

LOK SABHA DEBATES

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Wednesday, December 17, 1980/Agrahayana 26,
1902 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

OBITUARY REFERENCE

MR. SPEAKER : Hon. Members, I have to inform the House of the sad demise of one of our former colleagues Dr. Ram Subhag Singh, who passed away at New Delhi on 16 December, 1980 as the age of 63.

Dr. Ram Subhag Singh was a Member of the Provisional Parliament, first, second, third and fourth Lok Sabha during the years 1950-70. He was Minister of State at the Centre during the years 1962-67 and a Cabinet Minister during 1967-69 and held the portfolios of Food and Agriculture, railways, social security and cottage industries, parliamentary affairs and communications. He was recognised as the first Leader of opposition in Lok Sabha during 1969-70.

A veteran parliamentarian, he took keen interest in the proceedings of the House.

We deeply mourn the loss of this friend and I am sure the House will join me in conveying our condolences to the bereaved family. The House may stand in silence for a shortwhile to express its sorrow.

The Members then stood in silence for a short while.

ORAL ANSWERS TO QUESTIONS

Changes in the Industries (Development and Regulation) Act

*439. SHRI CHITTA BASU : Will the Minister of INDUSTRY be pleased to state :

(a) whether Government have under consideration certain proposals for drastic

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changes in the Industries (Development and Regulation) Act ;

(b) if so, the details of the proposals under consideration; and

(c) at what stage do the proposals rest now ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI CHARANJIT CHANANA) : (a) Yes, Sir. It is however, premature to qualify the changes.

(b) & (c). Proposals are being conceptualized and so neither details nor level of consideration can be indicated.

SHRI CHITTA BASU : We have gone through the reply. In the course of his reply he says that there are proposals for amending Industries Development and Regulation Act. The question asked was : "whether the Government have under consideration certain proposals for drastic changes...." He agrees and says: yes. Subsequently he answers that it has not yet reached that stage.

MR. SPEAKER : That might have been a leading question.

SHRI CHITTA BASU : Therefore it means that the government is suffering from indecisiveness and they could not take any decision as to the nature of the changes government considers necessary, in the Industries Development and Regulation Act. In this context, could he indicate as to what are the compelling reasons—there may be some reasons—for contemplating changes ?

What are the compelling reasons for making changes in the I.D.R. Act ?

SHRI CHARANJIT CHANANA : The I.D.R. Act has in fact been amended ten times since its enactment. For implementing the Act, there are many difficulties which are being faced by the Government. This being an inter-ministerial exercise, we are working on the whole thing. We are getting the data collected regarding the various aspects of the problems and we are examining the whole thing.

SHRI CHITTA BASU : He said there might be certain reasons and certain difficulties for the Government. What are those difficulties ?

SHRI CHARANJIT CHANANA : I confirm having said that there are difficulties in implementing the I. D. R. Act. The object of the Act being promotional and regulatory, there are problems. I have said in the main answer that it would not be mature enough to indicate the exact things unless and until we get the whole thing fully examined. To give an example, in the definition of industrial unit being covered by the Act, the criterion for deciding the size of the unit is the number of workers with power and without power. We are finding some difficulties in that. We are in fact conducting a census of our difficulties from the various administrative and production ministries. Unless and until we come to a conclusion, the hon. member would again say that the Government is indecisive. We are not indecisive. We want to come to a conclusion after examining the whole thing because the amendment of this Act is a big exercise.

SHRI CHITTA BASU : May I know whether it is a fact that the West Bengal Government requested this Government to amend this Act in such a manner that the State Governments will be delegated more powers to institute enquiries into the sick units and finally take them over? If so what is the reaction of this Government? Why are they not prepared to consider this proposal also?

SHRI CHARANJIT CHANANA : We are taking the State Governments also into account. The State Governments have given a suggestion like that. This is one of the issues which is being considered. As far as the amendment of the Act is concerned with special reference to the entrepreneurs who render a particular unit sick and what should be the treatment for them—this is also being considered and this is one of the factors of sickness of industrial units.

MR. SPEAKER : Next Question.

SHRI NIREN GHOSH : I am standing to put a question.

SHRI SOMNATH CHATTERJEE : You have to look at him twice.

MR. SPEAKER : I will get a magnifying glass.

SHRI NIREN GHOSH : May I know whether it is a fact that the Central Government now a days is disinclined to take over industries which have been closed by the owners after swindling, cheating and all that kind of thing? May I know whether those perpetrators of fraud, swindling and cheating are not taken to task and they ask the State Government to take over the factories? In that case why don't you give them liberal financial help? Otherwise, how can they take them

over? The workers also suffer because their dues are not paid. Also there is retrenchment. May I know whether you are considering all these things and give a positive reaction to that?

SHRI CHARANJIT CHANANA : There is a communication gap in the statement of the hon. Member. Whenever we advise the State Governments after investigation into the functioning of sick units, we always advise them to take it over. We fill in all the gaps that the hon. Member has just now mentioned. And we give all the help which the hon. Member has suggested.

SHRI SOMNATH CHATTERJEE : The hon. Minister has just now said that in many cases the Central Government have advised the State Governments to take over the sick undertakings and they promise help. Under what laws the State Governments can take over the sick units? Will the hon. Minister kindly tell that so that the State Governments can take recourse to that law?

SHRI CHARANJIT CHANANA : The unit is taken over by the Central Government under the IDR Act on the understanding that the management and the running of the unit will be done by the State Government and the Central Government will give all the help to the State Government.

PROF. MADHU DANDAVATE : In part (b) and (c) a very strange reply has been given by the hon. Minister :

“Proposals are being conceptualized and so neither details nor level of consideration can be indicated.”

When the concepts are there, probably you cannot give any level of detailed consideration at all. If you are going to change the entire concept of development and regulation, do we take it for granted that the initial direction that was given—for example, that the public sector should have a commanding height of economy, then regional imbalance should be removed there should be district centres. All these concepts were already there and these are very necessary to remove the regional imbalance in development—are you going to change that?

SHRI CHARANJIT CHANANA : No, Sir.

Setting up of Truck Manufacturing Unit at Durgapur

*440. **SHRI SATYAGOPAL MISRA :** Will the Minister of INDUSTRY be pleased to state :

(a) whether Government have received any proposal from the West Bengal