

Government must be more vigilant and they should not allow the State chiefs to act in whatsoever manner they like. This is the time for interfering in the Administration. I know that the reply would be that this is a Federation and certain powers have been defined. But at the same time this is a federal type of Government and the Centre has more responsibility. People in that district are panic-stricken and there is no normal life; it is only a police raj there. All the Parties and even the Congress Committees have passed resolutions and demanded fair and judicial enquiries but the Government is sitting tight over these things. Presumably the Chief Minister says that he has got a very strong support at the Centre and therefore nothing can be done against him. This is the impression that is created; we do not know the facts.

Since the time is very short, I would like to refer to two or three things in brief. With regard to food shortage a lot of discussion has taken place here and the Government says that no starvation deaths took place in this country. I cited one instance from my State, from the Bastar District that the adivasis there were dying of hunger and the people in Vindhya Pradesh were also dying of hunger. Adjournment motions were moved in the State Assembly but the same routine reply was given that no starvation deaths had taken place and those deaths were on account of either malnutrition or some disease. But it is forgotten that when a person eats leaves and roots and he does not get food, his power to live is reduced and ultimately he dies. It is very difficult to say where malnutrition ends and starvation begins. It is no use saying that there are no starvation deaths. The Government should admit frankly and if there are any such deaths, they should try to remedy the situation and provide food to them, not stand on a prestige issue.

With regard to the I. and B. Ministry. I have one word to say. The performance of this Ministry is far from satisfactory. This Ministry has not got even common knowledge with regard to M.P.s, their political affiliations and their activities. They often misquote and mispronounce the names or wrongly associate those Members. I have written a letter to the A.I.R. The Director-General has regretted the mistake but this regret is not enough

because afterwards also these mistakes have continued.

With regard to the proceedings of this House also, the A.I.R. does not give as much importance as should be given. I have no quarrel with the A.I.R. if it gives more importance to the other House, but when some important discussions take place in this House, the A.I.R. should take cognisance of this House.

Lastly, Madam, I would repeat that the country is in a very difficult position internally as well as externally. So the Central Government should be strong enough and dedicated enough. They should rise above party lines and try to save and strengthen democracy in this country; otherwise the future will be very dark for us.

4 P.M.

#### **STATEMENT BY MINISTER *RE* LIBERALISATION OF INDUSTRIAL LICENSING POLICY**

THE MINISTER OF INDUSTRY (SHRI D. SANJIVAYYA): Madam, as the House is aware, both in this House and outside leaders of public opinion belonging not only to the Congress party but also to some other parties, have from time to time, suggested the need for a review of the continuance of various controls in the economic field. The Prime Minister has also one more than one occasion, recently reiterated Government's policy that controls would be maintained only where it is necessary in the public interest to do so. Government have been therefore keeping under review the various controls in existence.

2. As regards the specific control relating to the licensing of industries under Industries (Development and Regulation) Act, 1961, over the past two years Government have announced some relaxations. All industries with fixed assets not exceeding Rs. 25 lakhs were exempted from the licensing provisions of the Act in 1964. Some relaxations regarding diversification of production by manufacture of 'new articles' by existing units and relating to 'substantial expansion' of the licensed capacity in cases not involving any foreign exchange expenditure were announced last year. The possibility of making further relaxations has been under Government's consideration for some time.

[Shri D. Sanjivayya]

3. Though efforts have been made to streamline the licensing procedures, it can not be denied that the system of licensing inevitably involves some delay. Some speeding up in the establishment of capacities can be expected in industries in respect of which it is practicable to eliminate the licensing requirements. In the present context of somewhat sluggish investment by the private sector, it is important that all legitimate encouragement should be given to the speedy setting up of further capacity, particularly in priority fields. It has accordingly been decided that the industries specified below should be exempted from the licensing provisions of the Industries (Development and Regulation) Act:—

Industry	Scheduled Ind. Nos.
Iron and Steel castings and forgings	1 A(3)
Iron and Steel structural	A.A(4)
Electric motors (not exceeding 10 Horse Power)	5(2)
Pulp—Wood pulp-mechanical chemical, including dissolving pulp	24(5)
Power Alcohol	26(1)
Solvent extracted oils	28(1)
Glue and gelatine	32
Glass—other than hollow ware	33(2), (3) (4) (5) A (6)
<i>Ceramics—</i>	
Firebricks	34(1)
Furnace lining bricks	34(3)
<i>Cement and Gypsum products—</i>	
Portland Cement	35(1)
Insulating boards	35(3)
Gypsum boards, wall boards and the like	35(4)
<i>Timber Products—</i>	
Plywood	36(1)

4. Two basic considerations which have been kept in view in the preparation of this list are:

- (i) The items are those in respect of which there is no substantial import of components or raw materials.
- (//) Industries in respect of which protection to the small and cottage industries is of importance have been left out.

5. The above list is by no means exl live. It is proposed to examine the schedule to the Industries (Development and Regulation) Act with a view to announcing further additions to this list from time to time. Apart from the two considerations mentioned in para 4 above, an additional factor which will be taken into account preparing further lists will be the need for the accelerated development of industries with export potential.

6. It is proposed to exempt the industries listed in para 3 only from the licensing provisions of the Industries (Development and Regulation) Act. It will no longer be necessary for any of these industries to apply for industrial licences. These industries will, however, continue to be included in the schedule to the Act and the powers conferred on the Central Government under the remaining provisions of the Act will continue to be operative. In particular, for purely statistical purposes, the inch will be required to register themselves with the Directorate General of Technical Development.

7. In conclusion, I would like to make it clear that the exemption from the licensing requirements now announced is on an experimental basis. It is proposed to review the effects of this decontrol after a year or two and to take this review into account in the further formulation of policy.

श्री रामकुमार भुवालका (पश्चिमी बंगाल) : मैडम, मैं मंत्री जी को बहुत धन्यवाद देता हूँ कि उन्होंने ज्यादा इंडस्ट्रीज को डीलाइसेंस कर दिया। मैं उनसे यह आशा करूँगा कि वह प्राइस, डिक्टोरी और डिस्ट्री-ब्यूशन के बारे में कुछ करेंगे, और यह देश के लिये ज्यादा अच्छा होगा।

THE DKPUTY CHAIRMAN: Have you any remarks to make?

SHRI D. SANJIVAYYA: No, Madam, it is only a suggestion for action.

THE DEPUTY CHAIRMAN: I think we will now go back to the regular debate. We are hard pressed for time for the regular debate.

SHRI K. SUNDARAM (Madras): I would like to ask only one question.

THE DEPUTY CHAIRMAN: But there will be many more who would like to ask questions.

SHRI K. SUNDARAM: I only want to know, Madam, whether this relaxation has been done in the light of the recent visit that Shri Asoka Mehta made and to satisfy the Aid-India Consortium to get foreign aid, or has it been done in the usual course of development ?

SHRI D. SANJIVAYYA : In the latter.

**THE APPROPRIATION (NO. 2) BILL, 1966 -*contd.***

THE DEPUTY CHAIRMAN: Mr. N. Patra. Please be brief. There are two more speakers after you.

SHRI N. PATRA (Orissa) : Madam, I rise to support the proposals in the Appropriation (No. 2) Bill, 1966. While introducing this Bill I want to invite the attention of the House to the acute drought conditions now prevailing in my State of Orissa. These droughts were known since last July when the rains failed, especially in the districts of Kali Bolangir, Sundargarh, Sambalpur, Koraput and the Dhenkanal area. The affected area was the contiguous comprising of Kalahandi and Bolangir. Over the past several months it has been made known through the press platforms and through the forum of this House that this was the condition and the attention of the Government (yet no steps were taken till then) and there were reports and protests about a few deaths in the affected areas. And then everybody and the State Government and also the Central Government became engrossed in the subject and now, of course, they have taken some steps to protect the affected people. I have also visited recently those affected areas and from my own experience I can say that the worst areas are the Kalahandi and Bolangir districts. There what I saw was there was no dearth of water or foodstuffs. The rice is available at the government shops at the rate of 85 paise a kilo and in the open market there is a margin of 25 paise more. Good rice is also available in the market. But the people have

lost completely their purchasing power and so they are unable to buy things available. Practically the whole of Kalahandi is a very backward area. It was ruled by zamindars and feudal chiefs. It has been neglected for centuries and the people inhabiting that area predominantly belong to the backward classes including Scheduled Castes and Scheduled Tribes. You know in our country we have been neglecting and we have gone on neglecting the cause of the under-dog. Therefore these backward areas also had not received proper attention all and they have not been developed as they should have been developed. Even these 18 years of independence nothing much was done for the people.

Till last year Kalahandi was a surplus area and rice to the extent of one lakh tonnes was procured from that area during 1964-65 but the people were so degraded and so

In their purchasing power, if they are not able to stand even one drought year, seeing that a serious situation is developing and people were beginning, the Food Minister has gone there and there is a proposal that the Prime Minister also will be visiting Orissa and the State Government which could not do much previously has now decided to spend about Rs. 9 crores from its contingent fund. Of course, this amount and more help will be required from the Central exchequer. We have had a somewhat similar experience. In 1955 there was a great flood in the Mahanadi. The breach of the canal Bund that is called Dholigiri at that time Rs. 14 crores were spent on flood relief. That is a huge amount of money was used as that with which we are confronted now. At that time proper management and bad organisation proper help could not reach the victims of the flood. There was a lot of mismanagement. So even if funds will be forthcoming confidence in the officers who have so far been suppressing facts. They did not place all the proper facts before the Ministry and undoubtedly depending on such officers we cannot cope with the present situation. Usually whenever some emergency is there some new camps and centres are opened and aid is given to the people. In the present situation that sort of thing alone would not do.