

LOK SABHA DEBATES

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LOK SABHA

Wednesday, August 30, 1972/Bhadra 8,
1894 (Saka)

*The Lok Sabha met at Eleven of the
Clock*

[MR. SPEAKER in the Chair.]

ORAL ANSWERS TO QUESTIONS

ISSUE OF LICENCES AND PERMITS TO BUSINESS HOUSES

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*401 SHRI PRAVINSINH SOLANKI :
SHRI ONKAR LAL BERWA :

Will the Minister of INDUSTRIAL DEVELOPMENT AND SCIENCE AND TECHNOLOGY be pleased to state :

(a) the names of the top 15 business houses who have been granted largest number of licences and permits since last General Election; and

(b) the nature and value of the licences issued to them ?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT (SHRI SIDDHESHWAR PRASAD) : (a) The Ministry of Industrial Development is concerned with Industrial licences issued under the Industries (Dev. & Reg.) Act. No "permits" are issued under the Industries (Development & Regulations) Act. Under the Revised Licensing Policy, certain restrictions are placed on the Larger Industrial Houses, as defined in the Industrial Licensing Policy Inquiry Committee Report. Separate statistics are maintained in respect of these houses. A statement showing

the number of industrial licenses issued to the 20 Larger Houses from 1-4-1971 to 30-6-1972 is laid on the Table of the House. [Placed in library See No. LT-3561/72]

(b) Industrial licences are generally issued for specific capacities rather than for specific values. Details of all industrial licences issued by the Government are published from time to time in the "Weekly Bulletin of Industrial Licences, Import Licences and Export Licences", Weekly "Indian Trade Journal" and the monthly "Journal of Industry and Trade". Copies of these publications are available in the Parliament Library.

SHRI PRAVINSINH SOLANKI : Out of the licences mentioned in the statement how many were cleared by the Monopolies Commission ?

SHRI SIDDHESHWAR PRASAD : All the letters of intent were issued only after clearance by MRTP. Commission.

SHRI PRAVINSINH SOLANKI : How many of the industrial firms, which are under CBI inquiry, were given industrial licences?

SHRI SIDDHESHWAR PRASAD : I have no information on this point.

SHRI JAGANNATH RAO : While more production is necessary in the country, at the same time, the monopolies have to be curbed. May I know whether this fact is kept in mind while granting licences to larger houses ?

SHRI SIDDHESHWAR PRASAD : We always bear in mind that while industrial production should go up, at the same time,

economic concentration of power should not take place. Licences and letters of intent are issued, keeping these in mind.

SHRI G. VISWANATHAN : In view of the utterances of the government before the public that they are going to prevent concentration of wealth in the hands of a few, may I know whether they are considering a blanket ban on issue of licences to large industrial houses ?

SHRI SIDDHESHWAR PRASAD : No, Sir.

SHRI INDRAJIT GUPTA : I would like to know how many of these licences for new undertakings or for expansion pertain to projects which the applicants want to have in the joint sector with Government participation and financial assistance.

SHRI SIDDHESHWAR PRASAD : As far as I am aware, none of these are being established in the joint sector. The loan or money advanced from the public sector or from financial institutions will only be sanctioned when these licencees come for specific cases to public lending institutions.

SHRI INDRAJIT GUPTA : My question was, when these applications for licences are considered and given, how many of them pertain either from the applicant side or from the Government side laying down any condition to the question of their being in the joint sector.

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND SCIENCE AND TECHNOLOGY (SHRI C. SUBRAMANIAM) : The general approach now with regard to particularly the larger houses is to have now undertaking as far as possible. These are letters of intent issued long ago and they have fructified to licences. Therefore, these would not relate by and to large letters of intent with which we are concerned now. If a separate question

is put, we can give the details. I can give the information to the hon. Member that three paper projects for example have been taken up in the joint sector.

SHRI AMRIT NAHATA : I would like to know, out of these licences for new industries or for expansion, how many of them are for essential articles needed by the community and how many are for non-essential luxury items.

MR. SPEAKER : I am sorry. This is a general Question. You are asking a specific question.

SHRI AMRIT NAHATA : It is very relevant.

MR. SPEAKER : It may be relevant but not relevant to this Question.

श्री हुकम चन्द कछवाय : अध्यक्ष महोदय, मैं माननीय मंत्री से जानाना चाहता हूँ कि पिछले आम चुनाव के बाद ऐसे 15 बड़े व्यापारियों को जो प्रापने लाइसेंस और परमिट दिए हैं क्या उन लोगों को लाइसेंस और परमिट देने का वचन दिया था जिन्होंने प्राप को बहुत बड़ी मात्रा में चुनाव के लिए खर्चा दिया था और उन्हीं को प्राप ने यह दिया है — (स्वबचान) — इस तरह हल्का करने से कुछ नहीं होगा, मैं सवाल पूछ रहा हूँ कि पिछले आम चुनाव में उन को प्राप ने प्राप्चासन दिया था ।

अध्यक्ष महोदय: यह इस योजना में नहीं आता है । ऐसे एक पार्टी के बारे में डिफ़िनेटरी क्वेश्चन प्राप नहीं कर सकते । मैं एलाऊ नहीं कर रहा हूँ ।

I am sorry, I am not allowing it. The question should not include any computation.

श्री हुकम चन्द कछवाय : प्राप एलाऊ क्यों नहीं करेंगे ? मैंने कोई गाली बकी है या कोई असमदीय शब्द इस्तेमाल किया है । मैं तो यह पूछ रहा हूँ कि पिछले आम चुनाव के बाद जिन पन्द्रह बड़े-बड़े व्यापारियों को प्राप ने लाइसेंस और परमिट दिए हैं क्या चुनाव के दिनों में उन को प्राप्चासन दिया था कि

MR. SPEAKER : This is not relevant; I am not allowing it.

मुकह-मुकह प्राप्ति ही जगते की बात मुद कर दी, इस तरह की काम चलेना ?

श्री हुकम चन्द कच्छबाय : मैं परमिट के बारे में पूछ रहा हूँ, परमिट कितनी की दिए हैं वह बता दें। अध्यक्ष महोदय : हाँ, तो यह पूछें चाप।

SHRI C. SUBRAMANIAM : These are by and large licences which fructified with reference to letters of intent issued long ago. Once the conditions in the letters of intent are satisfied, automatically, the licences have got to issue. Therefore, the question of assurance does not arise. I want to say, not only with reference to this but to other matters also, no assurance was given to any house for the purpose of elections that either they would be given licence or any letters of intent. I want to repudiate the suggestions made by the hon. Members.

श्री हुकम चन्द कच्छबाय : आप इस प्रश्न को पढ़िये, इसमें परमिट के बारे में कहा गया है। ये परमिट आम चुनाव के बाद दिये गये हैं, इसी लिए मैंने पूछा था कि कितने परमिट दिये गये हैं ?

MR. SPEAKER : I am not going to allow it, please do not obstruct the House.
Mr. R. S. Pandey.

श्री हुकम चन्द कच्छबाय : अध्यक्ष महोदय, आप उत्तर दिलावाइये ?

अध्यक्ष महोदय : उत्तर दे दिया है।

SHIR R.S. PANDEY : When letters of intent or licences are issued, may I know whether Government puts any condition that, within a specified time, the industry must be established, because our experience is that, after the licences are issued, a long time is taken for the industry to be started. May I know whether Government puts any condition that the industry should be started as quickly as possible ?

अध्यक्ष महोदय : बड़ी मुश्किल है। आप ने नम्बर-ग्राफ-लाइसेंसिंग पूछा है, वह उन्होंने पहले

बतला दिया है, अब आप इस में कुछ और जोड़ रहे हैं ?

SHRI SHYAMNANDAN MISHRA : Do Government have a system of referring to the income-tax authorities and getting clearance from them before granting licences? Secondly, how does it happen that the largest business houses have got the largest number of licences ?

SHRI C. SUBRAMANIAM : That is not correct. If the hon. Member looks into the total number of licences issued during the period, he will find that, progressively, it has been decreasing; it is only about five or six per cent of the total licences.

SHRI SHYAMNANDAN MISHRA : My question was different. The first question that I have asked is whether you have any system of getting clearance from tax authorities before granting licences. Secondly, it is quite obvious from this statement that the largest business houses have got the largest number of licences.

SHRI C. SUBRAMANIAM : I want to clear one thing. Take, for example, Birlas. Here it is indicated as 17. But out of that you will find that eight plus five, i.e. thirteen are carrying on business licences, that is, for the capacity established during the non-licensing period; they will automatically get those. So, actually, instead of seventeen, it should be four—the new licences that have been issued.

In regard to clearance from income-tax authorities, there will be some system. I would not be able to give the answer immediately. If the hon Member is interested, in iputting as separate question about it, I can give him the answer.

Combination of the functions of an establishment officer and vigilance Officer

*402. SHRI S.C. SAMANTA : Will the PRIME MINISTER be pleased to state

(a) whether Government had issued any orders whereby the functions of an