

The abolition of industrial licensing, except for an short list of 18 industries, is a historic event in the field of industrial development. The Government has given a free hand to entrepreneurs to produce and prosper. Instead of knocking at the doors of different officers for industrial licence and also for other clearances they can straightaway start the industry, eliminating the delays. This would root out corruption and also bureaucratic bottlenecks and hurdles.

The new policy is aimed at providing help and guidance instead of exercising control. The intention is to modernise the economy and invite foreign investment, boost production and export goods to foreign countries.

Another aspect of the policy is that permission is granted to foreign investment up to 51 per cent. This will enable the multinationals and others to come in and make investment and open big industries. This will also lead to inflow of foreign technology. It will accelerate export and develop a competitive environment.

Foreign investment is a must for technological cooperation. To earn foreign exchange we have to export goods and for exporting goods we should manufacture those goods which people want and for that we need technology and investment which are permitted. But in doing so we should see that the benefits should not go to the Multinational companies but to the common people.

Automatic approval of foreign technology without bureaucratic clearance will make the entrepreneurs to negotiate in their own commercial interest with their counterparts and thus we would be able to get high grade technology for the development of Indian industries. We should make avail of the latest technology which is highly needed for the promotion of our industry and to produce best quality products.

The Industrial Policy Resolution of 1956 gave Public Sector a strategic role in the economy. Now, many public enterprises have become a burden rather than an asset to the Government. Public Sector companies are faced with a number of problems due to insufficient production, poor project management, over-manning, lack of technological upgradation and so on. There are very low rates of returns on the capital invested. Inefficient state units have to be closed down and they cannot be made viable. Country could not bear their burden for a very long time. It is felt that steps have to be adopted for putting them in order or they should be handed over to the private sector.

At the time of Industrial Policy Resolution of 1956, it was thought that the public sector undertakings

would provide assets for the establishment of other industries but that did not hold good.

Regarding small scale sector, no licence is required for the items exclusively reserved for the small scale sectors. Multi-national or big companies should not erode in the areas of the small scale sector. Such an erosion would create wide-spread sickness and that lead to wide-spread unemployment in the small scale sectors. The new Policy statement has given an assurance that the small and thin Cottage industries would be given protection to flourish within their areas of activities.

The allocation to this sector is very low. The big industries cannot provide employment opportunities to the large number of unemployed people. The small scale industries would provide employment opportunities to the people of the villages and also to the people who are living in the rural areas. So, protection has to be given to these industries for marketing of products. They should be encouraged by giving exemption from Excise Duty and Sales Tax. There should be a clear-cut demarcation between the areas of big industries and the small scale industries. That would bring about a balanced economic system and growth of both the sectors.

Khadi and village industries should be given encouragement because these industries are giving employment opportunities to the Scheduled Castes, Scheduled Tribes and also women and backward class people.

Job-oriented cottage industries should be started in the villages. Cottage industries also should be started in villages. Small scale industries should be given adequate working capital and also other incentives.

Regarding backward areas, encouragement should be given for the establishment and promotion of industries in the backward areas. The policy pronounced as per the Industrial

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Policy Resolution of 1956 is dispersal of industries away from the metropolitan cities and towns but industries are emerging in towns and cities and in villages are left out.

Industrialisation of rural areas is highly essential for the overall growth of the country. Eighty per cent of our people live in villages. Basic infra-structural facilities should be provided in the villages so as to establish industries in the rural areas.

At least one industry should be set up in a district where there is no industry.

My area Kanyakumari District is industrially a backward where even not a single industry either in the public sector or in the private sector is established. There are ample scope and opportunities for the establishment of titanium industry and also zirconium industry and also rubber based industry there.

Zircon and Ilmenite, the raw material for the manufacture of Zirconium dioxide and Titanium dioxide are found in mineral sands at Manavalakurichy and other coastal villages of Kanyakumari District. The per unit production of rubber is the highest at Kanyakumari District. So, any one of these industries—titanium or zirconium or rubber—should be established in these backward areas.

SHRI R. K. G. Rajulu (Sivakasi): Mr. Chairman, I thank you for giving me this opportunity to speak before this House. Above all, my heart goes to thank my beloved Puratchi Thalaivi Chief Minister of Tamil Nadu.

We are sure that the new Members of Tamil Nadu like me will keep up to the expectations of Puratchi Thalaivi.

My presence and participation is for 12 lakh voters of my constituency and on behalf of nine crore people of Tamil Nadu.

I take pride in taking part in this discussion on the Demands for Grants under the control of the Ministry of Industry.

It is an industrial constituency which I represent that is Sivakasi.

And above all the Tamilnadu Chief Minister Hon. Puratchi Thalaivi has vowed to make Tamil Nadu the number one State in India. Tamil Nadu under her leadership is poised to take a very big leap.

It is here, the Prime Minister and the Industry Minister, where we expect you to shoulder our efforts to attain a successful industrial State of India. Having an able administration, we the people of Tamil Nadu, are confident to make a prosperous State which every citizen dreamt off.

The Industrial Policy announced by the Government is a very positive step towards acceleration of economic growth. We request you to take special care for the small scale industry and the cottage industry in Tamil Nadu. We have the handloom sector, match box, fire works and the printing industries in my constituency and they require special scheme of benefits from the Centre.

There are lakhs and lakhs of people who depend on this small scale sector. We request you also to see that care should be taken on tannery and leather industry.

Garment units may also be provided facilities for their development and achievements.

And above all, the Tamil Nadu Chief Minister expects an immediate action on the following projects by the Industry Minister and our beloved Prime Minister.

National Aromatics and Petrochemicals Corporation Limited (NA-PCO):

A joint venture of Madras Refineries and SPIC, envisaged a project to

manufacture purified terephthalic acid (PTA) and Aromatics (Orthoxylene and Benzene) at a cost of Rs. 1380 crores which will offer opportunity for a large number of downstream industries with considerable employment potential;

Letter of intent issued on 1987;

The first stage of approval was made by Public Investment Board in 1987; the second stage of approval was made by Public Investment Board in 1990. But still we are waiting for final clearance from the Minister of Petroleum and Gas. Your recommendation and orders are most earnestly expected.

The second need of the Chief Minister of Tamilnadu is this. The production potential of gas in Bombay High is 61 million cubic meters per day. The gas carried through Hazira-Bijapur-Jagdishpur (HBJ) pipeline of 1700 kms from Bombay High is only 39.5 MCMPD.

Tamil Nadu suggests that the balance of 21.5 MCMPD of gas may be transferred in a similar way by pipeline to a distance of 1,290 km only, for use by Tamil Nadu. By the use of this gas as raw material, industries such as power generating stations and gas-based complexes can be developed. It will help employment and Tamil Nadu—and above all India as a whole—can flourish.

The third need mentioned by the Tamil Nadu Chief Minister, is about the Hindustan Photo Films Manufacturing Company which had obtained a letter of intent in 1981 itself for the manufacture of colour film. But the Government of India has not cleared the project, so far. We request that the clearance may be expedited.

The fourth need of Tamil Nadu is about setting up a permanent trade fair complex in Madras city, for which a proposal has been sent. The State Government have identified an area of 34.56 acres in Nandambakkam

village, Saidapet Taluk in ChengaimGR district of Tamil Nadu. The site was originally placed at the disposal of the Indian Drugs and Pharmaceuticals Limited, a Government of India undertaking in the year 1961. It has been decided to re-set the land in order to set up a permanent trade fair complex in Madras. The requisitioned land remained unutilised, though out of the total extent, about 207.5 acres was given free of cost to IDPL by the Tamil Nadu Government. The Department of Petro-Chemicals may be requested to make the land available for the Trade Fair Complex.

On behalf of Tamil Nadu State I request the Central Government, and in view of the high confidence which our beloved "Puratchi Thalaivi" the Chief Minister of Tamil Nadu has in the Congress Government, I hope that the Prime Minister and the Minister of Industries will take care of the interests of Tamil Nadu, which I have placed before the House.

Thank you.

[Translation]

SHRI PIUS TIRKEY (Alipurduars): Mr. Chairman, Sir, I rise to oppose the Industrial Policy resolution. Several industrial units are being set up in our country but for whom are they being set up. The Government has not paid any attention to it. Heavy industries like Bokaro, Bhilai, Rourkela and Haldia have been set up but it should be kept in mind that this renders thousands of people homeless and they are starving today. They have been deprived of their land and livelihood. They have been ruined. Whenever land is acquired for setting up an industry no provision is made to rehabilitate them. The Government is giving all types of punishments to these displaced persons. I fail to understand for whom these industries are being set up. The land which has been acquired is lying idle whereas those who owned the land are ruined. This is

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particularly true about the tribal areas. That is one of the main reasons for armed revolt in the tribal areas. Everywhere there are irregularities.

Mr. Chairman, Sir, this Government is a bankrupt Government. It has invited foreign investors to invest in this country. God knows who will come. We are already under foreign debt of Rs. 2000 crore. No one knows what to do. Foreign experts are being called and asked to help us overcome the crisis. They have gone to the extent of treating them as their lords. This is the way Government is behaving. They will become lords and we will become servants. They will order and we will have to carry them out. This Government is not wise enough. They are insulting the talent within the country by calling foreigners in the country. They will come with lot of money and start behaving like lords. As a person behaves in a Hotel ordering the waiters and others so would they behave in this country. We are becoming waiters. The Government is following this policy and, therefore, I oppose it. The Ministry of Industry has gone to the extent of pleasing those foreigners and seeks their permission for making a statement lest they get angry. This is the policy today.

The Government does not have funds. Those who do not have money are like beggars. How can they speak. When somebody comes from abroad the Ministers, the Prime Minister queue up to receive him. This is an insult to our country. The Government thinks that those foreigners would come and set up heavy industries and then the goods would be sold in international markets. Will they ever leave their market. The Britshers had also come on the pretext of trade and later created friction and bickerings amongst us and became our rulers. History will repeat itself.

The Congress Party gets funds from abroad for elections. It gets

help from Russia and capitalists. Now awareness about regional interests has been created in the minds of people. This has spread to States like Tamil Nadu, Jharkhand, Uttar Pradesh and Bengal. Caste factor has also come to the fore. The foreigners will not set up industries but would create differences and bickerings amongst us and make us fight. They will deprive us of everything. They have already taken away the gold, they will take away everything else. The entire world will laugh at us if we continue to act like this. We thought that this Government was sagacious but in fact it does not even have common sense.

There is lot of unemployment in the country. What are the reasons for losses in the Public Sector industries. If the Government cannot run them, let there be workers' participation in management. But the Government does not want co-operation from its own people but it wants it from foreigners. The Government did away with the owner worker concept and brought in the bureaucrats in their place. As a result there was no accountability and the Public Sector incurred huge losses. Efforts should be made to seek the co-operation of the workers to make these industries viable. They treat workers like slaves. But they themselves are slaves of money. The officers are corrupt but the chowkidar goes to jail. Corruption is rampant in the Public Sector. If Public Sector is to be made viable, employees participation in the management is a must. If the co-operation of workers is sought they would feel that the factory is their own and they would even work for ten hours instead of eight. But this was not done. You may be aware how corruption has spread so fast even at the top level. The funds of the Public Sector are either utilised by the Ministers or by the Party. How can the industry run then? You will have to fix percentage for everything. Does the Government not know as to what is the percentage the

workers get and what is the percentage of development. When Shri Rajiv Gandhi was the Prime Minister he had said that the poor did not actually get even five percent of what was sanctioned for them. The middlemen and brokers swindle the money. If foreigners take over then we would get only five percent of the share and rest 95 percent will go to foreign countries. Who will pity us and come over to our country. Our is a tropical country having very hot climate. Why would people from cold climate countries come here unless they are sure of assured returns on their investment. Do you think that they are large hearted and kind and will come here to serve you. If it is so you are sadly mistaken.

Besides the old Hindu-Muslim enmity a new phenomenon is at work. The Hindus have divided in two categories. Those who are in BJP are not Hindus...*(Interruptions)*... You should atleast exercise some discretion. It is said that unless a person is not a member of BJP he is not a real Hindu. The Hindus have thus divided in two categories.

There are riots and clashes everywhere, whether it is Tamil Nadu, Punjab, Kashmir or Andhra Pradesh. There are riots even in Congress ruled states. You are more friendly with the IMF these days. We have become enemies now. The Government does not consult us. Even if it does, it does not agree to our proposition. It is just like a honeymoon. When the bride is beautiful the husband becomes a slave and this is coming true in our case also.

Unemployment is on the increase. The new policy of liberalisation will open the doors to multinationals. That would not be a very sensible thing to do. Those foreigners will come to India and live in five-star comfort, drive imported limousines and establish their townships. They will produce vehicles and food-stuffs for the local people. Items like toothpaste that are manufactured in

India will also be produced by them. The Government believes that they will make life easier for us and after some time they will hand over their share of the international market to us and leave the scene. Will anyone be so foolish? Does the Government really believe that they will hand over the market created by them? They approached this country as traders, looking for a few concessions and today they are dominating the Indian economy. I fail to understand the Government's thinking. The Government seems hell-bent on disintegrating the country. Today the problem is not limited to differences between Hindus and Muslims. The feeling of regionalism has arisen and even Hindus are a divided community. Problems exist in Punjab, Kashmir, Tamil Nadu and in the North-eastern part of the country. In tribal areas people are resorting to violence to get their rights. The belief is that foreigners would come and change the situation for the better. They will come here and get a hold over our job market. We are a developing country but we are providing the multinationals with all facilities. What will happen to the slum dwellers in this process?

During elections I have gone around slum colonies and seen the tricolour atop each dwelling unit and slum-dwellers sporting badges of political parties. We ask them for votes but don't give them anything in return. Something has to be done for their upliftment also. Some vacancies should be reserved for them in industries. They are not ashamed of it. Those foreigners will come and will see as to how many people are living in slums in our country. In this way we will expose the conditions existing in our country to the whole world. Everyone will think that people in India right from the common man to Ministers lack intelligence and are willing to be led by others. They are not capable of running their own Government or their industries. This will prove that Indians are experts in stealing ideas from others and in

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indulging in corrupt practices such as sending their money abroad and the same money is being lent to the country at high rates of interest.

Adivasis have become a neglected lot today. Nobody bothers about them. Problem existing at one place can spread to other places.

Yesterday when sweepers went on a hunger strike, everyone was affected. Why don't you all take up that work? What is your policy on providing means of livelihood to the people?

If the country has few resources we shall make do with less. Why are large dams being made? What will be done for the resettlement of those who are uprooted from the dam sites? But the Government is more concerned about showing off to the world that we have the largest dam in the world.

Therefore, I would like to say that ours is a social structure and what are the changes that we want to bring about in that structure. They will teach dishonesty and how to develop a bad character. We will be at their mercy because we do not have capital to invest in industry.

I would like to say that the Government should invite us to discuss this issue. Otherwise this country will face difficult times. With these words I conclude.

[English]

SHRI BASU DEB ACHARIA (Bankura): Mr. Chairman, Sir, we have to consider this Industrial Policy and the Policy on Small-Scale and Tiny Industries along with Trade Policy, Import Policy and the Budget. All these policies are dictated by International Monetary Fund. The International Monetary Fund are demanding us to re-structure our industries. The Government adopted the Industrial Policy in the year 1956. The Policy which was based on the

statement, which was adopted in 1954. The statement which was based on our Directive Principles of State Policy and the Preamble to the Constitution, that Policy has to be changed. The cardinal thing of that policy was self-reliance. The vital thing of that policy was that certain areas should be reserved for public sector. We think that the concept of public sector which our Government adopted after Independence, is not for socialism or for socialistic pattern of society in our country. So, why do we have this concept of public sector in our country? For what purpose? Is it for socialism or for socialistic pattern of our society?

When we got independence, the capitalists of our country had not enough capital to have such large industries—steel mills or other big industries. And when the capitalists had no such capital to have big industries, core industries, then foreign capital would come. In order to prevent infiltration of foreign capital and multinationals, this concept of public sector undertakings was adopted. It should be made clear that our party is not for mixed economy. What we wanted after Independence was dismantling of the capitalist structure of our economy. That was not done. The cardinal thing of that policy was self-reliance and this new policy is a complete reversal of the earlier policy. It has been reiterated in the policy statement that this policy is not a departure from the 1956 industrial policy; this is only to consolidate the gains of the policy that we adopted in 1956...(*Interruptions*). I have already made my point clear.

Sir, we have steel industry in the public sector. We have Durgapur, we have Bokaro, we have Bhilai, Rourkela, Vizag. When this steel plant at Bokaro was thought of and the United States was approached, they refused to assist us. Then we had to approach Soviet Union and Soviet Union agreed to help us. The

condition that was imposed on us by the United States was to have it in the private sector, not in public sector. At that time also our Government did not want to depart from the policy which was adopted in 1956 to reserve some areas for public sector and not to allow private sector in certain areas of our core industry.

Why this foreign exchange crisis that we are now facing is there? This warning was given in 1984-85. In the year 1984-85 this liberalisation policy was adopted. Our doors were opened. This open door policy was adopted in the year 1984-85. At that time we gave a warning that this would create problem and there would be crisis. We are now facing the crisis of foreign exchange.

In our State the jute industry is a vital industry where not only 2,30,000 workers are engaged in the jute industry but there are 40 lakh jute growers who are dependent on that industry. That industry was affected by this liberalisation policy because the synthetic granule was imported—allowed under O.G.L.—and the bags were manufactured. These synthetic bags were used by the public sector undertakings. Then that Act was enacted for the mandatory use, to jute bags. The Government had to enact a law that because the jute industry was facing the crisis. A number of jute mills were closed down. Then the Government had to enact a law for the mandatory use of jute bags. Then the owners of that synthetic industry went to Court to have protection from the Court.

The public sector has become like a whipping boy. What is the problem in the public sector? There are two categories of public sector. One is the public sector from the very beginning and the other is the public sector where a sick unit was taken over and then subsequently nationalised. Like the National Textile Corporation. 126 textile mills were all sick mills. These mills were under

private management. They were made sick. The money which the owners of these mills received from the banks was siphoned off. They made these mills sick and then these mills were taken over by the Government and then subsequently nationalised. But what was to be done to make those mills viable was not done, the working capital was not given. There is a glaring example of this in my State. In the constituency of Shri Haradhan Roy one unit of the Cycle Corporation of India is there. Today hardly ten bicycles are manufactured per day in a factory where are, I think, two thousand workers who are working. Why it is so? The workers are not to be blamed. The workers want to work. In the NTC mills there is a mill in Dum Dum in the constituency of Shri Nirmal Kanti Chatterjee where a similar situation exists. In the National Jute Manufacturing Corporation there are 30,000 workers.

What I want to say is that after nationalisation the need was to give working capital to make the industries viable for their expansion and for diversification and this was not given. In the Cycle Corporation of India, in order to manufacture the bicycles, the raw material which is required are not given. Now we are blaming them. Ten to twenty bicycles are manufactured per day. How this can be viable? It is not earning profit.

Take the case of Scooter India Limited. You took over that unit and then nationalised it. You did not allow this unit to have collaboration with other companies. You allowed your Bajaj to have collaboration with other foreign companies. How can your Company, the public sector company, compete with a private company if you cannot allow your company to have collaboration to have very efficient automobiles? Then you decided to sell it to Rahul Bajaj for how much money? For Rs. 5 crores? Even the value of that land is more than Rs. 15 crores and if the machinery is Rs. 200 crores. You decided to sell it to Rahul Bajaj three

[Sh. Basudeb Acharia]

years back. When there was resistance by the workers, by the Union and by the Members of Parliament, then you had to cancel that deal. (*Interruptions*).

SHRI NIRMAL KANTI CHATTERJEE (Dum Dum): Even then they have no allotment in their budgetary expenditure. (*Interruptions*).

SHRI BASUDEB ACHARIA: These are the glaring examples to show how the public sector undertakings were deliberately made sick. Your Hindustan Fertilisers at Haldia worked for a few months, three or four months. A number of parts and machinery came from various countries and then a defect developed and it could not be rectified. Still it is not functioning, it is not working since 1986. An amount of Rs. 600 crores was spent. A Committee was set up and they recommended for its revival. Still no decision was taken.

Sir, there are a number of examples to show how a company which could be made viable was made deliberately sick and then subsequently it was closed down. How a public sector Company can compete when you have liberalised licensing policy? You have liberalised the licensing policy, it is all right. We understand that there is some problem with regard to licensing policy, we also sometimes felt that it takes time, delay is there, and so on, so something should be done to expedite.

SHRI NIRMAL KANTI CHATTERJEE: Not only that. The licensing policy was used to deny West Bengal any investment.

SHRI BASUDEB ACHARIA: For 11 years we had to wait for clearance for Haldia Petro-Chemicals. (*Interruptions*). No, there should not be such liberalisation that you will remove this licensing policy ultimately. Japan and South Korea are industrially very advanced countries.

they have also some restriction, they have some controlling machinery. Any entrepreneur cannot set up any industry anywhere. The Government decides which type of industry and where can be set up. So, the mechanism is there. (*Interruptions*) By removing this licensing, by opening the doors to the multinationals, foreign industrialists, it will create problems and by removing this ceiling, from 40 per cent to 50 per cent, then to 100 per cent, for export-oriented goods, we have seen how Pepsi Cola is now behaving. (*Interruptions*) You cannot compel your Pepsi Cola to export. What was the agreement with Pepsi Cola? Sixty per cent of its products should be exported—my good friend Shri Giridhar Gomango is sitting here—but that company is not abiding by the agreement. How many 100 per cent export-oriented companies are abiding by your rules and regulations? It is said that the productivity and the employment potential would be increased if there is competition. What type of companies will they bring to our country? In our country, more than 50 per cent of population are living below the poverty line, we have more than four crores of people in the register of Employment Exchanges and we have more than 11 crores of unemployed people living in rural areas. So, when you adopt any policy, you must consider these people and their purchasing power. What type of technology will they bring? We support the import of technology because we need modern technology. We need foreign money also. But, at the same time, our technology should be developed. I do not find anything in the policy statement about the development of our own technology. Why should we import rail coaches and rail engines spending crores of rupees? We can produce them in our Chittaranjan Locomotive with the same horse power. Why should we import them from foreign countries?

We have seen how ABL was allowed to close down. Then, dur-

ing the Seventh Five Year Plan, it was targeted to generate 22,000 MW of power and when we were to construct more thermal power stations, two units of ABL one in West Bengal and another in Karnataka were closed for 18 months. We had to fight with the Government to reopen them. Then, import of boiler was allowed and an inferior quality boiler was imported. Though that unit is in the private sector, all the directors are from the financial institutions and in public sector units like NTPC and BHEL, all Managing Directors are from the Government.

17.00 hrs.

The management is from Government and all private sector is a misnomer because 87 to 88 per cent of the money comes from financial institutions. Now the Government is removing the controls which these financial institutions still exercise over this industry. They get loan which can be converted into equity. That convertibility clause is being removed. The control of financial institutions over the private industry is also being removed. I do not know what made you to adopt this policy and what was the compulsion behind all this.

We have examples under your Ministry. You blame the Heavy Engineering Corporation and the Mines and Machinery Corporation. The MAMC is in my State. What was the purpose of having these two industries? Is it to produce the mining machinery? Now we are going in for open cast mining. MAMC is for underground mining machinery. The Government is importing this machinery and components from the United Kingdom. MAMC can produce good Longwall machinery. They have produced foolproof machinery but in spite of giving orders to these Heavy Engineering Corporation units, the whole industry which is under public sector, is importing this machinery by spending crores of rupees

of foreign exchange from this foreign country.

17.02 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

Now these two units have become sick. They will become sick if they do not get orders. It has to depend on orders from other public sector undertakings.

MAMC have to bag orders for modernisation from Birla Technical Service for modernisation of Durgapur Steel Plant, definitely that public sector undertaking will fall sick one day.

Shri Santosh Mohan Deb will consider when ISCO modernisation will be finalised.

We are for ancillarisation. There are small-scale industries in and around ISCO and Durgapur. The percentage of orders they got from Durgapur for modernisation was only 18 per cent. They say then capacity is only 18%. If it is not correct, Shri Somnath Chatterjee can enlighten us.

SHRI SOMNATH CHATTERJEE (Bolpur): I shall also speak on this. I attended the meetings.

SHRI BASU DEB ACHARIA: We have organised a seminar in Chittaranjan because this modernisation of ISCO will have to be done.

There is cement industry in my Constituency. It is a new unit. Within one year, it has become sick. It remains closed for three months to four months in a year. It is closed not because of workers, not because of any agitation but because this unit does not get klinker—one of the raw-materials for cement—from CCI. Moreover, lime-stone is available at Jhalda, a place in my District and it can be exploited for klinker. That place is very much nearer to that unit. It is under the control of CCI.

[Sh. Basu Deb Acharia]

Though it is a joint sector unit of the Cement Corporation of India and the West Bengal Industrial Development Corporation, the Cement Corporation of India's share is more; it is holding 51 per cent share. So, this can be made a viable unit and it can be made a good unit if that lime-stone can be exploited for klinker.

Another unit can be set up by the Cement Corporation of India because our State is deficit in cement. There is another unit owned by the Birlas at Durgapur and it is getting slag from the Durgapur Steel Company. This unit is also getting slag from IISCO. Therefore, I urge upon the Minister of Steel not to increase the price of slag because it will have some effect on the cost of cement also.

Then, there is another statement on Small Scale and Tiny Industries. I have seen how our Handloom Industry was ruined when, in 1986, the new Textiles Policy was announced by the then Government. Hundreds of Handloom Units were closed down. At that time itself we categorically stated that Textiles Policy was to protect the interests of the textile mill-owners. This Policy on Small-Scale and Tiny Industries is also to protect the interests of the big industrialists. The point is that a certain sector was reserved for the Small-Scale Industries. Freedom has now been given; Liberalisation has been made now. There is no reservation. Anybody can go anywhere. One Committee was set up long back to go into the question of dispersal of industry.....(*Interruptions*) I am not discussing the Textiles Policy. I just referred to that. That Committee also submitted a report on dispersal of industry. I do not know what action was taken on the recommendation of that Committee i.e. the Committee on Dispersal of Industries. The main purpose was dispersal of industry to backward areas. So, there was a scheme. There was some difficulty. We have also criticised that subsidy scheme for the backward areas because backward

area is remaining backward for ever. The 'no-Industry' area is remaining without any industry. For the last 15 years, there is no industry in such areas. The purpose of identifying certain areas as no-Industry area is to set up industries. I can cite the example of Cooch Bihar. Shri Amar Roy Pradhan was telling that my District is having no industry.....(*Interruptions*) The purpose of identifying a District as no-industry District is to set up industry. So, there was that subsidy scheme. But that scheme was abolished.

SHRI SOMNATH CHATTERJEE (Bolpur): Prof. Kurien, better you resign now. You cannot answer this point.

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P. J. KURIEN): That is why we liberalised it. You can do it now. (*Interruptions*)

SHRI BASU DEB ACHARIA: The former Finance Minister Prof. Madhu Dandavate in his Budget Speech said that in the new scheme it would be announced. So, unless some incentive is there, why should the entrepreneurs go to the backward area, to the North-Eastern States where there is no infrastructure? An hon. Member from Madhya Pradesh was saying that no industry was coming up in his area. How will the industry come when there is no railway line? Unless there is infrastructure, industry will not come. Unless you give some incentives why will an entrepreneur go to the backward area, to the tribal areas to set up industries? You have to evolve a scheme to encourage the entrepreneur so that he can go and set up industry in backward area, tribal area in hilly areas by which 'no industry district' can be converted into industrial district. (*Interruptions*)

MR. DEPUTY SPEAKER: Please conclude.

SHRI BASU DEB ACHARIA: Sir, now I come to the workers' problem. Workers' problem is a vital question. This Policy is linked up with the workers.

MR. DEPUTY SPEAKER: It is true. But many more Members have to speak.

SHRI BASU DEB ACHARIA: There are two or three sentences mentioned about the workers—workers' welfare will be protected and they will be redeployed; a renewal fund will be created it has been stated in the Budget speech; and there will be golden hand-shake. Prof. Kurien, do you know about the golden hand-shake? *(Interruptions)*

This problem was there two years back in China. When massive modernisation took place, all the workers were redeployed and not a single worker was retrenched. All the workers were redeployed and given job. *(Interruptions)*

There are two aspects. When there will be competition, number of units will be closed down and the workers and employees of these units will be thrown out in the street. If a new industry is set up with foreign capital and in collaboration with the multinational corporation... *(Interruptions)*

SHRI MURLI DEORA (Bombay South): How many are there in West Bengal?

SHRI BASU DEB ACHARIA: I know better than you. We have got control over them, and not like you and your policy. You are surrendering it. All our economic independence is being attacked. You are selling it out.

17.14 hrs.

[MR. SPEAKER *in the Chair*]

If a new industry is at all set up by the multinational corporation with their worn out technology, old technology, out-dated technology, how

many will be employed in those industries? I have already stated that there will be capital intensive industries and the multinational corporations will come, but will not give job to our unemployed youth. Where will the four crore unemployed youth go and where will they get employment? That is a vital question. You have not stated anything in your policy about this. Our Industrial Policy should be linked with employment.

Unless that aspect is there, there will be a problem and there will be unemployment and a number of units will be closed down. The crisis will be much more because of that in our industrial sector.

Now I will say a few words about one organization that is, BIFR. I hope you all agree with me. The main purpose of this Board, so far as we understood from its report, was to wind up the industries. If you go through the recommendations and reports of the BIFR, you will find that in 98 per cent cases, it has recommended for winding up. In West Bengal only, for ABL, they did a very good package. The Titagarh Paper Mill Unit No. 2 has been reopened, that too, because of our State Government's active cooperation. The Titagarh Paper Mill Unit No. 2 has been reopened on the 15th of August. In all other cases, except in two, they have recommended for liquidation. So something should be done about this BIFR. The purpose of forming this Board was to recommend for reconstruction or revival of the industry. But that main purpose has not been served. So, I oppose this industrial policy.

This policy was prepared under the direct guidance of International Monetary Fund. They were wanting to restructure our economy; they were wanting to restructure our industry and our public sector. I oppose this and people of our country will also oppose this on the 27th of September. Lakhs of people will come to Delhi

[Sh. Basudeb Acharia]

to oppose this anti-people policy of the Government. Because of this policy, thousands and lakhs of workers will be unemployed and hundreds of units will be closed down. So, I oppose this industrial policy.

MR. SPEAKER: Well, I think the House would be interested in taking up the discussion on the flood and drought situation also. That matter is pending with us for a pretty long time. At 5.30 p.m., the Home Minister is expected to make a statement and after that, if time is there, we may allow one or two members to make speeches on the Demands for the Industry. After that, if you agree, because Orissa is suffering from floods and we would like to know the Government's reaction and we should not keep it pending, we can start the discussion at 6 o'clock, today itself and go up to 7 o'clock.

SHRI YAIMA SINGH YUMNAM (Inner Manipur): Sir, what is the fate of the lone Members of this House?

MR. SPEAKER: The fate of the lone Member is, he will speak on the Demands for the Industry.

[Translation]

DR. LAXMINARAYAN PANDEYA (Mandsaur): Sir, we are discussing the new Industrial Policy and the Demands of the Ministry of Industry. As far as the new Industrial Policy is concerned, there are many points which can prove to be good solutions to various problems whereas there are certain points which can cause contradictions. These shortcomings should be removed.

The new Industrial Policy encourages foreign investment and lays emphasis on strengthening the public sector. Besides policy matters other things like liberal issuance of licences and increasing the level of investment in small industries have also been mentioned. Still, the Industrial Policy does not make any special mention of providing more employment opportunities. The basic thrust

of our industrial policy should be on making the country self-reliant. More employment opportunities should be created as a result of the implementation of the policy. Ours is an agricultural country. The Industrial policy should extend help to the agricultural sector.

We want to create a healthy business environment that not only attracts industrialists to set up industry but also offers them a good market. As far as modernisation of industry is concerned, we would like to adopt new technology. But that new technology should not involve too much of automation because that would mean loss of jobs for many people. What we want is that we should maintain our character of industriousness. The industrial policy should provide a permanent solution to all the problems.

The industrial sector in India consists of large-scale, medium scale and small-scale industries. There are rural industries and cottage industries also. Instead of looking at them on an individual basis it would be better if we treated them as a joint entity. Till now large-scale industries were receiving all the encouragement and medium and small-scale industries were influenced by it. They have not received any push from the Government. It is said that big fish eat small fish. This applies to Indian industry also. Big industries are not allowing the smaller ones to exist. Due to this, neither are any new job opportunities being created nor are the basic needs of food, clothing and shelter, proper education and a healthy environment being met. We have not been able to take any concrete step in this direction. In the context of the new Industrial Policy, the policy paper says:--

[English]

"In order to invite foreign investment in high priority industries requiring large investment and advanced technology, it has been decided to provide approval for the direct foreign

investment upto 51% equity in such industries."

[Translation]

Will this not make us more dependent on foreigners? Will the multinationals influence us to such an extent that we become too dependent on them? I hope the rise in foreign investment will not adversely affect India's quest for self-reliance. We must take the consequences into account before going ahead.

Our policy should be such that an industrialist or a trader can work as a trustee. Today the industrialist is not working as a trustee. The industrialist himself has no relationship with his workers, and there is no worker participation in management. We believe that workers should participate in management. A national management cadre should be formed from where management needs could be fulfilled. I do not want to go into the details of the current state of the public Sector. But if we just consider the coal industry we can see that it is incurring losses in crores of rupees. Steel industry is running in loss. If we make a comparison of the Steel Factories working in the public sector with TISCO and ISCO, the latter will surpass the former in every respect. Although both are being run on same professional lines, yet one is earning profit and the other is incurring loss. I do not say that public sector industries are not enterprising. These are also enterprising and the officials are quite industrious. Some of the Public Sector enterprises have made a name for themselves for producing quality products. For example, we may cite the instance of BHEL. It has established its name in the field of high power generators and other products. The HMT's reputation is also good, but as far as coal industry is concerned its reputation is not that high. If we look at its performances both before and after nationalisation, we will come to know that its performances deteriorated after nationalisation and the industry is running into loss of

thousands of crores of rupees. Power generation industry is also running into losses of thousands of crores of rupees. Several steps have been proposed in the new policy to improve the functioning of public sector industries, so as to make good their losses. The steps are being enumerated for quite a long time, but till date there has been no improvement in their work nor do the losses have been made good. What is the position today? Iron Ore extracted in Madhya Pradesh is being exported at a low cost while steel is being imported at a high cost.

Sir, I would like to submit that position of big industries is none too good as I have stated earlier. The position of even small industries are not that good. What is the position of handloom industry? To encourage the people engaged in small-small industries, there is a need for setting up a new ministry to look after the functioning of handloom industry. All out encouragement needs to be given to carpenters, blacksmiths, potters and smalltime goldsmiths, and programmes about them may be televised on Doordarshan from time to time highlighting the quality of their products. If this is done, then I think we will be able to create an atmosphere conducive to generation of employment in the country. This is the only remedy and if no such thing is done, then I do not think a proper atmosphere for making industries employment oriented could be created in the country.

Mr. Speaker, Sir, it is always alleged that big industries indulge in tax evasion. Tax evasion is discussed time and again. So I think a tax inquiry commission may please be set up to look into the complaints of tax evasion in the concerned industries and also to rationalise tax structure wherever anomalies are found. This may be the position in the case of several industries and remedial action should also be taken to remove such complaints. At least this will make the industrialists aware of their

[Dr. Laxminarayan Pandeya]

duties towards the country and also instill a feeling in them of taking a pride that they are also serving the country. This will remind them of their duties to the nation.

Mr. Speaker, Sir, today a stage has come when consumer items which are supposed to be produced by small industries or cottage industries are being manufactured by big industries. For example, Lifebuoy, Sunlight and Lux and other such products are being manufactured by large companies and multinational companies. Cannot these products be reserved for small-scale industries? Today the position is different, but there is a need to reserve production of consumer products for small-scale industries.

Sir, through you, I would like to submit that our export and earnings from export should always be employment oriented, so that the exports can be increased further and that too especially of the products manufactured in the small, rural and cottage industries. Through the exports of products of the earnings of small industries from export can be increased further, which will ultimately prove beneficial for this sector only.

Sir, in this policy a number of things have been left untouched. Nothing has also been said about small and cottage industries in the policy. For example the cement industry is being run on old technology in our country. If technological advancement is not introduced in cement industry the output will definitely go down. It is being said that there is only loss in Public Sector. But if modern technology is introduced in cement and other industries then the losses can be converted into profits leading to general overall improvement.

Sir, today the most important thing is that there is no proper coordination between the production cost of the goods and the price being paid by the consumers. Consumers are

facing lot of hardships in buying goods, as they have to pay much more than the production cost of goods. There is a need to bring about some kind of rationality in this also. I would like to submit that though this policy will give a boost to certain industries, yet in the case of others there is a need to augment investment and encourage them further.

What is the position of Scooters India Limited, a discussion on which took place in this august House. Some time back there were talks that it was being transferred to private sector. This enterprise is in a sorry state and huge money of a large number of share holders is invested in it. Similar is the state of affairs in several other industries. I think that there is a need to make improvements in them. I hope the Government would pay attention to it and create an atmosphere in which equal opportunities of growth would be made available to all. Small scale and medium scale industries should work in a competitive environment, so that all industries prosper and equal opportunities of growth are made available to all. By and large there is a need to work with a spirit of nationalism. Then only the industrial policy presented today can prove to be successful. The most essential thing is decentralisation. While it is true that we are a democratic force, we should also have economic democracy which, at present, is missing. I would like to submit that while we may strengthen the public sector, we may also bifurcate the small and big industries and create a cadre, so that efficient management is made available to all industries and these are run on profitable basis and not as loss making enterprises. At the same time industries in the private sector should be given enough opportunities, so that they also work in the interest of the society and the country as well. Competition may not prove harmful for each other's growth and put them in the list of sick industries.

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It is generally said that Public Sector industries whether they be textiles, cement or sugar are not functioning satisfactorily. Then comes the question of providing subsidy for revitalising the sick industries in which thousands of workers are employed. Such a situation should not be created. We should ensure that our industrial units work properly and they are adequately financed so that they could become self-reliant. While encouraging foreign investment and multi-national companies to invest in the country so as to achieve self sufficiency, we must ensure that freedom and sovereignty of the country is not jeopardised. I hope the hon. Minister will cover of all these points while replying to the debate on industrial policy. So far as the demands for grants of the Ministry of Industry are concerned, several issues connected with it can be highlighted. Regional imbalance should also be removed by stopping concentration of industries at one place, no industry at other places.

(Interruptions)

MR. SPEAKER: How much time more you will take.

DR. LAXMI NARAYAN PANDEYA: I will conclude within two minutes.

Madhya Pradesh is backward from industrial point of view. There is ample scope of setting up of big industries in that state. These industries should be set up there.

I would like to submit that keeping in view the statements made in regard to the industrial policy and what has been said in connection with the demands, research and development for industrial progress and modernisation should be encouraged. I would also like that our economic sovereignty should also be protected. Before inviting foreign investment we must ensure that our sovereignty is not affected.

With these words I conclude.

[English]

SHRI NIRMAL KANTI CHATTERJEE: Sir, before the Home Minister rises, I have a submission to make. About three hours ago, when you were not in the Chair, we mentioned that people were on *dharna* before the Railway Minister's house when some people were taken into custody in Tughlakabad Police station. Now, I may inform that—I will not mention the name of the Minister—a Minister who has actually visited that place has come back saying that in fact, Shri Harish Rawat, an ex-MP and Shri Yashwant Sinha are in custody along with 55 people. There were blood stains in the police station itself. He says that they were terribly beaten. We made a request three hours ago that as the Home Minister was there, we wanted him to make a statement on this incident. At that time, he asked whether it was a rumour or an information and we insisted that it was an information. Now, a Minister had told... (Interruptions).....

MR. SPEAKER: I have told you that that Minister could tell the Home Minister also.

SHRI NIRMAL KANTI CHATTERJEE: No. He is not the Home Minister. If you want, I can mention his name. But I do not want to name him. Now, since the Home Minister is here, let him inform us as to what had happened... (Interruptions)... He has come back seeing blood in the police station itself. I, therefore, request the Home Minister to make a statement. (Interruptions)

SHRI MANORANJAN BHAKTA: Sir, action should be taken against the guilty persons. This is a very important point. (Interruptions)

MR. SPEAKER: Everything is important. Mr. Bhakta, you please hear me.

(Interruptions)

MR. SPEAKER: You raise important matters and you ask the Minis-

ter to come with a statement. Now, he has come with the statement. But you do not allow him to make the statement. And now, you come with another point. How long will it go on like this?

(Interruptions)

SHRI NIRMAL KANTI CHATTERJEE: I will be glad if the Minister makes a statement on this point also. *(Interruptions)*

MR. SPEAKER: I am not saying about this statement. Something else was raised on the Floor of the House and he is going to make a statement. Now, every time you raise something, you ask him to make a statement. How can it go on like this?

(Interruptions)

SHRI A. CHARLES (Trivandrum): Sir, I have a submission to make.

MR. SPEAKER: No. Mr. Charles, I am not allowing you. It cannot go on like this. Do not misuse the rules of the House. If you misuse the rules of the House, then it is you who will suffer.

[Translation]

SHRI A. CHARLES: Sir, about the procedure...

MR. SPEAKER: No. I am not allowing you. It is in your interest not to misuse the rules of the House. I have not allowed Mr. Bhakta and I do not allow you also.

(Interruptions)

MR. SPEAKER: You cannot just get up and ask anything at any time. There should be an end to it.

SHRI A. CHARLES: I am talking about the ruling given by the Chair.

(Interruptions)

MR. SPEAKER: Now, I may ask the Home Minister to make the statement.

17.42 hrs.

STATEMENT BY MINISTER

Encounter with LTTE militants on 20th August, 1991 at Konanakunte near Bangalore

[English]

THE MINISTER OF HOME AFFAIRS (SHRI S. B. CHAVAN): I rise to apprise this August House on the details of the incident at Konanakunte near Bangalore in which Sivarasan, one of the main accused in Shri Rajiv Gandhi assassination case and six others were found dead.

In pursuance of the consent given by the Government of Tamil Nadu to investigate the case of Shri Rajiv Gandhi's assassination, a Special Investigation Team was formed. The SIT has examined 346 witnesses and conducted searches at 49 places seizing incriminating material. 14 accused persons were also arrested. As you are all aware, the most important accused who had remained to be arrested were Sivarasan and Subha. A nation-wide man-hunt was launched and efforts were being made to locate the hideout of these main conspirators.

Suspecting that some LTTE militants were hiding in Muttati and Beroota villages of Mandya District, raids, in all, 12 LTTE cadres were taken Police on 17/18-8-91. In these raids, in all, 12 LTTE cadres were found dead after committing suicide by consuming cyanide and five suspects who were apprehended were admitted in Bowring Hospital, Bangalore.

During investigation, it was ascertained that a person by name 'Anjanappa' of Puttenahalli had helped the LTTE militants to find houses in Muttati and Beroota. Further, a diary containing a list of 26 militants was also found at Muttati. Based on this information, another person by name 'Ranganath' was apprehended by

Bangalore City Police. This person gave information about a house in Konanakunte which was arranged by him for six militants. The City Police along with SIT surrounded this house on the night of 18-8-1991 and kept a continuous watch on the house. Further, one person by name 'Prem Kumar', was apprehended at Konanakunte crossing. He was the man who was supplying food etc., to the LTTE militants hiding in Konanakunte house. Further enquiries revealed the presence of LTTE militants including Sivarasan and perhaps Subha in the above house.

To try and capture Sivarasan and others alive, watch was continued throughout the 19th and the entire area was encircled and guarded by plain clothes men and NSG Commandos positioned strategically. Additional reinforcement of NSG Commandos and medical experts with latest anti-cyanide antidote were requisitioned from Delhi. It was decided not to storm the place as similar action earlier on several occasions had resulted in even minor LTTE functionaries committing suicide. On 19th, around 7.00 P.M., the LTTE militants holed up inside the house, opened fire indiscriminately without any apparent reason. The NSG returned the fire. This exchange of fire continued for about 30 minutes and three police personnel (one of NSG and two of Karnataka Police) sustained injuries. The injured are out of danger. The militants opened fire either because they were wanting to escape under the cover of fire or because of some movements close to the house where in local residents were trying to move a broken down lorry. Two militants who came out, perhaps in a bid to escape ran back inside the house. Later at around 8.00 P.M., about 7-8 more rounds were fired by the militants for about half a minute.

After the arrival of the additional reinforcements and the medical team

with the latest anti-cyanide antidote from Delhi in the early hours of 20th August, the house was stormed at about 6.30 A.M. The NSG Commandos blasted the door and entered the house. They found the dead bodies of 7 LTTE militants. They included the wanted Sivarasan and a woman who is obviously Subha but whose identity requires evidential confirmation. Efforts are on to identify all the other bodies. One AK 47 rifle and a 9 MM pistol and several rounds of ammunition were recovered. Sivarasan was found with a bullet injury in the temple of his head. All others obviously died due to cyanide poisoning. It is being ascertained whether Sivarasan also consumed cyanide capsule. The bodies were shifted to Victoria Hospital for post-mortem examination.

The whole operation was supervised by CBI Director, SIT Chief and the City Police Commissioner of Bangalore and the NSG officers.

Meanwhile, the S.I.T. will continue investigation of case relentlessly with the objective of unravelling the entire conspiracy behind the assassination, identifying and arresting the remaining accused persons and eventually charge-sheeting the case in court.

(iii) **Release of K. Doraiswamy, a senior IOC official abducted by the militants at Srinagar in June, 1991.**

THE MINISTER OF HOME AFFAIRS (SHRI S. B. CHAVAN): I rise to inform the House regarding the release of a senior IOC official, Shri Doraiswamy last evening from the captivity of the terrorists.

2. The facts as ascertained from the State Government are as follows:

3. SHRI K. Doraiswamy, a senior IOC official, who reached Srinagar from Delhi on 27-6-91 was abducted

[Sh. S. B. Chavan]

by armed terrorists at Zewan, Pantha Chowk, Srinagar on 28-6-91 in the forenoon while he was moving in a vehicle. Shri Doraiswamy was on an inspection visit to Srinagar. Shri Doraiswamy had gone with a party of other officials to inspect a site for construction of a storage capacity for kerosene/petrol. The pro-Pak terrorists outfit "Ikhwan-ul-Muslimeen" owned responsibility for kidnapping and demanded the immediate release from detention of Shri Javed Ahmed Shalla Bilal Beg and other activists, by 1500 hours on 1-7-91 failing which the IOC official in its custody would be shot dead. On July 1st the terrorist outfit conveyed an appeal purported to be from Shri Doraiswamy to the President and Prime Minister of India to save his life.

4. The Government of Jammu and Kashmir had been negotiating with the terrorists through contacts. The terrorists had also been extending their deadlines.

5. On 20th July after prolonged negotiations, the modus operandi for securing the safe release of the hostage was arrived at and in lieu thereof three of the five terrorists were handed over to the mediator in a place agreeable to them. The intermediary was to come back with Mr. Doraiswamy and thereafter the other two terrorists were to be released. However, the intermediary did not turn up and thus the efforts to secure the release of Shri Doraiswamy got a setback.

6. On 22nd July the abductors in a fresh statement levelled baseless allegations that the Government had gone back in its commitment regarding the release of Javed Ahmed Shalla and also demanded the release of 9 detainees including the three already released.

7. The abductors nominated a new intermediary and efforts continued to get the release of Shri Doraiswamy.

Statements appeared in the name of abductors that if their demands were not met in full, the hostage would be put to torture.

8. After prolonged and protracted negotiations, details for release of Shri Doraiswamy were settled. According to the understanding, Shri Doraiswamy was set free by the abductors at about 8.30 P.M. on 20th August in exchange of five arrested terrorists. On safe arrival of Shri Doraiswamy at Srinagar, the sixth terrorist, namely, Shri Javed Ahmed Shalla was also released on bail. Excepting Shri Shalla, none of the released terrorists are charged with heinous crimes.

SHRI NIRMAL KANTI CHATTERJEE (Dum Dum): What about the other Statement?

SHRI BASU DEB ACHARIA (Bankura): We demanded a State on the *lathi charge*. (Interruptions)

SHRI NIRMAL KANTI CHATTERJEE: Three hours have passed since the incident took place in which 55 persons were beaten up in the Police Station.

THE MINISTER OF HOME AFFAIRS (SHRI S. B. CHAVAN): I have no idea. All of a sudden I cannot react.

SHRI NIRMAL KANTI CHATTERJEE: Sir, the Minister says that he has no idea. (Interruptions)

MR. SPEAKER: Let him collect the information.

SHRI LOKANATH CHOUDHURY (Jagatsinghpur): Sir, Delhi is not far away from that place.

MR. SPEAKER: Delhi may not be far away but then there are so many other things on hand also.

(Interruptions)

SHRI PIUS TIRKEY (Alipurwar): All the responsibility comes to the Home Minister. The person who was beaten up was a member of the

Congress party. He was on a peaceful hungerstrike. (*Interruptions*)

SHRI LOKANATH CHOUDHURY: Sir, the police has a right to take him to custody but it has no right to beat him.

SHRI NIRMAL KANTI CHATTERJEE: Sir, 55 persons were there. They were beaten up severely by the police. (*Interruptions*)

SHRI LOKANATH CHOUDHURY: In a democratic set up one can go on hunger strike. He was not doing any violent activity.

MR. SPEAKER: How can you carry out the business of the House like this?

SHRI NIRMAL KANTI CHATTERJEE: I agree with you, but you also see that three hours have passed since the incident took place. (*Interruptions*)

MR. SPEAKER: You asked for a Statement and the Statement is made. Now, something else is to be taken up. If all of you stand up and talk, how can we proceed?

(*Interruptions*)

SHRI LOKANATH CHOUDHURY: We demanded a statement in the Zero Hour. We will obstruct the business of the House.

MR. SPEAKER: Don't take up the discussion on un-listed business throughout the day.

SHRI BASU DEB ACHARIA: I wanted to raise this matter during Zero Hour.

MR. SPEAKER: Mr. Acharia, please take your seat. All of you take your seats.

I have brought it to your notice that this is the Budget Session. We have the Demands of Industries' Ministry on the Agenda for the last 4-5 days. It was only yesterday that we were able to touch it. We have discussed it today. Every time, if un-listed business is taken up and dis-

cussed, those Members who are sitting quietly at the back, they are not able to open their mouths. And at every moment, without information, without notice, you raise certain issues and you expect a Statement, how can it go on like this?

I would tell—if any colleague of ours is involved in it—you that certainly the Government will take note of it. They will collect the information. They will inform you. But you cannot just get up and say that, you collect the information and come. Every moment you open your mouth, you expect a Statement and it is to be made. How can it go on like this?

SHRI NIRMAL KANTI CHATTERJEE: We are interested in the discussion. But three hours ago, we raised this question. (*Interruptions*)

MR. SPEAKER: What do you mean by three hours? This is not there in the list.

(*Interruptions*)

MR. SPEAKER: Please do not discuss like that. It does not help you.

SHRI NIRMAL KANTI CHATTERJEE: We are interested in the discussion on the Grants. But in the meantime, let the Government behave. If the Government creates such situations that the discussions on Grants cannot take place what can we do? If our colleagues are taken to Police Station...(*Interruptions*)

MR. SPEAKER: Supposing one Member or two Members are only raising the points, other Members are suffering. They are just keeping quiet and they come to my Chamber and say that you are allowing those Members who are getting up...

(*Interruptions*)

SHRI NIRMAL KANTI CHATTERJEE: Even the Congress Members join that. (*Interruptions*)

MR. SPEAKER: Okay. You have made the point. I have very carefully said that if the Government collects the information and if in their wisdom want to inform the House, they can inform the House also and if one of the Members is involved, they would certainly be interested in informing the House about the action taken. But you cannot just pressurise every time by saying that, you come and make a Statement without collecting the information. Please, it is in your interest—the House is yours, the time is yours. Demands are yours—you make use of that in whatever fashion you like. But I would request you, please do take into consideration, the feelings of those Members who are just keeping quiet and not getting up unless their names are called out.

SHRI NIRMAL KANTI CHATTERJEE: But you refer to the Government also. Let them behave.

MR. SPEAKER: Shri Chatterjee, they have taken note of your feelings.
(Interruptions)

17.55 hrs.

DEMANDS FOR GRANTS (GENERAL), 1991-92—*Contd.*

Ministry of Industry—*Contd.*

MR. SPEAKER: Mr. Yaima Singh Yumnam.

SHRI YAIMA SINGH YUMNAM (Inner Manipur): I know that you will not allow me to speak in Manipuri which is my mother tongue because it is not mentioned in the Eighth Schedule of the Constitution of India. I cannot speak in Hindi. I have very little command over the English language. So, I have got this grievance that you are not

allowing me to speak in Manipuri. So, I have to speak only in English.

MR. SPEAKER: Don't take time of the House.

SHRI YAIMA SINGH YUMNAM: I rise to oppose the Demands for Grants under the control of the Ministry of Industry and the National Policy on industry. However, I do appreciate the spirit of the Government with which it has come out with a National Policy on Industry according to the guidelines laid down by Pandit Jawaharlal Nehru. I understand he took up the cause of industrial development with a call to organise industries in the country to make India economically Sovereign, just after Independence. He made a call to the nation that without industrial revolution the country will remain backward and dependent; and in that context, he inspired us to the extent that we took it as an act of patriotism to be involved in the organisations for promoting industries in the rural areas, in the remote places, etc. Although there was hue and cry, criticism against the policy at that time saying that the industries were in the hands of a few industrialists like Tatas, Birlas, etc., still Pandit Jawaharlal Nehru explained to the people that there would be mixed economy, there would be a Socialistic Pattern of Society, etc. So, it was, to some extent, tolerable.

Now I am coming to the present National Policy on Industry. I suggest that the Government would be better to compromise with the proposals made from the Opposition leaders and the senior Members of the Opposition who spoke yesterday about the public sector, private sector, etc. It will be in the interest of the nation if the Minister incharge of industry can entertain the suggestions, the proposals made by the Leaders of the Opposition, by the Members

of the Opposition just like the Government did in the case of Rajiv Gandhi's Foundation or the fertiliser issue.

My sole interest lies in mentioning some of the grievances of my State, Manipur. There is a North-Eastern region which is considered as a dark region in respect of industry. Manipur, as you know, is a State which is known for extending full cooperation to the Centre in all matters. Recently, there was an air crash in Imphal in which an Indian Airlines Boeing 737 crashed on a hill minutes before it was to land in Imphal killing 69 persons on board. Then the Minister of Civil Aviation went there to supervise the rescue operation and all that. It is a State surrounded by hills and hills with a spacious area of valley

18.00 hrs.

It is a very much neglected State. But there live your sisters and brothers whom you call Indians. They were not Indians earlier. They were simply Manipuris. They have a different language, they have different statures and culture. But the Central Government, considering that it will be in the interests of the country made them 'Indians'. But unfortunately they are now very much disappointed and frustrated. The youngsters who are impatient, some of them, have gone underground and they have become terrorists. Why? Because, they are very much disappointed. They expected very much from the Indian Government.

MR. SPEAKER: Would you please continue your speech tomorrow? We will take up the flood and drought situation. We had decided that at Six O'clock we would take up the discussion on floods and droughts.

(Interruptions)

DISCUSSION UNDER RULE 193
 Flood and Drought Situation in the
 Country—Contd.

MR. SPEAKER : We will now resume the discussion on floods and drought in the country. One hour is made available for the discussion here. I have a few names with me. I would request each of the Hon. Members to complete his speech in five to seven minutes' time so that four, five or six Hon. Members can speak and the Hon. Minister may reply. Shri Pius Tirkey was on his legs. He may please continue.

SHRI SRIKANTA JENA (Cuttack): The Minister should also inform the House about the latest position.

MR. SPEAKER: He is going to do it. If you want, I will allow you also to speak.

SHRI LOKANATH CHOUDHURY (Jagatsinghpur): Nobody from our group has spoken on this subject.

MR. SPEAKER: I will allow you to speak.

[Translation]

SHRI PIUS TIRKEY (Alipurduar): Mr. Speaker, Sir, that day I was submitting that it is criticized in every session. But when there are floods or drought the Government takes a different stand and we are also in a tight spot. We can neither save them, nor provide them medicines nor food nor shelter. This is the position when we have Flood Commission. It was set up long time ago in 1958. The committee also set targets and identified the flood prone areas. At the same time many stations were set up for the purpose of forecasting and maintaining vigilance. Forecasting units were supposed to identify the flood prone areas and warn the people well in time. I would like to know from the hon. Minister as to why the people were not warned in time? What is the proof that they did not leave the place despite being warned. This led to a heavy loss of life and property. Why did the sta-