

COMMITTEE ON PETITIONS

(THIRTEENTH LOK SABHA)

SECOND REPORT



(Presented to Lok Sabha on 2-8-2000)

LOK SABHA SECRETARIAT
NEW DELHI

July, 2000/Sravana, 1922 (Saka)

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CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE ON PETITIONS	(iii)
I. INTRODUCTION	(v)
II. REPORT	1
I. Petition regarding development and improvement of Shyamacharanpur Passenger Halt under Khurda Road Division of South-Eastern Railway.	1
II. Representation requesting for pay revision and other benefits for the Employees of MICA Division of the MMTC Ltd. (Calcutta) after merger of MICA Trading Corporation of India Ltd. (MITCO) with MMTC Ltd.	6
III. Action taken by Government on the recommendations made by the Committee on Petitions (Tenth Lok Sabha) in their Twelfth Report on the Petition regarding rehabilitation of Persons affected due to construction of the Tarapur Atomic Power Project Nos. 3 and 4.	22
APPENDICES	
I. Petition (No. 2) regarding development and improvement of Shyamacharanpur Passenger Halt under Khurda Road Division of South-Eastern Railway.	29
II. Representation dated 30.12.98 received in Twelfth Lok Sabha from Shri S.K. Sharma, President and Shri Intiaz Ahmed, General Secretary—All India Employees Association	31
III. Representation dated 17 December, 1999 received in Thirteenth Lok Sabha from Shri S.K. Sharma, President (MMTCEU) and Shri Kailash Prasad, President (MMTWU)	35
IV. Allowances revised after merger with MMTC.	39
V. Copy of U.O. note No. 11/1(13)/84-PSU-I/Vol. IV/663 dated 14 May, 1997 from the Department of Atomic Energy to Lok Sabha Secretariat.	40
VI. Copy of O.M. No. 11/1(13) 89-PSU-I/Vol. V/359 dated 13 April, 1999 from the Department of Atomic Energy to Lok Sabha Secretariat.	41
VII. Copy of O.M. No. 11/1(13) 89-PSU/33 dated 12 January, 2000 from the Department of Atomic Energy to Lok Sabha Secretariat.	42
VIII. Copy of O.M. No. 11/1(13)/89-Power/Vol. VI/166 dated 24 February, 2000 from the Department of Atomic Energy to Lok Sabha Secretariat.	43
Annexure to Appendix-VIII	
Copy of D.O. No. 11/1(13) 89-Power/Vol. VII dated 14 February, 2000 from the Additional Secretary, Department of Atomic Energy to the Chief Secretary, Government of Maharashtra	44

COMPOSITION OF THE COMMITTEE
(1999-2000)

1. Shri Basudeb Acharia, — *Chairman*

MEMBERS

2. Shri A. Narendra
3. Shri Ramakant Angle
4. Shri Manibhai Ramjibhai Chaudhri
5. Shri Nandkumar Singh Chauhan
6. Shri Anant Gangaram Geete
7. Shri C. Kuppusami
8. Shri P.R. Kyndiah
9. Shri K. Malaisamy
10. Shri Shrinivas Dadasaheb Patil
11. Shrimati Renu Kumari
12. Shri Kirit Somaiya

SECRETARIAT

1. Shri S.C. Rastogi — *Joint Secretary*
2. Shri P.K. Grover — *Deputy Secretary*
3. Shri C.S. Joon — *Under Secretary*
4. Smt. Neera Singh — *Assistant Director*

SECOND REPORT OF THE COMMITTEE ON PETITIONS

(Thirteenth Lok Sabha)

INTRODUCTION

I, the Chairman of the Committee on Petitions, having been authorised by the Committee to present the Report on their behalf, present this Second Report of the Committee to the House on the following matters:—

- (i) Petition regarding development and improvement of Shyamacharanpur Passenger Halt under Khurda Road Division of South-Eastern Railway.
- (ii) Representation requesting for pay revision and other benefits for the employees of MICA Division of the MMTC Ltd. (Calcutta) after merger of MICA Trading Corporation of India Ltd. (MITCO) with MMTC Ltd.
- (iii) Action taken by the Government on the recommendations made by the Committee on Petitions (Tenth Lok Sabha) in their Twelfth Report on the petition regarding rehabilitation of persons affected due to construction of the Tarapur Atomic Power Project Nos. 3 and 4.

2. The Committee considered the draft Report at their sitting held on 28 July, 2000 and adopted it.

3. The observations/recommendations of the Committee on the above matters have been included in the Report.

NEW DELHI;
28 July, 2000

6 Shavana, 1922 (Saka)

BASUDEB ACHARIA,
Chairman,
Committee on Petitions.

CHAPTER I

Petition Regarding Development and Improvement of Shyamacharanpur Passenger Halt under Khurda Road Division of South-Eastern Railway

1.1 On 23 December, 1999, Shri K.P. Singh Deo, M.P., presented to Lok Sabha a petition (No. 2) (see Appendix) signed by Shri Surendra Prasad Roy of Anandanagar P.O., District Dhenkanal (Orissa) and others regarding development and improvement of Shyamacharanpur Passenger Halt under Khurda Road Division of South Eastern Railway. The petition was submitted on behalf of the daily commuters of Talcher-Puri passenger trains availing the facility at Shyamacharanpur Passenger Halt (P.H.) in Dhenkanal district headquarter town.

1.2 In the petition, the petitioners stated *inter-alia* as follows:—

- (i) The aforesaid P.H. is situated at the outskirts of Dhenkanal town, in close proximity to Dhenkanal College having a strength of about five thousand students and staff who often use this P.H. for their shuttle journey to the college.
- (ii) Further, the location of the said P.H. has facilitated the movement of pilgrims and travellers to the religious tourist spots of Joranda (Mahimagadi) and Kapilas as well as to Nandankanan, the world famous zoological park at Baranga making it a crowded one. It is easily accessible point for embarking and disembarking the trains which in fact has attracted the senior citizens as well as children to board the trains from this P.H.
- (iii) But, due to lack of a suitably raised platform at this P.H., commuters face enormous trouble while entraining and detraining with stray incidents of injuries.

1.3 The petitioners prayed that a proper platform with proper lighting and drinking water facilities may be provided at the Shyamacharanpur Passenger Halt for the convenience of the commuters.

1.4 The petition was referred to the Ministry of Railways (Railway Board) for furnishing their comments on the various points raised in the petition. The Ministry *vide* their communication dated 31 January, 2000 stated:

“Amenities at stations including raising of platforms are provided as per norms based on the volume of passenger traffic handled. As per the norms laid down, Halt stations are required to be provided with rail level platforms only. Moreover, Shyamacharanpur Halt Station

handles only very meagre volume of passenger traffic i.e., a daily average of 42 and the station earning is a little over Rs.200/- per day. Considering the volume of passenger traffic and the revenue from the station, there is no justification for raising of platforms for the present. However, the same will be considered when so warranted by growth in traffic. A work of provision of one hand pump has been sanctioned and the work is expected to be taken up shortly.”

1.4A. The Committee desire to know whether the level of the platform at Shyamacharanpur Halt Station has fallen below rail level and if so, the reasons therefor. The Ministry of Railways (Railway Board) informed the Committee in a note furnished after evidence as follows:—

“The track renewal on down (DN) track has been carried out on this Section with 60 Kgs. rails and pre-stressed Concrete (PSC) sleepers. Due to insertion of PSC sleepers and ballasting on DN line, the level of island platform has fallen below rail level by nearly 250 mm. The Railway has been informed to take the work of raising the platform level to rail level, in hand.”

1.5. The Committee, after considering the comments furnished by the Ministry of Railways (Railway Board) took oral evidence of the representatives of the Railway Board on 9 June, 2000. When asked to explain about the basic facilities and amenities which were required to be provided at all the stations including the Halt Stations, the Member Traffic, Railway Board stated as under:—

“In 1993 certain deficiencies were detected in the stations of the Indian Railways. A very intensive exercise was undertaken on all Indian Railways and we decided that we will ensure certain basic minimum and essential amenities at all stations including Halt stations. We had brought in the concept of recommended amenities and desirable amenities which we want to provide at stations on the basis of number of passengers and revenue that we are generating from each station. We categorised them in six categories. On that basis we legislated minimum requirements recommended and desirable amenities at a new station. We also brought in the concept that there will be certain basic infrastructural facilities which needed to be provided at a new station when it is constructed irrespective of the number of passengers and volume of traffic etc. On the basis of traffic we have categorised the Railway Stations as A,B,C,D,E&F.

‘A’ class stations are those non suburban stations which are having a revenue of more than Rs. 6 crore; ‘B’ class stations between Rs. 3 crore and Rs. 6 crore; ‘C’ class are mainly suburban stations where special attention is given even though the earnings may not be much, but traffic is enormous; ‘D’ class stations are having a revenue between Rs. 1 crore and Rs. 3 crore; ‘E’ class stations are having less than Rs. 1 crore and ‘F’ class are Halt stations. We have given

detailed instructions to ensure that the basic essential amenities are provided at all stations, including Halt stations.

The basic requirements at a Halt station is a booking facility; a rail-level platform; some shady trees to protect the passengers from the sun; lighting wherever it is electrified or otherwise lamps; time-table display; one hand-pump; and ten square metre hall as booking counter and passenger resting place. These are the basic amenities.

At the Shyamacharanpur Passenger Halt of South-Eastern Railways we have ensured that all these facilities are available. The traffic dealt with at the station is 53 passengers per day and the passenger earning is Rs. 545 per day. The maximum number of passengers at any time is 30 and the length of the longest stopping train is 180 metres for which 180 metre long platform is made available. There are two full green trees and we have put eight saplings recently. There were 20 seats earlier which we have further augmented so that 40 seats are now available at the station. A hand-pump is also available. These are the facilities that have been made available at this particular station which are according to the norms.

The witness added that earlier a waterman used to be there but this facility have since been withdrawn. Only three trains had a stop over there and if this facility was to be continued, two watermen would have to be employed (one in the morning and another in the evening) who would serve water to almost 20-25 passengers. This would cost about Rs. 2 lakhs which was not justified. Only waterman had been withdrawn but the water facility was still there."

1.6. On being asked about the number of trains which stopped at Shyamacharanpur Halt station and whether any study had been conducted to find out why the number of passengers was so less, the witness stated as under:—

"Three trains stop at Shyamacharnpur Halt station. In one direction, one in the morning and two in the evening and in the other direction two in the morning and one in the evening. All three are passenger trains.

These Halt stations come up on the request of/ the local population. Normally there will be a station at an interval of at least ten kilometres. When a request for any halt station is received, we go into the total population of the area, the traffic available and the minimum facility required. On that basis we assess what kind of traffic can be generated if a halt station is created.

Whenever a halt station is created, invariably the number of passengers range between 20 and 50. That is the normal pattern at a Halt station. Here also we have on an average about 50 passengers and the maximum at any point of time is 30 passengers."

The witness further added:—

“The basic problem that we face on branch-line sections is that we run a train with an engine plus four or five coaches. We run one morning service and one evening service. Today, people are looking for the frequency to the hour or at least a train once in two or three hours. The buses are there. They are able to beat us in competition because their frequency is much more than what we can provide. So, this is the basic characteristic of rail travel and the passengers do not travel by rail because they generally prefer road journey if road services are available. We are basically trying to go in for rail buses and Diesel Motor Units with three coaches. We are trying to provide this in respect of certain branch-line sections. Our experience is that even when we are doing this, the traffic is very negligible. There has been some impact no doubt. But it is not a uniform proposition.”

1.7 The Committee desired to know whether one hand pump at Shyamacharanpur Halt station for drinking water was sufficient. The witness stated that the platform was between two tracks. It was an island platform. There was only one hand-pump and normally at such stations where the number of passengers was around 50 and at any point of time did not exceed 30, one hand-pump was provided.

1.8 When asked about providing foot over-bridges on the halt stations, the representative of the Ministry stated:—

“About foot over-bridges also, we are doing it on the basis of the number of passengers using it. But basically, we have the criteria of providing this facility based on the number of passengers using it. Our experience is that wherever we have provided the foot over-bridges, people do not use them. Then, this effort becomes a waste. Even in the city roads wherever we have provided the subways, people still cross the roads. It is human tendency to do so. Very few people like to use the sub-ways.

1.9 The Committee enquired whether Monthly Season Ticket facility was available to the passengers at Shyamacharanpur Halt station. The witness stated:—

“This station is 5 kms. from Dhenkenal and 3 kms. from Joranda Road. MSTs are available. The number of 50 passengers that we have given is based on the sale of MSTs and single journey tickets, separately or jointly. Whenever such review is done it is done, on the basis of actual numbers, not on the basis of tickets alone. We have a census of people in a 24-hour cycle. How many people are detrained and how many are entrained at the station by these three pairs of trains, we do make a total study and not merely on the sale of tickets but also on the actual number of passengers.”

Observations/Recommendations of the Committee

1.10 The Committee have been informed that three trains stop at Shyamacharanpur Halt station under Khurda Road Division of South-eastern Railway. The traffic dealt with at the station is 53 passengers per day and the passenger earning is Rs. 545 per day. Considering the level of passenger traffic and norms laid down in respect of Halt Stations, certain passenger amenities including a rail level platform have been provided by the Railways at Shyamacharanpur Halt Station. However, the level of the platform is stated to have fallen below the rail level due to the insertion of pre-stressed concrete sleepers. While the Committee observe with a sense of gratification that after the matter was taken up by them, a hand-pump has also been provided at the Halt station, they would like to point out that the passengers at the Shyamacharanpur Halt Station are still facing a lot of difficulties particularly while entraining and detraining due to the platform level being lower than the rail level. The Committee, therefore, recommended that the platform at the Shyamacharanpur Halt station should be suitably raised. The feasibility of providing a foot over-bridge should also be examined.

1.11. The Committee have also been informed that there are two full grown trees and eight saplings have been put up recently. However, the Committee desire that in order to provide a proper shelter to the passengers, a permanent shed should be constructed at the platform.

1.12. The Committee would also emphasise that although Shyamacharanpur Halt station is on a branch line, the line goes upto Talcher, an important industrial town. Besides, it is in the proximity of the religious tourist spots of Joranda (Mahimagadi) and Kapilas as well as Nandankanan. The Railways should, therefore, make all out efforts for increasing the passenger traffic on this line. The timings of the passenger trains may also be suitably adjusted to achieve an optimum level of passenger traffic.

CHAPTER II

Representation requesting for Pay-Revision and other benefits for the employees of MICA Division of the MMTC Ltd. (Calcutta) after merger of MITCO (MICA Trading Corporation of India Ltd.) with MMTC Ltd.

2.1 Shri Basudeb Acharia, M.P. forwarded a representation on 30 November, 1998 signed by Shri S.K. Sharma, President and Shri Imtiaz Ahmed, General Secretary—All India Employees Association & 189 other workers of MMTC Ltd. (MICA Division) of Calcutta requesting for pay-revision and other benefits for employees of MICA Division of MMTC Ltd. (Calcutta) after merger of Mica Trading Corporation of India (MITCO) with MMTC Ltd. (Appendix II).

2.2 It was stated in the representation that MITCO, a Government of India Undertaking under the Ministry of Commerce was incorporated on 18.06.1973 as a 100% wholly owned subsidiary of MMTC Ltd. The MITCO was declared as a sick unit by BIFR (Board for Industrial and Financial Reconstruction) and finally amalgamated with MMTC *w.e.f.* 01.04.1994. Consequent upon merger with MMTC the legal status of MITCO henceforth ceased as per the Companies Act, 1956 and after amalgamation with MMTC, the MITCO was working as a Division of MMTC.

2.3 The following further points were made out by the representationists:—

- (a) According to BIFR all the employees of MITCO shall become the employees of MMTC on merger/amalgamation without interrupting their service in any manner and the terms and conditions of the service applicable to such employees on the effective date of merger would not in any way be less favourable to them than that applicable to them immediately before the effective date of merger.
- (b) Department of Public Enterprises, Ministry of Industry, the Governing authority for pay-scale revision of Public Sector Undertakings in their circular dated 19.7.1995 had stated that for sick PSUs registered with BIFR, pay revision and grant of benefit would be allowed, if it was decided to revive the Unit. The revival package, however, did not include the enhanced liabilities on this account and the management had suppressed the decision and directive of Department of Public Enterprises, Ministry of Industry.

- (c) Other Government Undertakings who had been referred to BIFR and revived by BIFR, got their pay-scale and other benefits immediately after revival as per guidelines of the Department of Public Enterprises.
- (d) MMTC was the only Government of India Undertaking trying to defy and violate directives of the Government and denying natural justice to the employees of the MICA Division. MMTC had declared bonus to eligible employees of MMTC at 20% rate and original employees of MICA Division at 8.33% rate. Therefore, declaring of a lower rate of bonus to MICA Division was discriminatory and arbitrary act of MMTC.
- (e) In the year 1996-97 and 1997-98 the employees of MICA Division had been denied Productivity Linked Reward whereas the Board of Director's Report 1996-97 stated that MICA Division had earned profit.
- (f) In terms of the contract between MITCO Management and employees, the revision of pay scale was effective till 31.12.1991, 31.10.1992 and 1988 in respect of officers, staff and workers but the next pay-revision was due from 01.01.92, 01.11.92 and 1988 in each case.

2.4 In the representation the workers of MICA Division (MMTC Ltd.), therefore, demanded early settlement of the following issues:—

- (i) Implementation of revised pay-scale and other benefits *w.e.f.* 1.1.1992 and 1.11.92 for officers and staff and for workers from 1988 and arrears thereof;
- (ii) Payment of bonus at 20% for the year 1996-97;
- (iii) Payment of Productivity Linked Reward for the year 1996-97 and 1997-98;
- (iv) Interim Relief *w.e.f.* 1.11.97;
- (v) Implementation of all rules and regulations at par with MMTC.

2.5 The representation was forwarded to the Ministry of Industry (Department of Public Enterprises) on 4 December, 1998 for obtaining their factual comments on the points raised in the representation. The following comments were received from the Ministry of Commerce on 31 December, 1998:

“(a) Implementation of revised pay-scale and other benefits

- (i) BIFR's order at para 4, extracted hereunder, provides that:

‘The representative of Government of India (Ministry of Commerce) submitted that the Ministry did not have any objection to the reliefs envisaged in the Draft Rehabilitation-cum-Amalgamation/Merger Scheme (DRAM). The representative pointed out that the Group of

Ministers, while approving the scheme had, however, pointed out that the rationalisation of workforce of the Company should be duly carried out and the employees of the Company, who were to continue in employment, would not insist on getting the pay scales of MMTC. The representative of MMTC also reiterated that the Company's employees should not agitate for the scale of MMTC. The Bench drew their attention to the concluding sentence of para 1 on page 2 and 3 of DRAM (Draft Rehabilitation/Merger Scheme) in terms of which the employees who were being retained in service would become employees of MMTC without interruption in their services in any manner with terms and conditions of their service being not less favourable to them than those applicable immediately before the effective date of merger/amalgamation. The rights of the employees who were to continue in service were defined by this sentence in the DRAM in terms of which only their existing terms of service were protected, the Bench observed.'

- (ii) Accordingly, in terms of BIFR's said order and the provisions of the merger scheme, the officers, staff and workers of MICA Division have already been extended pay scales and allowances which they were drawing earlier in MITCO, and the claim of the employees' Association for revision of pay scales in devoid of merit in view of explicit order of BIFR. Further, as per the Department of Public Enterprises' order of 19th July, 1995, wage revision for employees of the sick unit upon its revival is to be allowed only if the revival package includes provision for revision of wages. The revival package order by BIFR in terms of the rehabilitation/merger-cum-amalgamation scheme does not have the provision for wage revision for the officers, staff and workers' categories of erstwhile MITCO (now MICA Division of MMTC). In fact, the financial package for revival only includes provision for salary and allowances for 220 employees and a further provision for approx. 6 per cent increase in wage for increments etc for these 220 employees only from the year 1998-99. However, the actual manpower of MICA Division as on date is 407 and MMTC is paying them their full salary including increments from the date MITCO has been merged with MMTC.
- (iii) Besides the above, orders have already been issued recently revising rates for conveyance reimbursement and night shift allowances. Orders have also been issued for restoration of leave encashment, medical benefit, LTC facility etc. as per the rules of erstwhile MITCO. These benefits were suspended in 1992 when MITCO was declared a sick unit and referred to BIFR. MMTC is already extending terms and conditions of service superior to those envisaged in BIFR order of 8th April, 1996.
- (b) Payment of bonus at the rate of 20 per cent**
- (i) *Section 3 of the Payment of Bonus Act provides as under:*

“Where an establishment consists of different departments or undertakings or has branches, whether situated in the same place or

in different places, all such departments or undertakings or branches shall be treated as parts of the same establishment for the purpose of computation of bonus under this Act, provided that where for any accounting year a separate balance sheet and profit and loss account are prepared and maintained in respect of any such department or undertaking or branch then such department or undertaking or branches shall be treated as a separate establishment for the purpose of computation of bonus under this Act for that year, unless such department or undertaking or branch was, immediately before the commencement of that accounting year treated as part of establishment for the purpose of computation of bonus."

- (ii) In terms of aforesaid proviso of section 3 of the Act, after merger/amalgamation of MITCO with MMTC, MICA Division maintains separate accounts and balance sheet which are ultimately merged in the balance sheet of MMTC. Consequently, employees of Mica Division are being paid bonus at the rate of 8.33 per cent, which is the admissible bonus based on their balance sheet and accounts. As per the accounts and balance sheet of Mica Division, the Division has been incurring losses from the year 1996-97 and as per calculations required to be done for payment of bonus under the Act, they (employees of Mica Division) are eligible for payment of bonus at the rate of 8.33 per cent only.

(c) Performance-linked reward

As per said orders of BIFR, the employees of Mica Division are eligible only for pay scales and allowances which they were drawing immediately prior to merger/amalgamation with MMTC. In erstwhile MITCO, performance/productivity-linked reward scheme was never introduced and the employees have not been drawing any benefit under such a scheme. As their existing terms and conditions, including pay scales and allowances are being continued, they are not eligible to performance-linked reward admissible to the other employees of MMTC.

(d) Release of interim relief

Staff cadre employees of MMTC, excluding the employees of Mica Division, are governed by wage settlement of 4th August, 1995 effective from 1st November, 1992 which is valid till 31st October 1997. MMTC has announced 20 per cent *ad hoc* advance at the minimum of the pay scales for the employees in the staff cadre in anticipation of wage revision, on monthly basis. However, in respect of employees of Mica Division interim relief has not been announced as the employees of Mica Division are governed by the pay scales of 1st January, 1987, 1st November, 1987 and 1988 (for officers, staff and workers, respectively) and the BIFR order of 8th April, 1996 has not provided for wage revision of any category of employees.

(e) Implementation of rules and regulations of MMTC

As per BIFR order, Mica Division employees are eligible only for continuation of rules and regulations as were applicable to them prior to merger of MITCO with MMTC. As such, the claim for extending MMTC's rules and regulations does not hold good."

2.6 Since, the services of employees of MICA Division (MMTC Ltd.) were governed by the rules and conditions for service as per BIFR's order after the Rehabilitation and Merger Scheme, the Ministry of Commerce were requested on 12 January, 1999 to furnish their factual comments in consultation with BIFR. The Ministry of Commerce in their letter dated 29 January, 1999 forwarded the comments of BIFR in the matter.

2.7 According to the Board for Industrial and Financial Reconstruction (BIFR), the Rehabilitation-cum-amalgamation/merger scheme was sanctioned by the Board on 8.4.1996 for amalgamation of MICA Trading Corporation with MMTC Ltd. with an estimated cost of Rs. 1299.02 lakhs. The Board *vide* order dated 21.4.1997 discharged the company out of purview of the (Companies) Act consequent to amalgamation with MMTC. BIFR further stated as under:—

"The rehabilitation scheme envisaged, *inter-alia*, that all permanent employees of the Transferor Company being retained after retirement under proposed VRS and those employees of the offices/units found surplus and not opting for VRS shall be retrenched on payment of retrenchment compensation, who are in the employment of the Transferor Company on the effective date in terms of this scheme shall, as from such date, become the employees of the Transferee Company, on the basis that their services do not stand interrupted by vesting of the undertaking of the Transferor Company in the Transferee Company under this scheme and the terms and conditions of service applicable to such employees on the effective date is in no way less favourable to them than those applicable to them immediately before the transfer date. The Transferee Company, however, shall also have the right to exercise an option if warranted to transfer such number of workers to any other unit of Transferee Company as may be deemed necessary."

2.8 Based on the facts furnished by the Ministry of Commerce on the case, the Committee on Petitions (Twelfth Lok Sabha) decided to take evidence of the petitioners. Accordingly, Shri S. K. Sharma, President, Mica Trading Corporation Employees Association and Shri Basudeb Acharia, M.P. appeared before the Committee on 6th April, 1999.

2.9 During the evidence the committee were informed that the erstwhile Mica Trading Corporation became a subsidiary company of MMTC in 1974. In 1991 a Committee was appointed under the Chairmanship of T. Chandra Shekhar Reddy which recommended merger of MITCO with MMTC which was the holding company. In 1993 this company became sick and as per SICA this company was referred to BIFR. In the year 1994, the BIFR recommended for its merger with MMTC. While recommending

merger with MMTC, the BIFR also recommended that their service conditions should not be less than what they enjoyed at the time of the merger. Now, the MMTC was taking the plea that BIFR had recommended that their pay scales and other service Conditions should not be less than what they enjoyed at the time of the merger, so their pay and allowances should not be revised in future.

If was further stated that at the time of the merger the employees of MITCO enjoyed terms and conditions at par with the employees of the MMTC even when MITCO was subsidiary of MMTC in 1987. In 1988 the pay revision took place alongwith pay-revision of MMTC. The wage revisions were due in 1992 and again in 1997. It was merged in 1994. After merger, another wage revision was due in 1997. When the employees of MITCO had been enjoying the same pay-scales as that of MMTC, they should be given the wage revision and bonus at par with other divisions of MMTC after merger since MITCO was one of the divisions of MMTC. The MICA Division was earning profit also. One of the conditions that was there was that the number of employees should be reduced from 407 to 220. In MITCO, initially there were 1200 employees but as many as 800 employees opted for VRS and their number is now reduced to 407. Prior to merger they were enjoying the pay scales at par with MMTC. There was an agreement between the management and the employees of MITCO When it was one of the subsidiaries of MMTC. Whenever there had been wage revision, this facility was extended to the employees of MITCO also.

2.10 In response to the question whether the conditions of BIFR were agreeable to the Employees Union at the time of the merger of the Company with MMTC Ltd., the Committee were informed that the employees of MITCO had not agreed to it. At that time, it was said that the scale of pay would not be less favourable to what was prevalent at the time of merger.

2.11 When the Committee enquired about the total staff strength of MITCO before merger with MMTC, the petitioner replied:

“There were more than 1400 employees and prior to this 1600-1700 employees were there. Now, only 407 employees are left.”

2.12 On being asked whether the petitioners agreed to the stand taken by the Ministry of Commerce in the matter, the witness replied in the negative. It was stated that MMTC Ltd. were insisting on reduction of staff. They did not want the pay revision. They wanted to discriminate between the employees of MICA Division and other Divisions of MMTC. They wanted that reduction should be to the extent of 220. They insisted that wage revision would not be applicable to the employees of the MICA Division.

2.13 Due to dissolution of the 12th Lok Sabha on 26 April, 1999 the matter was not pursued further.

2.14 After Constitution of the 13th Lok Sabha, Shri Basudeb Acharia M.P. forwarded a similar representation on 17th December, 1999 for consideration of the Committee. (Appendix III)

Some of the main points put forth in the representation were as under:—

- (a) Mica Trading Corporation of India Ltd. (MITCO), a wholly owned subsidiary of MMTC Ltd. was referred to the Board for Industrial and Financial Reconstruction (BIFR) in the year 1993 and in terms of BIFR's order dated 8.4.1996, MITCO was merged with MMTC Ltd. w.e.f. 1.4.1994.
- (b) Consequent upon merger, erstwhile MITCO became the Mica Division of MMTC Ltd. After merger, the employees of Mica Division were entitled to the wages, financial benefits and other service conditions at par with the employees of MMTC Ltd. But the company i.e. MMTC Ltd. was refusing to extend the pay scales and other service conditions to the employees of Mica Division.
- (c) Pay scales (of employees of the Mica Division) have not been revised since 1992 though wage revision of MMTC's employees including officers have been revised w.e.f. 1992. Pay scales of workers have not been revised since 1988.
- (d) In terms of bipartite agreement, staff members of MMTC were not transferable from their present place of posting. But employees of the Mica Division including the unskilled workers have been indiscriminately transferred to far away places.
- (e) Employees of the MMTC were getting productivity linked incentive (PLI) every year. In the year 1999-2000, MMTC declared PLI @ Rs. 5040 to all the employees. But it had not been extended to the employees of the Mica Division.
- (f) The medical scheme for the employees of the MMTC was yet to be extended to the employees of the Mica Division.

2.15 The petitioners, therefore, requested in their representation to:—

- (a) extend pay scales and other financial benefits to employees of Mica Division at par with other divisions of MMTC Ltd.
- (b) introduce no transfer policy for employees of Mica Division like that for MMTC staff.
- (c) bring back all the workers and employees who were unjustifiably transferred.
- (d) re-transfer all trade union officials to their original place of posting.
- (e) take active steps to develop business of Mica Division and execute viable projects for making the division a profit earning division.

2.16. The representation was forwarded to the Ministry of Commerce on 21 December, 1999 for furnishing their factual comments on the subject. The Ministry of Commerce & Industry (Department of Commerce) vide their communication dated 15th March, 2000 submitted the following comments on the points raised by the petitioners:—

(a) *Implementation of revised pay scales and other benefits:*

“BIFR’s order provides that the employees of the company, who were to continue employment, would not insist on getting the pay scales of MMTC. In this regard, in terms of BIFR’s order under reference, and the provisions of the merger scheme, the officers, staff and workers of Mica Division have already been extended pay scales and allowances which they were drawing earlier in MITCO.”

(b) *Payment of bonus at the rate of 20 per cent:*

“The Mica Division has been incurring losses from the year 1996-97 and as per calculations for payment of bonus under the Act, Mica Division employees are eligible for payment of Bonus @ 8.33 per cent only. Hence, the employees of Mica Division are not eligible for bonus @ 20 per cent.”

(c) *Payment of performance-linked regard:*

“The order of BIFR provides for pay scales and allowances which they were drawing immediately prior to merger/amalgamation with MMTC. In erstwhile MITCO, performance/productivity-linked reward scheme was never introduced and the employees have not been drawing any benefits under such a scheme. As their existing terms and conditions, including pay scales and allowances are being continued, they are not eligible to performance-linked reward admissible to the employees of MMTC.”

(d) *Release of interim relief:*

“In respect of employees of Mica Division, interim relief has not been announced as the employees of Mica Division are governed by the pay scales of 1st January, 1987, 1st November, 1987 and 1988 (for officers, staff and workers, respectively) and the BIFR order of 8th April, 1996 has not provided for wage revision for any category of employees.”

(e) *Implementation of all rules and regulations at par with MMTC:*

“As per BIFR order, Mica Division employees are eligible only for continuation of rules and regulations as were applicable to them prior to merger of MITCO with MMTC.”

2.17 Meanwhile, the petitioners submitted a fresh representation dated 19 May, 2000 on the subject. In their representation the petitioners contended that in terms of MMTC’s Board note dated 9 September, 1974 all the rules/orders governing the service conditions of MMTC employees would be applicable to the employees of MITCO. However, MITCO

would be free to frame its own rules with the prior approval of the MMTC. The pay-scales of officers and staff of erstwhile MITCO were identical to those of MMTC Ltd. Wages and other financial benefits as revised from time to time for MMTC employees were, always extended to the officers and staff of erstwhile MITCO, through a bi-partite settlement wherever necessary prior to the effective date of merger.

2.18 Regarding MMTC's performance and technological upgradation of Micanite Plant at Abharaknagar and marketing activity of mica products, the petitioners *inter-alia* stated that the business through Mica product continued to earn profit mainly relying on canalized export of mica scrap. But, turnover in other non-canalized areas had miserably failed to achieve the target projected by BIFR in its rehabilitation scheme. The company had also neglected technological upgradation of Micanite Plant as was envisaged in the amalgamation scheme leading to loss of possible business in Mica Division. Therefore, there was reason to believe that failure to develop mica trade originates in the strategy of MMTC not to increase the turnover as it might restore security of service of the employees of erstwhile MITCO. The petitioners contended that MITCO was declared sick, primarily due to collapse of rupee-ruble trade and closing down of the Soviet Union market, decanalisation of export of processed mica and under-utilisation of capacity at Abharaknagar. The representation also stated that it would be gross denial of justice and violation of the law of "Equal Pay for equal Work", if wages and other service conditions of the employees of Mica Division were not made at par with MMTC employees.

2.19 The Committee on Petitions (13th Lok Sabh) thereafter considered the matter at their sitting held on 31 May, 2000 and decided to take oral-evidence of the Ministry of Commerce & Industry. Accordingly, the Committee took oral evidence of the officials of the Ministry of Commerce & Industry and MMTC Ltd. on 9th June, 2000.

2.20 During the evidence, the Secretary, Ministry of Commerce & Industry stated:—

“The erstwhile Mica Trading Corporation of India Limited was really amalgamated, as per the BIFR order, with the MMTC, essentially as a separate unit of the MMTC. The BIFR gave certain orders as to the rights and the privileges of the employees. The MMTC had tried to fully honour those commitments. The orders passed by the BIFR had been faithfully and scrupulously followed by the MMTC.

The exact wording of the BIFR order was very simple. It stated that the existing terms of the service should be protected. The BIFR order did not say that the pay should be revised. It only

stated one thing that their terms should not be worse than what they were enjoying at the time of amalgamation. At no place, it has been indicated that their terms are the same as that of the MMTC employees. At the time when the company was sick and when it went to BIFR, possibly the choice was between their continuing with the MMTC on their existing terms or their liquidation because the net worth had become negative and the prospects of the company were bad. The BIFR order was a special order so that the employees could continue to get their existing salaries without really being retrenched and VRS was offered. In the spirit of the order, it is specially mentioned that the employees of MITCO will not get anything worse. BIFR never said that MITCO employees should be at par with the MMTC. The Government of India very clearly indicated that they cannot be treated at par. Specially the order says that there should not be anything worse than what the employees of MITCO were getting at the time of the merger. The point is that the amalgamation of the company with MMTC Ltd. itself was an act of grace. It is on a compassionate ground that it was agreed to."

2.21 Regarding, the main grievance of the petitioners for pay revision of the employees of erstwhile MITCO, a representative of MMTC Ltd. stated:—

"The first and principally the most important point is regarding pay-scales for Mica Division employees who got merged with the MMTC Ltd. In this respect, clause 6 of the BIFR order states that all the employees of the transferee company have been retained and after proposed VRS, those employees of the offices and units found surplus who did not opt for VRS, shall be retrenched on the payment of retrenchment compensation."

He added that MMTC Ltd. complied with whatever was in the BIFR order for the benefit of employees of the erstwhile MITCO.

2.22 When the Committee desired to know as to whether the pay scales of the MITCO employees were equivalent to MMTC employees at the time of the merger of the company with MMTC Ltd., the representatives of MMTC Ltd. stated that the salaries of MITCO employees at the time of merger were lower than those of MMTC Ltd.

2.23 The Committee pointed out that the employees of Mica Division were still governed by the pay-scales of 1st January, 1987, 1st November, 1987 and 1988 (for officers, staff and workers respectively) and desired to know when the pay scales of officers and staff of MMTC were revised after 1987. MMTC informed in a note submitted after evidence, that pay-scales of Officers of MMTC were revised w.e.f. 1.1.1992 and 1.1.1997. As regards the staff of MMTC, the pay-scales were revised w.e.f. 1.11.1992 while the pay revision due from 1.11.1997 was yet to be finalised.

2.24 In regard to the pay-scales of the staff in MITCO when it was subsidiary company of MMTC *i.e.* prior to the merger of MITCO, with MMTC, the witness stated:—

“In 1984 when MITCO was in existence, they were proposing to MMTC that it would be convenient for them to adopt whatever pay scales would be finalised for the employees of MMTC. Therefore, it was going on that basis. At that time, that is during 1984, MITCO’s viability was such that they were in a position to pay the same pay scales. Later on, the position became different and they were not in a position to pay even the salary.”

The Secretary, Ministry of Commerce & Industry added:

“Between 1984 and 1996, while MMTC still continued to earn some profit, unfortunately the net worth of MITCO had become negative. So, the situation had changed very drastically and in a normal course, it would have gone for liquidation. It was a conscious decision at that time by the Government and also the conscious decision by the BIFR to retain the employees of MITCO. The judgement had said that if they are over-staffed, then they would be provided retrenchment or VRS. It was never envisaged that they would get MMTC pay scales or perquisites”.

2.25 On a query regarding the financial position of the MICA Division of MMTC Ltd., the representatives of MMTC Ltd. stated:—

“Even after the merger with MMTC Ltd., the company has been incurring losses. Mica Division was audited separately and a separate balance sheet has been drawn up. For that Division, the loss has been quite enormous. In the year 1996-97, the loss was Rs. 8.81 crores even after the merger. In the subsequent year, the loss was Rs. 1.31 crores. During the last year of their operation, it suffered a loss of Rs. 79.15 lakhs. For the last three years even after the merger, the MICA Division has been suffering huge losses. We are upgrading technology, without reducing the staff, as mandated by BIFR and we will not be able to really break even because the optimum number of staff fixed by BIFR was 220 whereas we are having 400 people now on our roll. The order given by BIFR had said that the staff strength should be reduced to 220 so that the MICA division becomes viable. Unfortunately, we have not been able to reduce the staff who have not resorted to retrenchment.”

2.26 On a query regarding the number of employees of MITCO who opted for VRS, the representatives of MMTC Ltd. informed that 125 people had opted for VRS. Now, VRS was not in operation. Every two to three times in a year VRS scheme was offered.

The Secretary, Ministry of Commerce & Industry added:—

“At the time of the merger, there were 531 people. BIFR said that the right size is 220 and then they asked to give VRS for the balance people. They also said that if they do not take VRS, then retrench them. 125 people had accepted VRS. Now, there are about 400 people in the MICA Division. So, as against 220 persons, we have got 180 to 190 people surplus. Whenever VRS scheme is offered, normally the managements give three months period.”

2.27 The Committee desired to know the position of revision of pay-scale of the employees of MICA Division (MMTC Ltd.) *vis-a-vis* the wage settlement for public sector undertakings on 13 October, 1997. To this the Secretary, Ministry of Commerce & Industry stated:—

“The last revision was due for employees of all the Public Sector Undertakings from 1997. Before that, it was due in 1992. But what happened was that at that time in 1992 the company was sick. The pay revision did not apply to them. It applied to the companies where such pay revision was a part of BIFR rehabilitation package. As a result, there are a large number of Public Sector Undertakings today in the country where pay had not been revised either in 1992 or in 1997. There are still some companies in the country which are sick and which have not been able to get any pay revision.”

2.28 Subsequently, the Committee were informed in a written reply by the Ministry of Commerce and Industry that certain allowances payable to the staff of MICA Division have been revised after merger with MMTC. (Appendix IV)

2.29 When the Committee desired to know the bonus paid to the employees of MICA Division, the Secretary, Ministry of Commerce & Industry stated that MICA Division employees would get 8.33 per cent bonus and not the profit making company's bonus.

2.30 When The Committee asked about the steps taken to increase the profitability of MICA Division, the representatives of MMTC Ltd. informed that about Rs. 85 lakhs was being invested for the purpose. Subsequently, the Ministry of Commerce & Industry furnished the 'Medium Term Perspective Plan' for MICA Division on the assumption that the canalisation of Mica scrap would continue upto 2002-2003. According to this plan, the total exports of Mica scrap and Mica products are envisaged to increase from Rs. 1,277 Lakhs (Provisional) in 1999-2000 to Rs. 2,000 in 2002-2003. The gross sales of MICA Division are expected to increase from Rs. 1,349 lakhs (Provisional) in 1999-2000 to Rs. 2,510 lakhs in 2002-2003 and the net profit is expected to be Rs. 30 lakhs, Rs. 19 lakhs and Rs. 25 lakhs during 2000-01, 2001-02 and 2002-03 respectively.

2.31 The Committee pointed out that according to the petitioners most of the employees of erstwhile MITCO were transferred to different places in the country. In one case an employee of MICA Division who was

suffering from cancer was transferred to a remote area. To this, the representatives of MMTC Ltd. explained:—

“The matter regarding transfer was that this had been decided during the study by the BIFR. The decision of the BIFR was that there are so many surplus employees. The BIFR had stated that there should be 220 employees. BIFR maintained that, if required they may be posted at other offices of the MMTC. In view of this provision, the transfers were carried out. The instructions of the BIFR are being followed. We could have gone in for retrenchment but we did not do that. There is mention of 220 employees in that order. We launched the VRS scheme for them. Some persons opted for this retirement scheme. We want that the remaining employees may be engaged in suitable jobs so that they can do some work for the good of the company. If someone is facing any difficulty then we will look into the same and make efforts to re-transfer them back to the previous place of work. Efforts were made to deploy that staff. However, at many places they could not be deployed because of lack of work. As they were the surplus staff, it was not possible to utilise their services. About 150-200 employees have been transferred.”

The Secretary, Ministry of Commerce & Industry added:

“Regarding an individual case where the employee was cancer patient this was unfortunate. There should be 220 employees. However, we have more than 400 employees now. The BIFR had issued this order that, if required, they could be re-deployed. At present, we can retain them there and we will not effect any transfer. Now, this transfer has been effected because there was no work and they have been sent on transfer to such places where they can perform work. The court has stated that they can be re-deployed. The BIFR has asked us to retrench the employees beyond the figure of 220, but we have not done so.”

2.32 In respect of the transfer policy for Mica Division Employees, the Ministry stated in a note furnished after evidence that the deployment of the employees of MICA Division to far off places was being reviewed by MMTC Ltd. on a case to case basis to accommodate the deserving employees subject to administrative/business requirement.

2.33 On a query regarding the difference between the pay-scales of the employees of MICA Division and other employees of MMTC Ltd., the representatives of MMTC Ltd. informed that the pay scales of MICA Division were about 25 per cent less.

2.34 When the Committee desired to know the scope of revision of pay-scales of the employees of MICA Division *vis-a-vis* the profitability of the Division, the Secretary, Ministry of Commerce & Industry stated that if the company makes any net profit the employees will develop new claims which would be justified claims. When the Committee enquired about the profitability of the Mica Division during the last three years they were informed by the Ministry of Commerce & Industry in a note

furnished after evidence that the turnover of the Division during 1997-98, 1998-99 and 1999-2000 was Rs. 12.68 crore, Rs. 12.32 crore and Rs. 13.49 crore (provisional) respectively whereas the loss incurred by it during these years was Rs. 140 lakhs, Rs. 79 lakhs and Rs. 16 lakhs (Provisional) respectively.

2.35 On upgradation of technology/plant and machinery of the MICA Division, the Ministry stated in a note that the following steps have been taken in this regard:—

- (a) 1200 T hydraulic Press has already been ordered. This will enable us to produce international quality Micanite Sheets.
- (b) Rotary Kiln has been procured and Installation is on. This will enable us to produce Calcined Mica Scrap & Paper, which has international acceptance.
- (c) Complete overhauling of existing Coal Fired Boiler for uninterrupted supply of steam at proper pressure and temperature is planned towards the end of this year.”

Observations/Recommendations of the Committee

2.36 The Committee note that Mica Trading Corporation of India Ltd.⁵ (MITCO) was set up as a wholly owned subsidiary of MMTC Ltd. in 1973. After it became sick MITCO was referred to the Board for Industrial and Financial Reconstruction (BIFR) in 1993 under the SIC Act. In terms of BIFR's order dated 8.4.1996, MITCO was merged with MMTC Ltd. w.e.f. 1.4.1994. BIFR sanctioned a rehabilitation *cum* amalgamation/merger scheme for MITCO with an estimated cost of Rs. 1299.02 lakhs. Consequent upon merger erstwhile MITCO became the MICA Division of MMTC Ltd. and all the employees of MITCO were transferred to the MICA Division.

2.37 The Committee have been informed that BIFR's rehabilitation scheme envisaged *inter-alia* that all employees of MITCO who were being retained in service would become employees of MMTC without interruption in their services in any manner. The terms and conditions of service applicable to such employees on the effective date of merger would not be less favourable than those applicable to them immediately before the transfer date.

2.38 One of the main demands of the petitioners is that the employees of erstwhile MITCO should be given pay scales and other financial benefits at par with other employees of MMTC Ltd. since MITCO has been merged with MMTC. They have also informed the Committee that the employees of MITCO enjoyed terms and conditions at par with the employees of MMTC even when MITCO was subsidiary of MMTC in 1987. The petitioners have also stated that though the pay-revisions were due in 1992 and again in 1997, pay-scales of employees of Mica Division

have not been revised though wages of MMTC's employees including officers have been revised w.e.f. 1992. Pay-scales of MMTC's officers were again revised w.e.f. 1.1.1997.

2.39 In this respect, the Ministry of Commerce & Industry have contended that the revival package ordered by BIFR in terms of the rehabilitation/merger-cum-amalgamation scheme did not provide for wage revision for the officers, staff and workers of erstwhile MITCO (now MICA Division of MMTC). In terms of BIFR's said order and the provisions of the merger scheme, the officers, staff and workers of MICA Division have already been extended pay-scales and allowances which they were drawing earlier in MITCO. Hence, the claim of the petitioners for revision of pay-scales is devoid of merit in view of explicit orders of BIFR.

2.40 The Committee are not inclined to accept the contention of Government that neither any interim relief nor any pay revision could be announced in respect of employees of Mica Division since BIFR order of 8 April, 1996 did not provide for wage revision of any category of employees. They wish to point out that the BIFR order simply envisaged that for the employees of MITCO who were being retained in service on the date of merger with MMTC, the services did not stand interrupted and "the terms and conditions of service applicable to such employees on the effective date is in no way less favourable to them than those applicable to them immediately before the transfer date." The order in no way debarred MMTC from revising the pay-scales of employees of erstwhile MITCO (now Mica Division of MMTC). Since the pay scales of officers of the MICA Division have not been revised after 1.1.1987 and those of staff have not been revised after 1.11.1987, the Committee recommend that their pay scales should be revised to make them at par with officers and staff of MMTC. The pay scales of workers of MICA Division which were introduced as far back as in July 1984 should also be suitably revised.

2.41 The Committee note that Mica Division has been incurring losses and the loss during 1997-98, 1998-99 and 1999-2000 was Rs. 140 lakhs, Rs. 79 Lakhs and Rs. 16 lakhs (Provisional) respectively. However, they also note that the Secretary, Ministry of Commerce & Industry agreed during evidence that the claims of employees of the Mica Division of MMTC would be justified if the Division makes any net profit in future.

2.42 The Committee note that the 'Medium Term Perspective Plan' prepared on the assumption that the canalisation of Mica scrap would continue upto 2002-2003 envisages the total exports of MICA scrap/products to increase from Rs. 1,277 lakhs (Provisional) in 1999-2000 to Rs.2,000 in 2002-03. The gross sales of MICA Division are expected to increase from Rs. 1,349 lakhs (Provisional) in 1999-2000 to Rs. 2,510 lakhs in 2002-03 and the net profit of the Division is expected to be Rs. 30 lakhs, Rs. 19 lakhs and Rs. 25 lakhs during 2000-01, 2001-02 and 2002-03 respectively,

2.43 The Committee recommend that all out efforts be made to enhance the profitability of the MICA Division through increase in exports of the mica scrap and other mica products. The upgradation of technology/plant and machinery now underway should be completed within a specified time-frame. The Committee also suggest that regular orientation and training programmes be conducted for the staff of MICA Division to enhance efficiency and to increase the turn-over of the MICA Division. The Committee are sure that if these steps are taken and the Medium Term Perspective Plan is implemented seriously, the Mica Division would soon turn into a profitable Division.

2.44 The Committee have been informed that there were 531 employees of MITCO at the time of merger. About 125 people opted for VRS. Now there were around 400 employees in the Mica Division against 220 recommended by BIFR. The petitioners had brought to the notice of the Committee that many of the employees of erstwhile MITCO were transferred to different places in the country, specially the union leaders of the MICA Trading Corporation Employees Association, MMTC (Mica Division). The Secretary, Ministry of Commerce & Industry explained during evidence that the transfers were effected because there was no work and the employees were sent on transfer to such places where they could perform work. However, the Committee are happy to note that the deployment of the employees of Mica Division to far off places is being reviewed by MMTC on a case to case basis to accommodate the deserving employees subject to administrative/business requirement. This should be expeditiously done. The Union Leaders should not be disturbed as far as possible. The Committee would like to be apprised of the outcome of the review and the deployment position of the workers and staff of the Mica Division in due course.

CHAPTER III

ACTION TAKEN by Government on the recommendations made by the Committee on Petitions (Tenth Lok Sabha) in their twelfth report on the petition regarding rehabilitation of persons affected due to construction of the Tarapur Atomic Power Project Nos. 3 & 4.

The Committee on Petitions (Tenth Lok Sabha) had in their Twelfth Report presented to Lok Sabha on 3 May, 1994 dealt with a petition presented to the House by Shri Ram Naik, M.P. on 18 December, 1992. The petition was signed by Shri D.R. Raut, Chairman, Shri Gangadhar J. Patil and other members of the Tarapur Anushakti Prakalp Pedit Janata Samiti, Akkarpatti, regarding rehabilitation of persons affected due to construction of Tarapur Atomic Power Project Nos. 3 and 4.

The petitioners had prayed for proper compensation for the acquired land, alternative land for agriculture, housing accommodation and employment of the affected persons.

3.2 The Department of Atomic Energy were requested to furnish their action taken notes indicating action taken by them to implement the recommendations made by the Committee for their consideration. The replies of the Department of Atomic Energy have been received. The recommendations made by the Committee and the replies thereto furnished by the Department of Atomic Energy are discussed in the succeeding paragraphs.

3.3 The Committee had noted that rehabilitation being a State subject, the Government of Maharashtra had taken up the rehabilitation of project affected persons as per the norms laid down in Maharashtra Rehabilitation of Project Affected Person Act, 1986. The project authorities *i.e.* the Nuclear Power Corporation of India Ltd. had agreed Maharashtra. Land acquisition proceedings had been taken up by Maharashtra Government. The acquiring of land for the proposed project could not be effected as the land acquisition was stayed by the Government of Maharashtra. Since then rehabilitation package acceptable to the project authorities, Government of Maharashtra and the project affected persons was under discussion and no agreed package plan acceptable to all the concerned parties could be worked out till the presentation of the original Report by the Committee.

3.4 The Committee had further that at the meeting held on 20 October, 1993 under the Chairmanship of Minister for Rehabilitation, Government of Maharashtra with the Project Affected Persons, a rehabilitation package was worked out and Resolution passed in the meeting. Instructions were

also issued by the Minister of Rehabilitation, Government of Maharashtra for issue of formal orders after obtaining the acceptance of the Project Affected Persons and the Project authorities for implementation of this rehabilitation package.

3.5 Subsequently, the Committee were informed by the Department of Atomic Energy in April, 1994 that the Project Affected Persons had gone back on their commitment and they had some reservations to shift to the alternate locations agreed to by them. The fishermen from Popharan living outside the 1.6 km. exclusion zone did not want their houses etc. to be included in the acquisition of the village. However, their stay in the area was considered undesirable by the project authorities from the security angle. Therefore, no final agreement had been possible between the Project Affected Persons and the Government of Maharashtra in the matter.

3.6 While pointing out that unnecessary and avoidable delay would cause further delay in implementation of the project and would add to the misery of the people, the Committee had urged upon the Government to take up the matter with the State Government on top priority basis and arrive at an agreeable package of rehabilitation acceptable to all the parties soon. They had recommended that the package should be implemented as early as possible so that the main project of the expansion of the Tarapur Atomic Power Project was not delayed which would otherwise entail time-over run and cost over run of the Project which the nation as a whole could ill-afford in the present developmental state.

3.7 In their reply dated 16 September, 1994, the Department of Atomic Energy stated that the State Government of Maharashtra had informed that the Project Affected Persons appeared to be firm on their demand for alternate land and it was difficult for the Maharashtra Government to meet their demands and the Project Affected Persons were not satisfied with the proposed alternate house sites. In the circumstances, it was difficult for the State Government to give immediate commitment in this regard. The Commissioner, Konkan division had been asked to prepare an alternate proposal considering the demands of the Project Affected Persons.

3.8 The Department of Atomic Energy who were requested to submit the progress made in this regard stated in their subsequent reply dated 8 November, 1996 that the Chief Secretary, Government of Maharashtra had been requested for his personal intervention and for an early resolution of the pending issues. In their reply dated 14 May, 1997 (Appendix-V), the Department further informed that the Cabinet

Secretariat had suggested that if there was any difficulty in implementation of the decision, a note on the subject giving reasons for non-implementation of the decision may be submitted for further consideration/direction of Cabinet Committee on Economic Affairs (CCEA). Though the TAPP-3&4 had been administratively/financially sanctioned in the year 1991, construction work could not be commenced due to financial constraints and non-allocation of funds. The Department proposed to include the status on the rehabilitation of the Project Affected Persons in a note to be brought before the CCEA seeking approval to the revised cost-estimate of the project at 1996 price level.

3.9 As the Department of Atomic Energy and Government of Maharashtra could not find a solution acceptable to all the affected parties, the Committee on Petitions (Eleventh Lok Sabha) undertook an on-the-spot study visit to Mumbai in June, 1997 to ascertain the reasons for delay in the matter. The Committee held discussions with the petitioners, the representatives of the Department of Atomic Energy, the officials of the State Government of Maharashtra, the representatives of Nuclear Power Corporation of India Ltd. and other concerned officials.

3.10 In their reply dated 17 March, 1998, the Department of Atomic Energy informed that after a series of discussions between the Department and State Government of Maharashtra, a Committee headed by the Chief Secretary of Maharashtra was constituted by a notification issued on 25 July, 1997 to finalise the issues relating to the rehabilitation of the Project Affected Persons. The matter was being constantly pursued with State Government of Maharashtra.

3.11 The Department of Atomic Energy was requested to furnish the latest position to the Committee, in their subsequent reply dated 30 September 1998 stated that the Revenue & Forest Department of State Government, of Maharashtra had informed that the Committee headed by the Chief Secretary, Government of Maharashtra had submitted its report to the State Government. However, a decision on the recommendation of the Committee was yet to be taken by the Government of Maharashtra.

3.12 As an agreeable rehabilitation package for the Project Affected Persons was not being finalised by the State Government of Maharashtra, the NPCIL Ltd. and the Department of Atomic Energy, the Committee on Petitions (Twelfth Lok Sabha) undertook another on-the-spot study visit to Mumbai in October, 1998 to gather first hand information and persuade the State Government of Maharashtra to resolve the issue of the Project Affected Persons due to construction of the Tarapur Atomic Power Project Nos. 3 & 4.

3.13 During their visit, the Committee held discussions with the officials of Nuclear Power Corporation of India Ltd., State Government of

Maharashtra and Department of Atomic Energy. The excerpts from the discussions are given in the following paragraphs.

3.14 When the Committee desired to be briefed as to what were the reasons that the Nuclear Power Corporation of India Ltd. (NPCIL) and the Department of Atomic Energy were not able to arrive at a solution to the problems of PAPs; the representatives of NPCIL stated:

“The rehabilitation package for the Project Affected Persons (PAPs) on account of Tarapur Atomic Power Project 3&4 of the Nuclear Power Corporation of India Ltd. (DAE) had to be worked out by the Government of Maharashtra in accordance with the provisions of the Maharashtra (Rehabilitation of Project Affected Persons) Act, 1986 and policy guidelines of that Government for implementation thereof. The Government of India (DAE) had from time to time requested the Government of Maharashtra to work out a resettlement/rehabilitation package for the PAPs, particularly after the June 1997 visit of the Committee on Petitions to the site of the Tarapur Atomic Power Project 3&4 and the constitution of a Committee *vide* notification dated July 25, 1997. The Department of Atomic Energy had been informed on 7.10.1998 by the Chief Secretary, Government of Maharashtra, that the Committee set up by the Government of Maharashtra for resolving the issues relating to rehabilitation/resettlement of Project Affected Persons of Tarapur Atomic Power Project 3&4 had submitted its Report. Also, this Report was in the process of being submitted to the State Cabinet.”

3.15 The Committee were informed during on-the-spot visit that the Department of Atomic Energy had furnished the following points to the Chief Secretary of the State Government of Maharashtra on the question of finalisation of rehabilitation package of the PAPs:—

- (i) For compensation for the land to be acquired for the Project, the amount determined under the Land Acquisition Act would be the basis for decision subject to any changes made by a Court of competent jurisdiction.
- (ii) The Maharashtra (Rehabilitation of Project Affected Persons) Act, 1986 provides for giving 'land for land' only in the case of irrigation projects in which zones benefited by irrigation get created. In the case of a power project, the question of giving 'land for land' does not arise.
- (iii) In respect of employment of such Project Affected Persons the Department of Atomic Energy/NPCIL would abide by the relevant provisions of the Maharashtra (Rehabilitation of Project Affected Persons) Act in respect of such Project Affected Persons who meet the prescribed eligibility criteria for various posts.

3.16 In response to a query in regard to the status of the possession of land, the representatives of NPCIL informed that except for 1.588 ha. out of 206.169 ha. the possession of land was yet to be handed over to NPCIL.

3.17 On the demand of the petitioners that the market rate prevailing on date should be paid to the land losers *in lieu* of the land acquired, the representatives stated that they would abide by the compensation awarded under the Land Acquisition Act in respect of private lands acquired for the Tarapur Atomic Power Project 3&4, subject to the orders of any court of competent jurisdiction. Further, the market value was to be determined by the Land Acquisition Officer under the provisions of the Land Acquisition Act.

3.18 After, the on-the-spot study visit, the Department of Atomic Energy stated in their reply dated 13 April, 1999 (Appendix VI) that the Department was in continuous correspondence with State Government of Maharashtra at various levels. The matter had also been discussed in a couple of meetings with the officials of the State Government of Maharashtra held on 9.12.1998 and 1.12.1999. The State Government was being prevailed upon to expedite the finalisation of the rehabilitation package.

3.19 Thereafter, the matter was continuously pursued with the Department of Atomic Energy. The Department in their reply dated 12 January, 2000 (Appendix III) stated as under:—

“A meeting was held under the Chairmanship of Principal Secretary (Rehabilitation), Government of Maharashtra on 7.5.1999. During the said meeting, it was decided that over and above the compensation determined by the State Government in accordance with the acquisition award published earlier, an *ex-gratia* amount of Rs. 2.50 lakhs per hectare is to be paid to the Project Affected Persons, irrespective of the type of land held by them. Accordingly, NPCIL is now required to provide an additional Rs. 9 crores towards the cost of acquisition of land. This proposal was placed in the NPCIL Board meeting held on 27.12.1999. The Board has approved the proposal in principle. The matter is being processed suitably.”

3.20 In their subsequent reply dated 24.2.2000, (Appendix VII) the Department of Atomic Energy submitted that the issue relating to rehabilitation of PAPs was discussed in a meeting convened by the Hon'ble Chief Minister of Maharashtra on 14.2.2000. Accordingly, Additional Secretary, Department of Atomic Energy had addressed a letter to the Chief Secretary, Government of Maharashtra on 14.2.2000 urging them to finalise the rehabilitation package for TAPP 3&4 at the earliest. In their letter, the Department of Atomic Energy had pointed out as under:—

“The land was given only in the case of first stage acquisition for Tarapur way back in the year 1962—64 and only 246 *khatedars* were granted land. In the second stage of acquisition which was completed

in 1982-83, only compensation was given to the affected families and not land. After the norms laid down in the Maharashtra Rehabilitation of PAPs Act, 1986 came into force, the "land for land" policy has been accepted only in the case of irrigation projects where there is a benefit zone available. In no case has any State Government accepted the concept of granting agricultural land as a form of compensation in relation to NPCIL/DAE projects.

The Tarapur land acquisition proposal has been pending from 1990-91 onwards and though Awards had been declared in respect of approximately 202 hectares, the project authorities have been granted possession of only 1.58 hectares. The tremendous delay has resulted in a very substantial escalation of the project cost which now almost touching Rs. 9000 crores from the original base cost of Rs. 2427.51 crores. Since expenditure by way of procurement of materials and other activities has already commenced and as of now the NPCIL has spent over Rs. 1300 crores on this project, it is of utmost necessity that the final rehabilitation package is determined once for all. Further delays would only result in increased escalations which ultimately get reflected in higher unit energy costs the load of which has to be borne by way of increased tariff by the consumers."

Observations/Recommendations

3.21 The Committee regret to note that the rehabilitation package for the Project Affected Persons due to construction of the Tarapur Atomic Power Project 3 & 4 has not been finalised so far. This is despite the fact that the Committee constituted in July, 1997 by the Government of Maharashtra under the Chairmanship of the Chief Secretary to the State Government to resolve the issues relating to rehabilitation/resettlement of the Project Affected Persons had submitted its recommendations as far back as in 1998.

3.22 One of the main demands of the Project Affected Persons is regarding allotment of alternate land. In this regard the Department of Atomic Energy have informed that after the norms laid down in the Maharashtra Rehabilitation of Project Affected Persons Act, 1986 came into force, the "land for land" policy has been accepted only in the case of irrigation projects where there is a benefit zone available. While, the Committee agree that there might have been some difficulties in arriving at a rehabilitation package for the Project Affected Persons due to their demands for alternate lands and for payment of compensation at prevailing market rate of land acquired for the project, the Committee would strongly urge that the matter should be resolved by the Nuclear Power Corporation of India Ltd. and the State Government of Maharashtra in consultation with the Department of Atomic Energy without any further loss of time, particularly when the NPCIL has already agreed in principle to provide an additional Rs. 9 Crore towards the acquisition of land.

3.23 In their earlier Report presented to Lok Sabha on 3 May, 1994, the Committee had emphasised that the main project of the expansion of the Tarapur Atomic Power Project should not be delayed as it would entail time over-run and cost over-run of the project which the nation as a whole could ill-afford in the present developmental stage. They are concerned to observe that the work of the Tarapur Atomic Power Project No. 3 & 4 has been inordinately delayed for want of a final decision on the rehabilitation package for the Project Affected Persons. Not only that, it is intriguing to note that the project authorities have been granted possession of only 1.58 hectares though awards have been declared in respect of approx. 202 hectares of land. This tremendous delay is already stated to have resulted in a very substantial escalation of the project cost which is now almost touching Rs. 9000 crores compared to the original base cost of Rs. 2427.51 crores.

3.24 The Committee express their displeasure over the fact that no final decision on the rehabilitation package for the Project Affected Persons has so far been taken even after six years of presentation of their earlier Report on the subject. The Committee, therefore, reiterate that the matter should be taken up by the Government with the State Government of Maharashtra with all the seriousness it deserves with a view to achieve an early resolution of the issues relating to rehabilitation of Project Affected Persons. They also recommend that concerted efforts should be made for expeditious completion of the expansion project.

NEW DELHI;
28 July, 2000

6 *Sravana*, 1922 (*Saka*)

BASUDEB ACHARIA,
Chairman,
Committee on Petitions.

APPENDIX I
(See Para 1.1 of the Report)

LOK SABHA
PETITION NO. 2

(Presented to Lok Sabha on 23.12.1999)

To
Lok Sabha,
New Delhi.

The humble petition of Shri Surendra Prasad Roy, Shri Prasanta Kumar Mishra and others, residents of Dhenkanal (Orissa).

SHEWETH

We, the undersigned petitioners are the daily commuters of Talcher-Puri passenger trains availing the facility at Shyamacharanpur Passenger Halt (P.H.) in Dhenkanal district headquarters town.

The aforesaid P.H. is situated at the outskirts of Dhenkanal town, in close proximity to Dhenkanal college having a strength of about five thousand students and staff who often use this P.H. for their shuttle journey to the college.

Further, the location of the said P.H. has facilitated the movement of pilgrims and travellers to the religious tourist spots of Joranda (Mahimagadi) and Kapilas as well as to Nandankanan, the world famous zoological park at Baranga making it a crowded one. It is an easily accessible point for embarking and disembarking the trains which fact has attracted the senior citizens as well as children to board the trains from this P.H.

But, due to lack of a suitably raised platform at this P.H., commuters face enormous trouble while entraining and detraining with stray incidents of injuries.

We, therefore, submit this petition before you and request you to urge upon the railway authorities through you to provide a proper platform with proper lighting and drinking water facilities for the convenience of the passengers.

And your petitioners as in duty bound shall ever pray.

Name of Petitioner	Address	Signature or thumb impression
Shri Surendra Prasad Roy	Anandanagar, P.O./Distt. Dhenkanal Orissa Pin.—759001.	-sd-
Shri Prasanta Kumar Mishra Social Activist	Kathagada P.O./Distt. Dhenkanal Orissa Pin.—759001.	-sd-

Countersigned by Shri K. P. Singh Deo, M.P.

APPENDIX II

(Vide Para 2.1 of the Report)

Representation dated 30.12.1998 received in Twelfth Lok Sabha from
Shri S.K. Sharma, President and Shri Intiaz Ahmed, General Secretary—
All India Employees Association

To

The Hon'ble Speaker,
Lok Sabha,
Parliament House,
New Delhi.

Hon'ble Speaker Sir,

We, the employees of MMTC Ltd. (Mica Division) would like to draw your kind attention towards the following facts and points and seek your kind intervention for redressal of our grievances because of anomalies created by MMTC in our service conditions with regard to pay scale and other benefits. Our grievances stems from the facts stated hereinafter:—

01. That Mica Trading Corporation of India Ltd. a Govt. of India Undertaking, under the Ministry of Commerce, was incorporated on 18.06.73 as a 100% wholly owned subsidiary of MMTC Ltd. MITCO was declared as a sick unit by BIFR but finally MITCO has been amalgamated with MMTC and the merger stands effective from 01.04.94.
02. Consequent upon merger with MMTC the legal status of MITCO henceforth ceased as per companies act, 1956 and after amalgamation with MMTC, MITCO is working as a Divn. of MMTC, like other divisions of MMTC. Since erstwhile MITCO was a wholly owned subsidiary of MMTC, the service conditions, pay scale and other benefits of officers & staff were at par with MMTC. In terms of above, officers and staff of erstwhile MITCO were enjoying pay scale of MMTC till 31.12.91 and 31.10.92 respectively. Since then, the employees of Mica Divn. are stagnating.
03. Revised pay scale for officers are due from 01.01.92, for staff 1.11.92 and for workers from 1988.
04. Another revision of pay scale is due from 01.01.97 and 01.11.97 in respect of officers and staff.
05. According to BIFR also, all the employees of MITCO shall become the employees of MMTC on merger/amalgamation without

interrupting their service in any manner and the terms and conditions of the service applicable to such employees on the effective date of merger will not in any way be less favourable to them than that applicable to them immediately before the effective date of merger.

06. DPE, Ministry of Industry, governing authority for pay scale revisions for Public Sector Undertakings, in its circular dated 19.07.95 stated in para 13 that for sick PSUs registered with BIFR, pay revision and grant of benefit will be allowed, if it is decided to revive the Unit. The revival package should include enhanced liabilities on this account. It is submitted that this is a mandatory order of DPE and has to be followed by all PSUs.
07. We are to draw your kind attention to the fact that the revival package did not include the enhanced liability and Management has suppressed the decision and directive of DPE. Such act of Management tantamounts to suppression of material facts and for this the employees of Mica Divn. should not be penalised, for which they are not at fault. This should also not affect the right of the employees of Mica Division to get the revised pay scale.
08. It is also stated in the merger scheme of BIFR that MMTC is to meet all contingent or other liabilities not disclosed at the time of sanction of the scheme. So, anything not disclosed becomes the liability of MMTC.
09. Other Govt. Undertakings who had been referred to BIFR and revived by BIFR, got their pay scale and other benefits immediately after revival as per guidelines of DPE. This may kindly be kept in mind.
10. MMTC is the only Govt. of India Undertaking trying to defy and violate directives of Govt. of India and trying to deny natural justice to the employees of Mica Division.
11. It is clear that the motive of MMTC in non-compliance of orders and directive of Govt. of India, setting aside all known standard of norms, amounts to exploitation of the employees.
12. MMTC has declared Bonus to the eligible employees of MMTC @ 20% and for the employees who were originally employees of Mica Divn. @ 8.33%. It is an arbitrary and discriminatory act of MMTC in declaring a lower rate of Bonus to the employees of Mica Divn. and a higher rate of Bonus to the employees of other divisions, though all the divisions are of one and same company.
13. In the year 1996-97 and 1997-98 Productivity Linked Reward was paid to the employees of MMTC except to the employees of Mica Divn. whereas in the Board of Directors' Report 1996-97, it was stated that Mica Division has earned profit, they were still denied

Productivity Linked Reward. We would like to point out here that though many of the divisions in MMTC have suffered huge losses, they have been paid Productivity Linked Reward. This shows that MMTC has dual standards and is guilty of discrimination and has two different sets of rule in one and the same company and is victimising only the employees of their own Mica Division.

14. A Group of Ministers took the decision of the merger of MITCO with MMTC and presumably on the recommendation of MMTC, they proposed that employees of MITCO will not get MMTC's pay scale. However, BIFR did not agree to the said proposal and ordered that the existing terms and conditions of the service applicable to the employees of MITCO on the effective date of merger will not in any way be less favourable to them than those applicable immediately before the appointed date. It is submitted that MMTC and the erstwhile MITCO Management had mislead the Group of Ministers by giving them to understand that the pay scales of employees of Mica Divn. were not at par with MMTC pay scales. But, in reality, the pay scale of officers and staff of Mica Divn. was at par with MMTC, for which there is documentary proof. It is submitted that only the workers had a different pay scale which was not at par with MMTC. If in reality our presumption of misleading Group of Ministers turn out to be true then the matter should be probed.
15. Another important point is that on the date when revision of pay scale became due on 01.01.92 and 01.11.92, erstwhile MITCO's status was not that of a sick company and till that time it was not referred to BIFR either.
16. It may be mentioned here that in the amalgamation scheme of BIFR, they ordered that all lawful contracts, deeds, bonds, agreements which MITCO as a transferor company was enjoying became enforceable on transferee company *i.e.* MMTC. In terms of contract between MITCO Management and employees, the revision was effective till 31.12.91, 31.10.92 and 1988 in respect of officers, staff and workers and next pay revision was due from 01.01.92, 01.11.92 and 1988. As per directive of BIFR they should honour the agreement which MITCO had with its employees. In terms of BIFR order, MMTC has failed, neglected and arbitrarily equivocated and withheld implementing these contracts, de-barring the employees of MITCO to enjoy the benefits of revised scale.
17. We have felt that MMTC, in the guise of BIFR is wrongfully and maliciously equivocating and distorting BIFR's decision with intent to prevaricate setting aside all natural justice unethically to discriminate and victimise the employees of Mica Divn.

18. Keeping in view of the present economic situation, stiff price hike, it is next to impossible for the employees of Mica Divn. to make both ends meet and survive on such a measely sum attributed to as salary. It is submitted that the Govt. of India, taking into account the affects of inflation and cost index ratio, has taken steps by way of recommending 5th Pay Commission and other pay hikes for the service people to combat the present situation.
19. It would not be redundant to mention that MMTC could afford to make bad investments in many of their ventures, including joint ventures, but to pay the legal and legitimate dues to the employees of Mica Divn. becomes a pain to them.
20. It is evident from these facts that MMTC is inconsiderate and unjustified in its attitude towards its Mica Div. employees, which is illegal, arbitrary and unconstitutional.
21. We have placed following demands before MMTC Management for early settlement:—
 01. Implementation of revised pay scales and other benefits w.e.f. 1.1.92, 1.11.92 for officers and staff and for workers from 1988 and arrears thereof.
 02. Payment of Bonus @ 20% for the year 1996-97.
 03. Payment of PLR for the year 1996-97 and 1997-98.
 04. Interim Relief w.e.f. 1.11.97.
 05. Implementation of all rules and regulations at par with MMTC.
22. Hence, we request your kindself to do justice to us, understanding our plight and preventing MMTC from taking the stepmotherly attitude it has adopted towards the employees of Mica Division.

We earnestly request you to intervene into this so that justice is done to us in accordance with the provisions as laid down in the Constitution.

With regards,

Correspondence Address:

M M T C Limited,
Mica Division,
12-B, Russel Street,
Calcutta-700 071

Yours faithfully,

Sd/-

1. (S.K. Sharma)
President

Sd/-

2. (Imtiaz Ahmad)
All India General Secretary
Employees Association.

APPENDIX III

(Vide para 2.14 of the Report)

Representation dated 17 December, 1999 received in Thirteenth Lok Sabha from Shri S.K. Sharma, President (MMTCEU) and Shri Kailash Prasad, President (MMTWU)

To

Lok Sabha

The humble petition of the Mica Trading Corporation of India Ltd. (MITCO), a wholly owned subsidiary of the MMTC Ltd.,
SHEWETH

The MMTC Ltd. was referred in the year 1993 to the BIFR and in its order dated 8.4.1996, the BIFR recommended for the merger of MMTC Ltd. with MITCO Ltd. The BIFR also recommended that all the employees of MITCO will be the employees of MMTC from the effective date of merger and their terms and conditions of service will not be less favourable to them at the effective date of merger. In its letters dated 9th Sept, 1974 and 7th Aug. 1984 MMTC confirmed that pay scales of staff of MMTC and MITCO Ltd. will be identical, MITCO become the Mica Division of MMTC Ltd. w.c.f. 8.4.96.

But the MMTC Ltd., is refusing to extend the pay scales and other service conditions available to the employees of Mica Division and accordingly your petitioners pray that your goodself kindly intervene and instruct the Management of MMTC Ltd. to honour its pledge in the interest of the justice and protecting the rights of the effected employees and workers of the Mica Division of the MMTC Ltd.

Name of Petitioner	Address	Signature
1. S.K. Sharma	MMTCEU	S.K. Sharma
2. Kailash Prasad		K Prasad
3. Kailash Choudhary	MMTCWU Counter signature of M.P.	कैलाश चौधरी

To

The Hon'ble Chairman,
Petition Committee,
Lok Sabha,
New Delhi.

SUBJECT: *Discrimination in wage and service condition in MMTC Ltd. under the Ministry of Commerce, Govt. of India.*

Respected Sir,

Mica Trading Corporation of India Ltd. (MITCO), a wholly owned subsidiary of MMTC Ltd. was referred to BIFR in the year 1993 and in terms of BIFR's order dated 8.4.96 MITCO was merged with MMTC Ltd. w.e.f. 01.04.94, one of the terms of the merger was:—

Quote: All the employees of MITCO will be the employees of MMTC from the effective date of merger and their terms and conditions of service will not be less favourable to them at the effective date of merger Unquote.

MMTC's letter dated 9th Sept. '74 and 7th Aug., 1984 (Copy enclosed) confirmed that pay scales of staff of MMTC and MITCO will be identical. Consequent upon merger, erstwhile MITCO as become the Mica Division of MMTC Ltd. as is confirmed by BIFR's order dated 8.4.96.

Now after merger, employees of Mica Division (erstwhile MITCO) are legally and morally entitled to the wages, financial benefits and other service conditions at par with the employees of the MMTC Ltd.

But the company *i.e.* MMTC Ltd. is refusing to extend the pay scales and other service conditions available to the employees of Mica Division for instance:—

1A. Pay scales have not been revised since 1992 though WAGE REVISION of MMTC's employees including Officers have been revised from 1992.

1B. Pay Scales of workers have not been revised since 1988.

Whereas Pay revision order for the officers has already been issued effective from 1.1.97. Pay revision of the staff category in MMTC Ltd. is expected very soon.

2. In terms of Bipartite agreement staff members of MMTC are not transferable from their present place of posting. But employees of the Mica Division including the unskilled workers (at a basic pay of Rs. 300 per month) have been indiscriminately transferred to far away places from their place of posting.

It is specially mentioned that all the office bearers of the Trade Union of the staff and also workers have been transferred with a view to destroy Trade Union activities in Mica Division.

3. Employees of the MMTC are getting productivity linked incentive every year to the tune of Rs. 5000/- per head (minimum). In the Current year MMTC vide its order dated MMTC/CO/15/18/29 Dated 25.8.99 declared PLI@Rs. 5040/- to all the employees. But the financial benefit has not been extended to the employees of the Mica Division, as can be seen from the above office order.

The medical Scheme for the employees of the MMTC, is yet to be extended to the employees of the Mica Division. Benefits like ALTC, Welfare advances and welfare grant have not been extended to the work force of the mica division.

In brief, employees of the Mica Division are being grossly discriminated in the matter of wages and service conditions by the management of MMTC. The Management is also pursuing vindictive transfer policy to force the employees to opt for voluntary retirement so that the strength of workforce is reduced, it may be mentioned that the strength of the employees is reduced from 1400 to about 400 as a result of large scale force voluntary retirement.

More so, MMTC Management is not so sincere to develop and improve the commercial health of its Mica Division, to generate more business and earn profit. It may be mentioned that viable project like Mineral water plant is gathering dust at the table of the Management.

Respected Sir, in short the Management of MMTC Ltd. on the one hand is neglecting commercial prospects of Mica Division to earn profit for MMTC, and on the other hand pursuing a discriminatory and vindictive labour policy towards the employees of the Mica Division as mentioned aforesaid.

In the circumstances we the helpless employees of the MMTC Ltd. (Mica Division) appeal to your goodself to kindly order the MMTC Ltd. for the followings:—

1. Extend pay scales and other financial benefits at par with other division of the MMTC Ltd. to Mica Division Employees.
2. Effect no transfer policy like MMTC, staff for the employees of the Mica Division.
3. Bring back all the workers and other employees who were unjustifiably and vindictively transferred.
4. Retransfer all trade union officials to their original place of posting in the interest of the trade union democracy.

5. Negotiate with the representatives of the officers association, employees union and workers union of the Mica Division in the presence of the leadership of the both the officers and staff federation of MMTC Ltd. on the grievances of the employees.
6. Take active steps to develop business of Mica Division and execute viable project for making the division a profit earning division.

We shall be eagerly looking forward to your earliest favourable decision and consequent order to the Management of MMTC in the interest of the justice and protecting the rights of the effected employees and workers of the Mica Division of the MMTC Ltd. (A Govt. of India Undertaking under the Ministry of Commerce.)

With profound regards,

Yours Sincerely

Sl. No.	Name	Emp.No.	Designation	Signature
01.	S.K. SHARMA	President, MMTCEU.	C/o MMTC Ltd.	
	8 India Exchange Place Calcutta-700 001 (NIC, Building, 4th Floor)			
02.	Kailash Prasad—803043—S.W.G.I.	President MMTC Workers Union	MMTC Ltd. Abhraknagar, Jhumritalaiya, Distt. Hazaribagh, Bihar.	
03.	Kailash Choudhary—803038 S.W.G.I.	Secretary MMTC Workers Union	MMTC Ltd. Abhraknagar, Jhumritalaiya, Distt. Hazaribagh, Bihar.	

APPENDIX IV
(vide para 2.37 of the Report)

ALLOWANCES REVISED AFTER MERGER WITH MMTC

Head	Existing	Revised	Date of revision	Block Year
ALTC				
Officers	Rs. 600	Rs. 1150	October, 1999	1997-98
Staff	Rs. 450	Rs. 800	October, 1999	1997-98
Workers	Rs. 100	Rs. 200	October, 1999	7/98-6/2000

Conveyance Allowance

Officers owning fourwheelers		Rs. 750/800	Rs. 900/1000	October, 1998
Officers owning two-wheelers		Rs. 275	Rs. 350	October, 1998
Officers using any other mode of conveyance		Rs. 115	Rs. 175	October, 1998
Staff owning two-wheelers		Rs. 255	Rs. 325	October, 1998
Staff using any other mode of conveyance		Rs. 110	Rs. 165	October, 1998
Workers		Rs. 30	Rs. 50	October, 1998

Medical Allowance

Medical Allowances for workers based at places other than Giridih revised from Rs. 20/- to Rs. 50/- per month in the year, 1998.

Night Shift Allowance

Night Shift Allowance for workers based at Abhraknagar increased from Rs. 3/- to Rs. 10/- per night in 1998.

APPENDIX V
(vide para 3.8 of the Report)

Copy of U.O. Note No. 11/1 (13)/84-PSU-I/Vol.IV/663 dated 14 May, 1997 from the Department of Atomic Energy to Lok Sabha Secretariat

SUBJECT : *Petition regarding rehabilitation of persons affected due to construction of Tarapur Atomic Power Project No. 3 & 4.*

Lok Sabha Secretariat (Committee Branch-I) may please refer to the correspondence resting with their U.O. Note No. 51/CI/25/92 dated 17.2.1997 on the above subject. As indicated in this Department's earlier communications, the matter has already been taken up with the Govt. of Maharashtra, at Chief Secretary level. A letter from Secretary, DAE to Chief Secretary, Govt. of Maharashtra was issued on 20.3.97. This Department is awaiting a response from them.

In the meantime, Cabinet Secretariat has suggested that if there is any difficulty in implementation of the decision a note on the subject giving reasons for non-implementation of the decision may be submitted for further consideration/direction of CCEA.

Though the TAPP-3&4 had been administratively/financially sanctioned in the year 1991, construction work on the project could not be commenced due to financial constraints and non-allocation of funds. Further, due to increase in the cost of the project, this Department is in the process of finalising a proposal to be brought before the CCEA seeking approval to the revised cost-estimate of the Project at 1996 price level and also seeking orders on allocation of requisite funds. It is proposed to include present status on rehabilitation of the Project Affected Persons in the above note.

Sd/-
(P. Venugopalan)
Deputy Secretary to the Govt.
of India

APPENDIX VI
(vide para 3.18 of the Report)

Copy of O.M. No. 11/1 (13)/89-PSU-I/Vol. V/359 dated 13 April, 1999
from the Department of Atomic Energy to Lok Sabha Secretariat

OFFICE MEMORANDUM

SUBJECT : *Rehabilitation of Persons Affected due to construction of Tarapur Atomic Power Project—3 & 4.*

The undersigned is directed to refer to Lok Sabha Secretariat O.M. No. 53/CI/25/92 dt/30.3.99 on the above subject and to state that this Department is in continuous correspondence with the Govt. of Maharashtra at various levels. The matter has also been discussed in a couple of meetings with the officials of Maharashtra Government, held on 9.12.98 and 1.2.99.

However, the rehabilitation package is yet to be finalised. The Government of Maharashtra is being prevailed upon to expedite the same.

Sd/-

(K. Raveendran)
Under Secretary to the Govt. of
India

APPENDIX VII
(vide para 3.19 of the Report)

Copy of O.M. No. 11/1(13)/89-PSU/33 dated 12 January, 2000 from the
Department of Atomic Energy to Lok Sabha Secretariat

OFFICE MEMORANDUM

SUBJECT : *Implementation of the recommendations of the Committee on
Petition made in their Twelfth Report (Tenth Lok Sabha) on
Petition No. 25 regarding rehabilitation of persons affected due
to construction of Tarapur Atomic Power Project No. 3 & 4.*

The undersigned is directed to refer to Lok Sabha Secretariat O.M. No. 53/CI/25/92 dated 9.12.99 on the above subject and to state as under:—

2. A meeting was held under the Chairmanship of Principal Secretary (Rehabilitation), Government of Maharashtra on 7.5.1999. During the said meeting, it was decided that over and above the compensation determined by the State Government in accordance with the acquisition awards published earlier, an ex-gratia amount of Rs. 2.50 lakhs per hectare is to be paid to the project affected persons, irrespective of the type of land held by them. Accordingly, NPCIL is now required to provide an additional Rs. 9 crores towards the cost of acquisition of land. This proposal was placed in the NPCIL Board meeting held on 27.12.1999. The Board has approved the proposal in principle. The matter is being processed suitably. Further progress in the matter will be intimated to L.S. Secretariat in due course.

Sd/-
(K. Raveendran)
Officer on Special Duty (P)

APPENDIX VIII
(vide para 3.20 of the Report)

Copy of O.M. No. 11/1 (13)/89-Power/Vol. VI/166 dated 24 February, 2000 from the Department of Atomic Energy to Lok Sabha Secretariat

OFFICE MEMORANDUM

SUBJECT : *Implementation of the recommendations of the Committee on Petitions made in their Twelfth Report (Tenth Lok Sabha) on Petition No. 25 regarding rehabilitation of persons affected due to construction of Tarapur Atomic Power Project.*

The undersigned is directed to refer to Lok Sabha Secretariat O.M. No.U.O. No. 53/CI/25/92 dated 31.1.2000 on the above subject and to state that the issue relating to rehabilitation of PAPs was since discussed in a meeting convened by the Hon'ble Chief Minister of Maharashtra along with Shri Ram Naik, Hon'ble Minister of Petroleum and Natural Gas, Government of India on 14.2.2000. Accordingly, Additional Secretary, Department of Atomic Energy has also written a letter to Chief Secretary, Government of Maharashtra vide D.O. letter of even number dated 14.2.2000 urging therewith to finalise the rehabilitation package for TAPP 3&4 at the earliest (Annexure)

Sd/-

(P. D. Siwal)
Deputy Secretary to the Govt.
of India

Annexure to Appendix VIII

Copy of D.O. No. 11/1(13)/89-Power/Vol. VII dated 14 February, 2000 from the Additional Secretary, Department of Atomic Energy to the Chief Secretary, Government of Maharashtra

SUBJECT : *Rehabilitation package for Tarapur Atomic Power Project 3 & 4 (TAPP 3 & 4).*

Dear Shri Bongirwas,

Kindly recall the discussions in the meeting held on 14th February, 2000 alongwith the Chief Minister of Maharashtra and Shri Ram Naik, Minister of Petroleum and Natural Gas, Government of India.

The demand was raised in the meeting that the Government of Maharashtra should consider giving alternative land to the Project Affected Persons (PAPs) as was done in the case of TAPS 1 & 2. Our records as well as the documents relating to the meeting of the Petition Committee held in April, 1994 indicate that land was given only in the case of first stage acquisition for Tarapur way back in the year 1962-64. I had mentioned in the meeting that only 246 khatodars were granted land. In the second stage acquisition which was completed in 1982-83, only compensation was given to the affected families and not land. It is also pertinent to note that after the norms laid down in the Maharashtra Rehabilitation of PAPs Act, 1986 came into force, the land for land policy has been accepted only in the case of irrigation projects where there is a benefited zone available. In no case has any State Government accepted the concept of granting agricultural land as a form of compensation in relation to NPCIL/DAE projects.

It is, however, left to the State Government to decide on the rehabilitation package and I would like to reiterate that we will accept the rehabilitation package as determined by the State Government. This has been mentioned in the past correspondence as well. "The Tarapur land acquisition proposal has been pending from 1990-91 onwards and though Awards had been declared in respect of approximately 202 hectares, the project authorities have been granted possession of only 1.58 hectares. The tremendous delay has resulted in a very substantial escalation of the project cost which is now almost touching 9000 crores from the original base cost of Rs. 2427.51 crores. Since expenditure by way of procurement of materials and other activities has already commenced and as of now the NPCIL has spent over Rs. 1300 crores on this project, it is of utmost

necessity that the final rehabilitation package is determined once for all pending this, I would urge that at least in respect of those awards which were declared in respect of cases where the urgency clause was applied, the lands thereof be immediately transferred to the NPCIL, so that progress in the work can be carried on without any disturbance. You will appreciate that further delays would only result in increased escalations which ultimately get reflected in higher unit energy costs, the load of which has to be borne by way of increased tariff by the consumers.”

I will be too glad to be of any assistance that is required by the State Government to arrive at an effective solution to this long outstanding problem.

With regards.

Yours sincerely,

Sd./-

(R.M. Premkumar)