

श्री मनुभाई शाह : उसमें केवल कारणों पर ही बात नहीं थी और भी बहुत सी चीजें थी जैसे इंडियन और पाकिस्तान नेशनल्स की प्रापर्टीज़, शिप्स वगैरह, आरडनेन्स और डिफेंस आदि का इन्विपमेंट। ये सारे मामले अलग अलग पाकिस्तान के साथ डिप्लोमेटिक चैनल्स और आगे आने वाली कानफरेंसों में लिए जाएंगे।

Shri Hem Barua: May I know if the attention of Government has been drawn to a statement made by the Pakistan Foreign Minister, Mr. Bhutto, after the Indo-Pakistan talks at Rawalpindi that the question of impounded goods, cargoes and other property must be discussed simultaneously with the discussion on Kashmir; if so, may I know how Government propose to resolve this deadlock created by Pakistani intransigence?

Shri Manubhai Shah: At Rawalpindi this question had been debated. The original statement of our Foreign Minister has been placed before the House. This clarifies to the House the attitude of the Pakistan Government. Also, there is an expression of hope in that very communique that we shall be meeting again. During our talks at Rawalpindi they did not allow any further progress on these matters. But through diplomatic channels and correspondence, all these matters would be raised.

Shri Hem Barua: Sir, that is not a reply to my question, that it is in the communique. It is in the communique, no doubt, but Mr. Bhutto has raised an obstruction and he has laid down a condition that this problem can be discussed simultaneously with the discussion on Kashmir. I just want to know—talks are going to take place, no doubt, in Delhi next—what is the *modus operandi* in view to resolve this deadlock.

Shri Manubhai Shah: May I, Sir, respectfully suggest that statements of individual ministers, however

highly placed, cut out of context, which may appear in the short abbreviated form, in the newspapers, should not be considered to supersede a joint communique issued between two governments. We have also clarified here and at Rawalpindi that we did not find an atmosphere in which no progress was wanted by them or wanted by us. Therefore, we do hope in future through normal diplomatic channels and international channels we may arrive at some solution.

Shri Hem Barua: Hope does not resolve deadlocks.

Mr. Speaker: He has suggested "most respectfully"; therefore, the hon. Member should accept it.

Dr. L. M. Singhvi: We would like to know whether the Government have considered the possibility of sponsoring a proposal either for international arbitration or for reference of the whole question to an international tribunal?

Shri Manubhai Shah: That stage has not arrived.

Shri P. Venkatasubbaiah: In view of the fact that very important machinery that is required for execution of development projects such as hydro-electric and irrigation projects have been held up in this impounded cargo, may I know whether this Government propose to take up with the countries from where the cargo has been imported to send some other machinery for us?

Shri Manubhai Shah: That question we have already taken up even before we went to Rawalpindi. We have taken up the question with the countries that have supplied these to have replenished or got released.

India United Mills, Bombay

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*476. **Dr. L. M. Singhvi:**

Shri Karni Singhji:

Shrimati Maimoona Sultan:

Will the Minister of Commerce be pleased to state:

(a) whether Government have taken any steps to stabilise the working of

the India United Mills, Bombay; and

(b) if so, the nature thereof and the results achieved so far?

The Deputy Minister in the Ministry of Commerce (Shri Shafi Quareshi): (a) and (b). A statement is laid on the Table of the House.

Statement

M/s India United Mills Ltd., Bombay has been taken over under the Industries Development and Regulation Act, 1951 and placed under the management of an Authorised Controller. Loans totalling Rs. 212 Lakhs have been advanced to the Mills by the Central and State Governments. These loans have enabled the Authorise Controller (i) to pay arrears of wages and salary to workers and staff (ii) to pay part of past liabilities on account of cost of cotton and stores (iii) to purchase cotton and stores for about a month's requirement and (iv) to organise the sale of the cloth produced by the mills.

As a result, about 25 thousand bales of cloth have been delivered to the merchants; and orders for manufacturing cloth and yarn have been secured for forward sale. By the end of January 1966, conditions of working in the mills and the dye works had improved considerably. There were hardly any lay-offs; and the number of looms not working was only 375 out of a total of 6145 looms. It is expected that completely normal working would be restored soon. In this short period, considerable improvement has been achieved in working of these mill.

Dr. L. M. Singhvi: We would like to know whether the inquiry instituted into the affairs of this Company has been subjected to a premature conclusion or has been closed and whether it is true that the person who was appointed Chairman of the Inquiry Committee was not even consulted before the Committee was constituted and he was appointed as Chairman?

Shri Shafi Quareshi: The position is that representations were made to the Government that the affairs of this mill were being mismanaged and it was under the Industries (Development and Regulation) Act, 1951 that an investigation committee was appointed. After the investigation committee submitted its reports, the authorised controller was appointed under section 18. It is not a fact that no heed was paid to the investigation committee's report.

Dr. L. M. Singhvi: I did not ask whether heed was paid to the committee's report or not. I asked whether it is a fact that the Committee was not allowed to proceed and had to close its inquiry and whether the Chairman was not even consulted before the Committee was constituted or before he was appointed as Chairman.

The Minister of Commerce (Shri Manubhai Shah): Every one was consulted before the Committee was appointed, telephonically as well as through telegram. No committee is appointed without the consent of members, nor is it obligatory on members to serve on committees if they are not consulted. The report has been very comprehensive and the action is one of the promptest in appointing an authorised controller to see that the mills are running at a profit.

Dr. L. M. Singhvi: May I know whether the Government propose to take any steps against the previous management in the light of the findings in the report of the Committee and whether a uniform policy in similar matters is being evolved, or has been evolved.

Shri Manubhai Shah: I may submit to the House, as I had occasion to say in the past, what the hon. Member has suggested is the function of the Company Law Administration. Because, this Committee does not go into the day-to-day accounts, or defalcation or malpractices of the management throughout the years.

What we can do is to consider whether it is in the public interest to run this factory so that employment and production can continue, as far as the industry is concerned. The other inquiries are not ruled out. I can assure the hon. Member that if any default is found as a result of audit or other inquiries by the Company Law Board, nobody will be spared.

Shri A. P. Sharma: Now that the hon. Minister has stated that this mill has started running well, is there any intention on the part of the Government to hand it back to the previous owner?

Shri Manubhai Shah: No, Sir. I may inform the House that we are contemplating a Bill, which would be coming before the House very soon, enabling the Government under the Industries (Development and Regulation) Act, and if necessary by amendment in the Companies Act, to take a controlling interest in such factories which we think are worth having or worth taking over, instead of handing over the factory back to the management.

Shri D. N. Tiwary: May I know whether after the taking over of the mill there has been any retrenchment or any labour has been rendered surplus?

Shri Shafi Quareshi: When this mill was taken over, 850 looms were not working. Now only 375 looms are not working. We hope that within a month's period the mill will start working.

Shri D. N. Tiwary: Was there any retrenchment or any labour was declared surplus?

Shri Shafi Quareshi: No, Sir.

Shri Bhagwat Jha Azad: May I know whether the Industries (Development and Regulation) Act, under which this mill has been taken over, provides only for the granting of loans

—in this case, about Rs. 100 lakhs—to put the mills straight and then hand it back to the management for running or does the Act stipulate or prescribe that action should be taken to go into the past lapse on the part of the management which gave rise to such mismanagement, causing so much of suffering to the workers connected with the Mills?

Shri Manubhai Shah: As the House is aware, we have amended the Industries (Development and Regulation) Act last session and Government have taken power to hold such mills for fifteen years—three times of five years at a time. Government cannot hold it beyond fifteen years; it has to hand it over. Therefore, as I stated in reply to a question by another hon. Member, we are bringing in an amendment to take over the controlling interest so that the property vests in Government as a majority shareholder.

श्री हुकम चन्द कछवाय : इस मिल के बन्द होने पर सरकार ने इस को अपने हाथ में लिया है। मैं यह जानना चाहता हूँ कि इस में जो मजदूर काम करते थे, उन को जो हानि हुई है, ले आक्र के कारण उन को जो घर बँटना पड़ा है, उसके लिए सरकार ने उन को क्या मुआवजा दिया है।

श्री मनुभाई शाह : वह कम्पेन्सेशन तो रिट्रेंचमेंट में आता है। ये अठारह हजार आदमी थे। हमने पन्द्रह दिन में लाइवनिंग स्टेप लिया। इस में कम्पेन्सेशन का कोई सवाल नहीं है।

श्री मधु लिये : मैं यह जानना चाहता हूँ कि सरकार के द्वारा, इस का संचालन अपने कब्जे में लेने के बाद, क्या मजदूरों और कर्मचारियों को ठीक समय पर तनख्वाह दी गई है। यदि कुछ बकाया रह गया है, तो वह कितना है और वह कब दिया जायेगा और हड़ताल का इस पर क्या असर पड़ा ?

श्री शफी कुरेशी : जहां तक मजदूरों की तनख्वाह का ताल्लुक है, अक्टूबर, नवम्बर, दिसम्बर, 1965 के लिए उन को तनख्वाह अदा कर दी गई है, जनवरी की तनख्वाह 10 फरवरी को अदा की गई और फरवरी की तनख्वाह भी उन को दी गई है।

श्री मधु लिमये : हड़ताल का असर क्या हुआ है ?

श्री शफी कुरेशी : हड़ताल का थोड़ा सा असर हुआ है।

Shri Daji: Has the investigation revealed any criminal mismanagement on the part of the past management and, if so, is any action being contemplated against the management for this state of affairs?

Shri Manubhai Shah: We have taken action in Nagpur against the Model Mills management; we have taken action against another two mill-owners. There is nobody to be spared. This is still under investigation; this has just started. The inquiries are going on in the Company Law Board. As I have already assured the hon. Member, if we found that there are any serious errors of defalcation, action will be taken.

Collaboration with Czechoslovakia

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- *478. **Shri Bhagwat Jha Azad:**
Shri M. L. Dwivedi:
Shri S. C. Samanta:
Shri Subodh Hansda:
Shri P. C. Borooah:
Shrimati Savitri Nigam:
Shri Karni Singhji:
Shri P. R. Chakraverti:
Shri K. N. Tiwary:

Will the Minister of Industry be pleased to state:

(a) whether the attention of Government has been drawn to the statement made by the Czech Deputy Minister for foreign trade in Ranchi on the 19th December, 1965 to the effect

that Czechoslovakia is prepared to collaborate with India in the erection of two more Heavy Machine Tool plants, one tractor factory, two big special foundries and one steam power plant of 110 megawatt capacity;

(b) if so, whether any negotiations are under way to take advantage of this offer; and

(c) the terms on which the offer has been made?

The Minister of State in the Ministry of Industry (Shri Bibhudendra Misra): (a) Yes, Sir.

(b) The statement by Czech Deputy Minister for foreign trade refers to the projects on which a tentative agreement about Czech collaboration has already been reached. This is no new offer but simply an elucidation of the utilisation of Czechoslovakian loan offered to Government of India in May 1964.

Since the signing of loan agreement there have been meetings between Ministry of Industry representatives and Czech technical expert teams.

While in respect of some projects most of the studies and negotiations have been completed, other projects are still under study and further negotiations may be necessary.

(c) The Czech Government have extended a credit of Rs. 40 crores to the Government of India under the Second Agreement on Economic Collaboration for various industrial projects. The terms and conditions of the Credit are contained in the Agreement dated 11th May 1964 a copy of which is available in the Parliament Library. Briefly, the Credit in question is repayable in twelve years in the case of plants and supplies and eight years in the case of components; the first instalment of repayment commencing one year after final invoice. The rate of interest payable on the loan is 2½% per annum.