

further loss of time, this defect is remedied at an early stage, and so far as over-manning of the project and the labour trouble are concerned, what steps Government have taken to see that the project is streamlined properly?

**Dr. Chenna Reddy:** Government appreciated that there have been lots of difficulties, the management was not effective and losses were incurred by the production going down to as low as 64 per cent. That is why the Pande Committee was appointed. It is the Government's intention to expedite the consideration of the proposals and very soon necessary steps will be taken.

**Shri Hem Barua:** Since all these dislocations in earnings and defects in administrative effectiveness were the result of lack of adequate administrative control, and that too is the results of the fact that these steel plants, including Durgapur, are managed by a gigantic institution called Hindustan Steel Limited, may I know if it is a fact as indicated by the Minister in one of his utterances that he proposes to convert the individual steel plants into autonomous corporations for better management?

**Dr. Chenna Reddy:** There is considerable force and strength in that approach. But in this particular case, sufficient freedom has been given to the plant management and yet things have gone wrong. That is why this committee was appointed.

#### SHORT NOTICE QUESTION

National Coal Development Corporation

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- S.N.Q. 6. **Shri Jyotirmoy Basu:**  
**Shri Bhagaban Das:**  
**Shri B. K. Modaw:**  
**Shri Viswanatha Menon:**  
**Shri Ganesh Ghosh:**  
**Shri C. K. Chakrapani:**  
**Shri Indrajit Gupta:**

Will the Minister of Steel, Mines and Metals be pleased to state:

(a) whether it is a fact that Shri Nargundkar, Chief Mining Executive here,

of National Coal Development Corporation has ceased to work for the Corporation;

(b) if so, the reasons therefor;

(c) whether it is also a fact that some mining engineers and executives have met him recently in Calcutta and have threatened to resign; and

(d) if so, the circumstances under which they have done so?

**The Minister of State in the Ministry of Steel, Mines and Metals (Shri P. C. Sethi):** (a) No, Sir; Shri Nargundkar is presently on Medical Leave.

(b) Does not arise.

(c) No, Sir.

(d) No, Sir.

**Shri Jyotirmoy Basu:** Sir, this National Coal Development Corporation is perhaps the worst of all the Indian public sector enterprises. Nothing is going on right with it ever since its inception. Shri Nargundkar's resignation from the job, as we understand, had been precipitated by the action that a Joint Secretary from the Ministry here took. He sent a teleprinter message which had offended the Chief of the NCDC and he had to resign. May I know whether that is a fact? If that is so, will the hon. Minister agree to place the text of that teleprinter message before you and the House?

**Shri P. C. Sethi:** This is not a fact. Shri Nargundkar was appointed in the NCDC on 16th November, 1966 and till 4th May, 1967 he was also Managing Director of Singareni collieries as well as Managing Director, NCDC. He was allowed to relinquish charge of the Singareni collieries by December but in view of the request of the Government of Andhra Pradesh he was allowed more time. Actually he was looking after both the places. It is not correct that he resigned because of certain differences and some teleprinter message from a Joint Secretary here.

**Shri Jyotirmoy Basu:** May I know whether any tele-printer message was sent from the Ministry; if so, will the Minister release the text of it to the House?

**Shri P. C. Sethi:** During the course of this NCOEA demand many tele-printer messages were sent. I do not know to what particular message the hon. Member is referring.

**Shri Jyotirmoy Basu:** The one which had really offended Shri Nargundkar and which made him quit the NCDC.

**Shri P. C. Sethi:** No offending tele-printer message was sent from here.

**Shri Jyotirmoy Basu:** Is it true that this NCDC has got Rs. 6 crores of unutilised credit in the market?

**Shri P. C. Sethi:** As a matter of fact, Sir, this question does not arise out of this, but I may say that there is a considerable amount of outstandings against the collieries.

**Shri Jyotirmoy Basu:** Sir, we expect the Minister to come prepared, because this Rs. 100 crore public sector undertaking has been kicking the public exchequer very well since its birth. If the Minister can try to avoid such unpleasant replies it will be appreciated. We do not appreciate this sort of replies.

**Shri P. C. Sethi:** There is no question of my avoiding such replies. Here the main question is about resignation of Shri Nargundkar. Out of that the question of outstandings of NCDC does not actually arise, but I have accepted that there is a considerable amount.

**Shri Bhagaban Das:** It has been reported in the Press that Shri Nargundkar, Chief Mining Executive of NCDC was in favour of arriving at some sort of a settlement with the workers' organisation regarding all the outstanding disputes but he failed to convince the Ministry about this step.

It is also reported that an offending tele-printer message was sent to him by a Joint Secretary in the Ministry of Mines and Metals. May I know if these reports are correct; if so, whether these developments have added to the already strained industrial relations in NCDC?

**Shri P. C. Sethi:** The NCDC is an autonomous organisation and as such the Managing Director was fully empowered to negotiate with regard to the demands and disputes raised by this particular organisation. It is not correct to say that because of this there is any possibility of further deterioration because the Board has already authorised another person to negotiate with regard to the particular demands which have been placed before them.

**Shri Ganesh Ghosh:** Is it a fact that due to differences in the target set and the amount produced there has been some difference of opinion between Shri Nargundkar and the Government?

**Shri P. C. Sethi:** No, Sir. Actually this is with regard to the NCOEA demand. There is no difference of opinion with regard to the targeted production, or sale.

**Shri C. K. Chakrapani:** I would like to know whether it is a fact that the total capacity of NCDC is 15 million tons and that NCDC has produced only 9 million tons and, if so, whether it is a fact that Shri Nargundkar did not appreciate the manner in which the affairs of the NCDC were being managed. May I know what steps the Government took to avoid such a situation and whether this was one of the causes of dispute between this official and the Ministry?

**Shri P. C. Sethi:** The production target of the NCDC for the Third Plan period was certainly fixed at 17 million but with regard to non-coking coal on account of the depreciated demand we had to slow down.

But there is no question of Shri Nargundkar not feeling quite appreciable about this, because he was the Managing Director and he was appointed to look into the affairs of NCDC. It is surprising that during the course of these five months Shri Nargundkar was hardly present there for 39 days.

**Shri Indrajit Gupta:** In his first reply the hon. Minister stated, if I heard him correctly, that Shri Nargundkar was on sick leave. Subsequently, he directly or indirectly admitted that he has resigned. I do not know whether his resignation has been accepted or not, but that is a technical matter. Does the Government not consider it strange that Shri Nargundkar who is known to be perhaps the top-most mining engineer in this country should decide to resign within five months of his being appointed as Managing Director? Are we to take it that it is an ordinary thing in the ordinary course of events and not due to any kind of difference he may have had with the officials of the Ministry or anybody else that he has resigned?

**The Minister of Steel, Mines and Metals (Dr. Chenna Reddy):** Shri Nargundkar is undoubtedly a very good technical officer. There is no question of any differences between him and the Ministry either with regard to provisions or targets or anything of that kind. There must be some other reasons, which he has not enunciated anywhere, which may be inferred only from his behaviour of staying there only for a few days. Perhaps his attachment to the place where he was working previously must be the reason and nothing more.

**Shri Indrajit Gupta:** Has he resigned or is on sick leave?

**Dr. Chenna Reddy:** He applied for leave on medical grounds. Now we have sanctioned him leave for one month. As far as his resignation is concerned, it has not been approved.

**Shri P. K. Ghosh:** Is it a fact that the unsatisfactory attitude of Shri

Nargundkar towards the long-standing grievances of the employees was responsible for intervention by the Ministry? Is it a fact that the most burning problem of payment of bonus was settled through the intervention of the Ministry and that the Secretary of the Ministry concerned had ordered Shri Nargundkar to solve the other problems in consultation with the employees' union by having conciliation on the 8th of May and that since Shri Nargundkar did not want to have conciliation with the employees he just went on leave?

**Dr. Chenna Reddy:** The organisation of the headquarters staff consisting of about 900 labour had made certain demands and they were under the consideration and examination of the local management. It was true, as just now stated, the General Manager or the Managing Director not being there for a long time perhaps also delayed it. But the Ministry intervened only when there were gheraos, lock-outs and lock-ins. Then, the Secretary of the Mines Department personally proceeded to Patna and in consultation with the Chief Secretary and the IGP took stock of the entire situation and went into the details of the demands and Shri Nargundkar was entrusted with continuing the negotiations.

**Shri Kartik Oraon:** I would like to know from the Minister whether the relationship between the management and the labour has been so vitiated and is so uncompromising that Shri Nargundkar realised that it would not be expedient for him to stay there any longer and whether Government can afford to ignore the demand of labour at the cost of production.

**Dr. Chenna Reddy:** It would not be correct that because of the attitude of labour the Managing Director should like to leave the place. In fact, the details were examined and there was a basis of understanding between them and a large number of labourers who are organised under

the INTUC, The details are still under examination.

**Shri S. M. Banerjee:** May I know whether it has been brought to the notice of the hon. Minister during the course of the discussion when he met the representatives of the trade unions or in their memorandum that just one or two days before, on the 4th May, some notable goondas were brought to teach a lesson to the Union representatives and the workers who were fighting for their genuine grievance and that they were put in the NCDC Guest House which was objected to by Shri Nargundkar after which he was forced to resign? There was a letter from the Joint Secretary. I want to know what is the truth about it.

**Shri F. C. Sethi:** The local police are seized of the matter and they are investigating into it.

**Shri S. M. Banerjee:** Sir, I seek your protection. I have put a pointed question.

**Mr. Speaker:** He says the police is investigating.

**Shri S. M. Banerjee:** But what is his investigation? Why should we pay him; why are you paying his salary? Were the goondas kept in the Guest House?

**Shri Indrajit Gupta:** Whether it is a fact or not that they were arrested by the Bihar Police from the NCDC Guest House.

**Shri F. C. Sethi:** It is known to us that some people have been challaned. The police is investigating into the whole affair. Unless their investigation is complete and the challans are put before the court, it is difficult to arrive at any conclusion.

**Shri F. K. Ghosh:** May I know?

**Mr. Speaker:** You have already put a supplementary. Shrimati Lakshmi-

**Shrimati Lakshmi Kantamma:** The hon. Minister said in his reply that Shri Nargundkar had attachment to his previous place. I want to know whether still Shri Nargundkar continues in both the jobs and how long he will continue.

**Dr. Chenna Reddy:** He has submitted his resignation here. He has also submitted his resignation to the Singareni Collieries because the Government of Andhra Pradesh has agreed with the Central Government that it will be only up to 15th May.

**Shri F. K. Ghosh:** Sir, I may be allowed to put one question. I come from that place.

**Mr. Speaker:** If I allow two or three supplementaries to the same Member, it will be a bad precedent and from tomorrow everybody will quote it.

#### WRITTEN ANSWERS TO QUESTIONS

##### Import of Capital Goods

\*246. **Shri Indrajit Gupta:** Will the Minister of Commerce be pleased to state:

(a) whether it is a fact that licences are issued for the import of capital goods, components and raw materials which are either available in the country or for which industrial capacity exists unutilised;

(b) the extent of loss in foreign exchange annually due to such imports; and

(c) the steps taken to ensure that equipments and raw materials which are either available in the country or can be produced indigenously are not imported?

**The Minister of Commerce (Shri Dinesh Singh):** (a) No, Sir.

(b) Does not arise.

(c) The domestic demand, indigenous production and all other relevant factors are taken into account before allowing the import.