

RAJYA SABHA

Monday, the 25th March, 1985/4 Chaitra
1907 (Saka)

The House met at eleven of the Clock,

Mr. Chairman in the Chair.

OBITUARY REFERENCE

MR. CHAIRMAN: Before we take up today's agenda, I refer with sorrow to the passing away of Shri Dajiba Balvant Rao Desai, a former Member of this House from the State of Maharashtra.

Shri Desai was born at Gunji in September, 1925, and had his education at Belgaum and Kolhapur. He was a devoted social worker and the welfare of peasants and workers was always uppermost in his mind. Shri Desai was an affable person and made valuable contribution to the deliberations of this House during his term as member from April, 1960 to April, 1966.

We deeply mourn the passing away of Shri Dajiba Balvant Rao Desai.

I request hon. Members to rise in their places and observe a minute's silence as a mark of respect to the memory of the departed.

[Hon. Members then stood in silence for one minute]

MR. CHAIRMAN: Secretary-General will convey to the members of the bereaved family our sense of profound sorrow and deep sympathy. Now, Questions.

11 RS—1.

ORAL ANSWERS TO QUESTIONS

Industries in 'No Industry' district

*161. SHRIMATI RODA MISTRY:†

SHRI S. W. DHABE:

Will the Minister of INDUSTRY AND COMPANY AFFAIRS be pleased to state:

(a) how many industries have been located in 'no industry' districts specially in Uttar Pradesh, Bihar, Rajasthan and Madhya Pradesh, in pursuance of the new policy of industry developments since 1982 till the 31st December, 1984;

(b) what are the names of the industries and the places where they are located; and

(c) what is the sanctioned capacity of these industries and the capital involved, in each industry, industry-wise.

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS (SHRI ARIF MOHD. KHAN): (a) to (c) Under the provisions of the Industries (Development and Regulation) Act, 354 letters of intent were issued during the years 1982—84 for setting up of industries in various 'No-Industry Districts' of the country, of which 215 letters of intent were for locations in 'No-Industry Districts' of Uttar Pradesh, Bihar, Rajasthan and Madhya Pradesh. Generally, it takes between 3 to 4 years for an industrial project to fructify after the issue of a letter of intent. Thus, the above letters of intent granted for "No-Industry Districts" would be at various stages of implementation.

Details, such as, name and address of the undertaking, item of manufacture, capacity and location, etc. in respect of the letters of intent and industrial licences issued are being published regularly by the Indian Investment Centre in their 'Monthly Newsletter'. Copies of this publication are being sent to the Parliament

†The question was actually asked on the floor of the House by Shrimati Roda Mistry.

Library regularly. Information regarding capital cost involved in the projects for which letters of intent have been granted is not being maintained centrally in the Secretariat for Industrial Approvals in the Ministry of Industry & Company Affairs.

SHRIMATI RODA MISTRY: Mr. Chairman, Sir, a specific question was asked but the answer relates only to letters of intent. Could the Minister kindly give us at least a little later the specific number of industries that have come up in the 'No Industry' areas in the States mentioned? Sir, the question is specific. The Minister wants me to go to the Library to seek the information. What for is the Minister here, if I have to seek the information from the Library?

MR. CHAIRMAN: The hon. Member must read the Rules. The Rules provide that whatever information is available in a public library and is available in reference books cannot be asked as questions. Please proceed with the answer.

SHRIMATI RODA MISTRY: Thank for your kind advice.

SHRI ARIF MOHD. KHAN: Sir, the question was about how many industries have been located in 'No Industry' Districts since 1982. Sir, the information available with us is about the letters of intent issued from 1982 to 1983 and also the number of letters of intent which have been converted into industrial licences in respect of 'No Industry' Districts. Normally the letter of intent is valid for one year and after one year the administrative Ministries have the authority to extend the letters of intent to give two extensions of six months each. The information about conversion of letters of intent into industrial licences in respect of 1983-84 is not available with us. In 1982, 15 letters of intent were converted into industrial licences.

MR. CHAIRMAN: The question was, how many industries have been established and how many letters of intent have been issued. This is the question. I know the answer, but you must answer this question.

SHRI VEERENDRA PATIL: Sir, the procedure is that if any promoter wants to set up an industry, they have to approach for a letter of intent. After granting the letters of intent, a reasonable period is given to the promoter. Within that period he must approach the authorities for converting that letter of intent into a licence. After getting the licence, he can take necessary steps to see that the industry is set up and the licence is implemented. I have got the figures with me. Although several letters of intent have been issued to different States, such as Uttar Pradesh, Bihar, Rajasthan, Madhya Pradesh, etc., I must say that nearly 56 to 70 per cent of the letters of intent lapse because they do not approach the Government for converting them into licences. I have got the figures for 1982. In Uttar Pradesh, 33 letters of intent were issued for setting up industries in 'no-industry districts' in 1982 out of which only one letter of intent has so far been converted. In Bihar, out of 7 letters of intent, only one has been converted into a licence. In Rajasthan, out of 18 letters of intent, only 2 have been converted. In Madhya Pradesh, out of 29 letters of intent, only 5 have been converted into licences. Even after getting the industrial licences, the promoters and the entrepreneurs take nearly 3 to 4 years to implement the project. This scheme was started only in 1983. It is very difficult to say in how many cases they have been implemented because we have to get the reports from the State Governments. Only after that, it will be possible for us to give the figures. My own feeling is that none of them has been implemented. There may be a few which may be under scrutiny.

SHRIMATI RODA MISTRY: When only one industry has materialised out of so many letters of intent, does it not mean that there is harassment to the promoters or that there is delay in scrutiny?

SHRI VEERENDRA PATIL: It is not correct. I will explain the procedure to the hon. Member. The procedure is that whosoever wants to set up an industry, he has to approach the Ministry of Industry for a letter of intent. As soon as they approach for a letter of intent, we

will see that within a period of 60 days in the case of non MRTP houses and within 90 days in the case of MRTP houses, letters of intent are issued. Once the letter of intent is issued, it is for the party to take effective steps to see that the industry is set up. They have to prepare all the other things and approach the Government for converting that letter of intent into a licence. If the parties are not approaching the Government, how can the hon. Member blame the Government?

SHRIMATI RODA MISTRY: Sir,...

MR. CHAIRMAN: Two questions are over. Mr. Suresh Kalmadi.

SHRI SURESH KALMADI: Sir, a lot of industries have been forced to shift from Maharashtra to the North. But they have not been able to go to the North because there is no infrastructure....

MR. CHAIRMAN: The question is not relevant.

SHRI SURESH KALMADI: You have not heard my question at all.

MR. CHAIRMAN: You are talking about shifting of industries. This has nothing to do with it.

SHRI SURESH KALMADI: You have allowed me to put a question. I am coming to that. It is most unfair.

MR. CHAIRMAN: You are putting a question regarding transfer of industries.

SHRI SURESH KALMADI: I am coming to that. It is most unfair. You don't allow me.

श्री सुरेश कल्मदी : श्रीमन्, मैं जानना चाहता हूँ कि मध्य प्रदेश में जो इंडस्ट्रीज कायम की जा रही हैं, उनके कार्यालय और अधिकारियों के निवास जो हैं वे दूर-दूर हैं। ऐसी स्थिति में टेली-फोन टेलेक्स यानी संपर्क साधनों के अभाव का अनुभव महसूस किया जा रहा है। मैं माननीय मंत्री जी से आपके माध्यम से जानना चाहता हूँ कि इस दिशा में क्या प्रयास किए जा रहे हैं?

श्री आरिफ मोहम्मद खान : श्रीमन्, इन्होंने पूछा है कि 'नो इंडस्ट्रीज' डिस्ट्रिक्ट हैं उनमें जो बुनियादी सुविधा उद्योगों को चलाने के लिए चाहिए, वहां नहीं है। उसके लिए भी केन्द्रीय सरकार की एक स्कीम है जिसके अन्तर्गत प्रदेश की सरकार को 'नो इंडस्ट्रीज' डिस्ट्रिक्ट्स में इनफ्रा-स्ट्रक्चर फैसिलिटीज पैदा करने के लिए केन्द्रीय सरकार की तरफ से वित्तीय सहायता दी जाती है। लेकिन उस में पहल करने का काम राज्य सरकार का है। आपके माध्यम से माननीय सदस्य को कहूंगा कि उस प्रदेश की सरकार की तरफ से अगर केन्द्रीय सरकार को कोई आवेदन मिलेगा तो उसमें फैसला किया जाएगा।

श्री सुरेश प्रसाद : मैं सरकार से यह जानना चाहूंगा कि सिक्स्थ फाइव-ईयर प्लान में 87 डिस्ट्रिक्ट्स चुने गए थे नो-इंडस्ट्री के रूप में और सिक्स्थ फाइव-ईयर प्लान में इस प्रकार के उद्योग स्टार्ट करने की योजना बनाई थी और इसके लिए जहां तक मुझे सूचना है सरकार ने सबसिडी के रूप में 10 से 15 प्रतिशत देने के लिए नई इंडस्ट्री स्टार्ट करने के लिए उद्योगों को इस तरह का आश्वासन दिया था और फाइनेंस से भी कंसेशनल रेट से देने की बात थी। मैं सरकार से जानना चाहता हूँ कि जो डिस्ट्रिक्ट चुने गए थे, इतनी सुविधा देने के बाद ये उद्योग क्यों नहीं खुले और साथ फाइव ईयर प्लान में जो योजना बनाई गई थी, क्या वह फेल कर गई?

श्री आरिफ मोहम्मद खान : माननीय अध्यक्ष महोदय, सरकार के इस कार्यक्रम को घोषित करते वक्त सरकार की नीयत यह थी कि उद्योगों का ज्यादा विकेन्द्रीकरण किया जा सके और औद्योगिक विकास को क्षेत्रीय आधार पर संतुलित किया जा सके। औद्योगिक विकास की जिम्मेदारी राज्य सरकार की है उसमें केन्द्रीय सरकार की तरफ से सहायता दी जाती है। उसके साथ-साथ निजी क्षेत्र में जो उद्योग हैं जो खुद आवेदन लेकर आते हैं उनको सहायता दी जाती है। सरकार

की तरफ से इस योजना को आकर्षित बनाया गया, बहुत सी छूट शामिल करके ताकि उन उद्यमियों को, उद्योगों को पिछड़े क्षेत्रों में ले जाया जा सके। सबसे बड़ी भी ए कैटेगरी के लिए 25 परसेंट, बी कैटेगरी के लिए 20 लाख और सी कैटेगरी के लिए 15 लाख है। इस में एम० आर० टी० पी० और फेरा शामिल नहीं है छूट लेने के लिए लेकिन सरकार ने इसको ज्यादा से ज्यादा आकर्षित बनाने की कोशिश की ताकि इसको पिछड़े हुए क्षेत्रों में ले जाया जा सके। 1982 से लेकर जितने लेटर आफ इन्टेन्ट इशु किये गए हैं उसके बारे में बताया जा चुका है। अभी बहुत जल्दी होगा अगर हम इस योजना के बारे में कोई निर्णय दे दें कि क्या यह फेल हो गई या कामयाब हो गई। साधारणतः लेटर आफ इन्टेन्ट और इंडस्ट्रीयल लाइसेंस के बाद 3-4 साल की अवधि होती है उसको पूरी तरह से लागू करने के लिए।

SHRI M. S. GURUPADASWAMY: Sir, may I know from the Minister as to why is this dual system of letter of intent followed by licence, being adopted in India? Is there any single instance in any part of the world where this dual system has been adopted? May I know, Sir, whether this is not a procedural monstrosity which encourages delay, procrastination, corruption and inefficiency in granting the licence?

SHRI VEERENDRA PATIL: Sir, the procedure of letter of intent and later on converting the letter of intent into a licence is being followed because, according to the Industries (Development and Regulation) Act, once the licence is given, it is very difficult to cancel the licence. And Sir, before we issue a licence, we want to be sure about the genuineness and the bona fides of the party also. Just now I quoted the figures. Several letters of intent are issued, and there are some people who pocket the letter of intent and do nothing. There are some people who trade on the letters of intent and the licences. In order to avoid this corrupt practice also, this procedure becomes

necessary. After the letter of intent, if the party demonstrates its bona fides and takes necessary steps and approaches us, then only the licence is issued. Once a letter of intent is issued, invariably Government will not say 'no' to the people who approach for conversion of the letter of intent into a licence. (Interruptions).

डा० लोकेश चन्द्र : क्या मंत्री महोदय यह बताने की कृपा करेंगे कि 354 लेटर आफ इन्टेन्ट देने के उपरान्त अब देश में कितने नो इंडस्ट्री डिस्ट्रिक्ट्स बचे हैं और उन नो-इंडस्ट्री डिस्ट्रिक्ट्स को इंडस्ट्री डिस्ट्रिक्ट्स बनाने के लिए क्या प्रयास किये जा रहे हैं?

श्री आरिफ मोहम्मद खान : श्रीमन् नो-इंडस्ट्री डिस्ट्रिक्ट को बनाने का या मानने का आधार यह था कि उस जिले के अन्दर कोई मध्यम या बड़े स्तर का उद्योग पहले से नहीं चल रहा है। उन जिलों में उद्योग ले जाने की यह योजना बनाई गई थी ताकि कुछ छूट दी जा सके, सुविधाएं दी जा सकें ताकि उद्योग पिछड़े क्षेत्रों में जा सकें... (व्यवधान)।

MR. CHAIRMAN: No conversation. Please address the Chair.

श्री आरिफ मोहम्मद खान : अगर आप कहें तो मैं इसकी पूरी जानकारी दे सकता हूँ। यह जरूरी नहीं कि ये 354 जिलों में हो। नो इंडस्ट्री डिस्ट्रिक्ट की तादाद जैसा कि पहले बताया था उसको 87 से बढ़ाकर 90 कर दिया गया है। बाकी जिलों को नो इंडस्ट्री डिस्ट्रिक्ट नहीं बनाना है बल्कि जो डिस्ट्रिक्ट पहले नो इंडस्ट्री डिस्ट्रिक्ट में है उनको इंडस्ट्री डिस्ट्रिक्ट बनाना है।

SHRI ALADI ARUNA ALIAS V. ARUNACHALAM: Sir, the policy of no industries district has been strongly opposed by the Government of Tamil Nadu because districts are formed on various grounds. They are different from one State to another State. So, this Government must examine the protest of the Tamil Nadu Government. I would like to know whe-

ther this Government is prepared to change its present policy and start the industries on the basis of efficiency, raw materials and other infrastructure.

SHRI VEERENDRA PATIL: Sir, this scheme for no industry district and other special regions was started on an *ad hoc* basis in the year 1983, from 1-4-1983. Sir, this scheme as it is today, it is going to expire on 31st March, 1985. So, a review is necessary. At the time of the review we will consider whether the present *status quo* should continue or the scheme requires some modification. It is true that in Tamil Nadu there is no 'no industry district'. But this Central subsidy is not given to only industries coming under 'no industry districts' but also coming up in other areas which come under category 'B' and category 'C'. I have got the figures. I want to dispel the impression that Tamil Nadu has not received any advantage out of this scheme. Under the Central subsidy disbursed during 1983-84, Tamil Nadu got Rs. 7.29 crores and in 1984-85, Tamil Nadu got Rs. 9.26 crores. As against that Uttar Pradesh, where there are 'no industry districts', got only Rs. 1.26 crores in 1983-84 and in 1984-85 they received Rs. 3.20 crores. That means that although there are no 'no industry districts' in Tamil Nadu they have taken the maximum benefit out of this scheme.

श्री कैलाशपति मिश्र : क्या सरकार यह स्वीकार करने के लिए तैयार है कि जो यह नीति बनाई गई थी वह राज्य सरकारों की अकर्मण्यता के कारण बिल्कुल विफल हो गई है?

श्री अरिफ मोहम्मद खान : श्रीमान्, मैं पहले ही निवेदन कर चुका हूँ कि इस बारे में कोई अभी से निर्णय देना उचित नहीं होगा क्योंकि यह योजना दो साल पहले लागू की गई थी और साधारणतया लैटर आफ इंटेंट और इंडस्ट्रियल लाइसेंस इस होने के बाद तीन-चार साल की अवधि से पहले वह प्रोजेक्ट पूरी नहीं हो पाती है।

श्री कैलाशपति मिश्र : अगर पिछले तीन सालों में कुछ भी पूरा नहीं हुआ है तो सरकार यह मानने के लिए भी तैयार नहीं है कि यह नीति विफल रही है।

SHRI GHULAM RASOOL MATTO- Sir, my question is a pertinent one. There was a laudable objective behind starting 'no-industries' districts. But from the figures given, in Uttar Pradesh only one letter of intent has been issued in no-industries district. Will the Government consider that this scheme is a failure or will they review the situation and embody it in the next Industrial Policy Resolution, which is on the anvil and which is coming up soon?

SHRI VEERENDRA PATIL: Sir, my colleague has already explained that this scheme was started only in 1983-84 and the period is too short for us to determine whether this scheme has been successful or a failure. I have already made it clear that the scheme which is in force now is going to expire on 31st March 1985. We are reviewing it and we are considering whether we should continue the scheme as it is or whether it requires modification and if the hon. Members want to make any suggestions we will certainly take a note of those suggestion.

SHRI V. GOPALSAMY: Sir, the hon. Minister was pleased to state that the Government is prepared to reconsider the 'no-industry district' formula because there is a feeling of discrimination in the entire South, and out of 90 districts only...

MR. CHAIRMAN: The question is repetitive.

SHRI V. GOPALSAMY: I would like to know whether the Government will announce its policy in the current Budget session itself.

SHRI VEERENDRA PATIL: Probably the hon. Member is under the impression that subsidy and financial concessions are available only to no-industry districts. It is not a fact. These are available to other areas also which come under cate-

gory (B) and (C) and so far as category (A) and no industry district category are concerned, they get 25 per cent subject to a ceiling of Rs. 25 lakh, and other areas get Rs. 15 lakh and Rs. 10 lakh.

MR. CHAIRMAN: He only wants to know whether there is going to be a change this year.

SHRI VEERENDRA PATIL: That is why I said the present scheme is expiring on 31 March, 1985 and it is under active consideration of the Government what to do with regard to this scheme, whether it requires any modification or we should continue it as it is. Government has not taken any decision and we hope to take a decision shortly.

MR. CHAIRMAN: Next question.

SHRI B. SATYANARAYAN REDDY: Sir, I raised my hand first; I wanted to ask a question.

MR. CHAIRMAN: Everybody cannot get it; it is the discretion of the Chair. Next question.

Voting facilities to Indians abroad

*162. **SHRI M. KADHARSHA:** Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether Government have recently received any representation from the Overseas Indians to provide suitable facilities to enable them to exercise their franchise in elections in this country;

(b) if so, by when such voting facilities are proposed to be extended to them; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE

(**SHRI H. R. BHARDWAJ**): (a) to (c) Suggestions are being received from some overseas organisations that Indian citizens residing abroad could be given voting rights. The question whether voting rights should be extended to such persons living abroad is under consideration of the Government. As the question has some special

features, it will have to be examined in considerable detail taking into account the various relevant factors.

SHRI M. KADHARSHA: This is a routine reply given by the Government all these years. It only shows lack of political will on the part of the Government. Article 326 of the Constitution clearly states that all adults are eligible to exercise their right of franchise. There are 12 million Indians living in 137 countries. But for a meagre 6 per cent, although most of them remain as Indian citizens, have Indian passports, pay taxes to the Government and make valuable contribution to the country by way of foreign exchange earning, they do not have a say in the decision-making process of the country; they do not have the right to vote. Is it not contrary to the provisions in the Constitution? Is it fair on the part of the Government to deny them the opportunity to participate in the Indian elections? Is it also not a fact...

MR. CHAIRMAN: You will have the second supplementary.

SHRI M. KADHARSHA: It is part of it. Is it also not a fact that wives of the male employees of the Embassies alone are granted postal ballot rights, and not the male spouses of the female staff of embassies. Is it also not a fact that apart from these male, the employees of Air India and other public sector undertakings are denied postal ballot right? If so, I want to know the reasons for this discrimination.

SHRI H. R. BHARDWAJ: There is no question that the Government does not want to give such voting rights. The question is taking into account the complex situation, there has to be consultation with the Ministry of Home Affairs, there has to be consultation with the Ministry of External Affairs and consultation with the Ministry of Finance as well.

So far as the Constitution is concerned, it does not deny such right. The question is any to make an amendment in the Representation of the People Act, sections 19 and 20. Then we have to see the complex situation because as the position today