

[Shri Abdul Rashid Kabuli]

be developed into an International Airport. Its geographical proximity is such that it can easily be connected with Tashkent, Kabul, Islamabad, Bahrain, Doha, Baghdad, Jeddah, etc. and also with some important European cities. This shall give a boost to the tourist trade in Jammu & Kashmir. The people who have little time at their disposal and are rich enough shall make use of the International flights. This shall open new vistas for promoting trade and commerce in the Northern States. This will also give further support to the growth of our national wealth. Kashmiri handicrafts have tremendous potential in trade in foreign markets. The Srinagar airport being promoted as an International Airport can result in tourist boom and subsequently in export of fruits, handicrafts and carpets, which in turn shall give the country rich dividends in foreign exchange.

The Government of India should apply its mind to this long standing and worth considering plea of the Jammu & Kashmir State. The demand can easily be met by accommodating the project in the Seventh Five Year Plan.

13.34 hrs.

STATUTORY RESOLUTION RE :
DISAPPROVAL OF TEA COMPANIES
(ACQUISITION AND TRANSFER OF SICK TEA UNITS)
ORDINANCE
AND
TEA COMPANIES (ACQUISITION
AND TRANSFER OF SICK TEA
UNITS) BILL—Contd.

[English]

MR. DEPUTY SPEAKER : We will now take up Item Nos. 8 and 9 together, that is the Statutory Resolution moved by Shri Abdul Rashid Kabuli and the Tea Companies (Acquisition and Transfer of Sick Tea Units) Bill. Prof. Kurien was on his legs. He can continue.

PROF. P. J. KURIEN (Idukki) : Yesterday, I was speaking about the tea estates. These tea estates are owned mostly by the monopolists. The lands were given by the Government free of cost many years ago, and the investment is mostly public money from the banks and other financial institutions and the labour required is also obtained very cheaply and even now they are getting it. Therefore, the entire aspect should be looked into by the Government. It is not only that the sick estates should be taken over. Of course, the sick estates should be taken over but all the other estates should be also taken over. There is a tendency among the monopolists and large estate owners to make the estate sick so that ultimately the Government will take over these estates by giving them compensation. Again most of the tea gardens are very old. That is why, the productivity is not that much as is expected. New tea plants have to be planted. But there is no effort from the side of the estate owners to plant new tea plants. The Tea Board has certain programme for renovation of tea gardens. Even though the Tea Board has allotted a certain amount for renovation and rejuvenation of tea gardens in the Sixth Plan, only 40 per cent of the target has been achieved by the end of the Plan. In the case of rest 60 per cent either the money has not been spent or even if the money has been spent, the renovation has not taken place. This is very important. I hope the Minister will take note of it. This means that the industry is not at all interested in renovating and rejuvenating the tea gardens. They want to get away with whatever profit they are getting and leave the industry as it is and finally make it sick so that the Government will take it over by giving them compensation. Again there is an effort on the part of the industry to fragment the tea gardens. That will ultimately reduce productivity and will not be in the best interest of the industry and the country as a whole.

The condition of the labour is deplorable. They get very cheap labour. In the early days of tea plantations the fore-fathers of the present labour were treated as slaves. Now their children and grand children are employed in tea gardens. What is their condition? In my constituency there are a number of tea gardens. I have visited the residential place of the labour and seen their

living conditions. They do not have even the minimum facilities that are required by a human being. They do not have proper drainage in their houses, in many houses there is no electricity, no hospital facilities and no schooling facilities for their children. Therefore, I would request the Minister to have a fresh look into the conditions of the plantation labour especially the labour employed in tea gardens. If necessary, he should bring forward a new legislation in order to improve the conditions of labour there. Mostly the estate owners do not implement labour laws especially the Plantation Labour Act. And to the authorities they give the impression that they are implementing them, but there is no proper mechanism to see whether these labour laws are being implemented or not. I would request the Minister to either send his officials or officials from the Labour Ministry to the residential places of the labour and verify whether tea gardens and estate owners are implementing even the present laws which are not adequate to safeguard their interest.

You are aware that last year and the year before last they have made a lot of profit because the prices of tea have gone up. But a part of the profit must go to the labour also. What is the mechanism? You will say that there is bonus. When these tea gardens and estates were running in losses, they were getting only the minimum bonus. But when they are making huge profits, they can get only 20 per cent bonus. I suggest that something should be done so that when there is huge profit; part of that profit should be given to the labourers also. But our bonus ceiling does not permit that. Government should have a fresh look into that because these high profits are generated by the hard work of the labourers and by public finances. The input given by the management, I am sure, is much less as compared to the input given by the labourers and public financial institutions.

The Tea Board, in their Budget, have allotted money for extension of tea gardens to new areas but the achievement is very unsatisfactory. I find that only less than 40 per cent achievement is there in cultivating new areas. There are a lot of cultivable pockets of land which cannot be used for any other purpose. For your special noting I am saying that when I visited the Idukki district of Kerala after my election, I got a

number of representations from the people that those areas could be used for tea cultivation. Tea Board has visited some areas, they have identified the areas where tea cultivation is possible and which cannot be used for any other purpose and which are not being used for any other purpose because other cultivations are not profitable. But I find that even though they have identified some areas, they are not giving any assistance for the new cultivation to the new people. I charge that the Tea Board is helping only the large tea estates. They do not give any assistance to the small farmers. They do not encourage small farmers to come in the field at all. I read an article in the Business Standard dated 28th February 1985 which is very interesting. I quote :

“There is no dearth of fiscal assistance extended to the tea industry via the Tea Board. But its development does not reflect this aid in any way. Investigations reveal that not only are there vast gaps between the sanctioning of loans and their actual disbursement but even those which have been received or used for purposes other than development. In fact, the functioning of the Tea Board has tempted the author to conclude that it is of the large companies, by the large companies and for the large companies.”

Here, the author says that the Tea Board is of the large companies, for the large companies and by the large companies. Again he says :

“There is a large gap between investment and the achievement of the target.”

That means, a good portion of the money is going this way or that way, or going to the pockets of the middlemen. I would request the Hon. Minister to have a thorough enquiry made as to how much money which has actually been sanctioned by the Tea Board, has reached the destinations and what portion of that money has actually been used for the purpose it was meant for. In those cases where you find that the money sanctioned has not been used for the purpose meant for, I say that stringent action should be taken and such companies should be debarred from being sanctioned further loans.

[Prof. P. J. Kurien]

Again I would like to say that it is not necessary that only large companies can grow tea. Tea can be grown by small holders also. There are a large number of farmers holding one hectare, two hectares, three hectares but less than five hectares of land in Idukki district of Kerala. They have come forward offering that they are prepared to have tea plantations, but no assistance is given to them. Tea Board should visit those areas. I can give them a number of representations from the people of those areas. They should identify these areas and give assistance to these small farmers who are prepared to have tea plantations. There no labour is required because in one or two hectares only the person, his family and children will work together. They will pluck leaves and see that the leaves are given to the factory, which can be set up either by the Tea Board or under the supervision of the Tea Board by some private agencies. Therefore, this new aspect of encouraging small holdings in the tea industry should be examined by the tea board.

I am told that the Government is planning to shift the tea auctioning centre from Cochin. I would request that the Centre should not be shifted from Cochin because it will adversely affect the economy of the State and will render hundred of workers in Cochin Port unemployed. Therefore, this thing should also be looked into.

I welcome the export policy on tea announced by the Hon. Minister but I would request him to ensure that sufficient quantity of tea is available in the domestic market at a reasonable price especially to those consumers who cannot afford coffee. It is the poorer sections of the people who mostly consume tea because coffee is costly. I agree that the best quality tea should be exported. I have no objection, but tea should be made available to the common man at a reasonable price.

I hope the Minister will take note of all these suggestions and give a reply on the points raised by me.

SHRI NARAYAN CHOUBEY (Midnapore) : I support this Bill because what the Hon. Minister has stated is very correct. After the take-over of these four tea gardens,

an all round improvement has taken place. There has been an improvement in production, there has been an improvement in earnings and there has been an improvement in labour relations. Therefore, I would request the Hon. Minister to think why he stops only by nationalising the four tea gardens? Why not the entire tea industry should be nationalised so that an all round improvement takes place on the tea front?

I am also glad that our Minister, who is regarded as very honest person in the Cabinet and that he is a very able man, has stated that the Government will not allow the labour to be squeezed or looted. I thank him for this, but let it not turn into the proverb :

VACHANE KIM DARIDRATA

Let it be proved by action. If the intentions are good enough it can be done on the tea front. Tea is essentially produced in the backward hilly areas. Most of the people who are engaged in its production are either Scheduled Caste or Scheduled Tribes people. Our Hon. Minister is a learned man. He must have gone through the famous book 'Two leaves and a Bud' and he knows the conditions of the tea workers which prevailed during the British days. Of course, I do agree that the condition of the tea workers has improved to a great extent after Independence. Many rules have been changed. But even after Independence the rule of Hatta Bahar existed in different areas of West Bangal and Assam. Under this rule if a Member of the family did anything wrong or earned the displeasure of the owner of the tea estate the whole family had to leave the area. That condition is now no more. Conditions have definitely improved now many more improvements are required to be effected. So, the tea industry can be improved and should be improved.

In 1950, the tea industry accounted for 18 per cent of employment in India. It accounted for 14 per cent of export earning, it accounted for 1.6 per cent of rural GNP. But the average growth of tea is falling. The annual average growth from 1900-49 which was 3.96 per cent in production, has come down to 3.37 per cent. Fifty years back the export growth which was 2.72 per cent has

come down in 1950-79 to 0.39 per cent. It is a very serious matter. Only one thing has improved. The home market was covering 4.6 per cent average growth, how it is 12.58 per cent. The area under tea has also come down. The average growth of area under tea which was 0.98 per cent now has come down to 0.68 per cent. The yield per hectare has gone up, it is a good thing. The yield per hectare was 2.04 per cent growth annually. Now it has 2.2 per cent growth annually. We have been producing 43 per cent of the world tea—tea output of the world—and we had been controlling 48.5 per cent of the world tea export. This too has come down in 1982; the tea output of ours has come down to only 30 per cent of the world output and export is only 23 per cent. So, many many things should be done for the improvement of the tea industry. And if the tea industry is improved, our country can solve to some extent our unemployment problem also. The tea area abounds in large number of youth remaining unemployed and also induction of new unemployed youth can be made in the tea area if you can extend that. This year there is a good amount of production, it is 655 million kg. and the domestic requirement is 435 million kg. and export quota is 220 kg. But what has been noted is that despite heavy profit being earned by the companies in these years, some times there is a slump, but now the tea industry is making very heavy profit and everybody, Hon. Members from this side and that side, stated that the private owners are not ploughing back profit in the tea areas. They are simply looting and they are keeping them sick and then they are looking up to the banks or the Government for money so that the sick industries can be revived and if they cannot be revived, then let them be taken over. Under such circumstances I pray to the Hon. Minister to kindly think and take a very revolutionary step, come out boldly and nationalise the industry. The small people are having 2 hectares, or 3 hectares or 5 hectares. But in respect of big gardens controlled by monopoly houses and big houses, I would request that the Government should bring a Bill so that they are all nationalised. Otherwise this tea industry which is making a very heavy profit will never plough back this profit and they will again be depending only upon you to revive the tea industry.

The tea industry has to grow. There is

a plan that you are going to expand the planting area to about 53,600 hectares in filling up of about 38,500 hectares and the planting of over 44,600 hectares. But all these things require funds and these owners won't pay anything for this. All these things require fund, but again they will look to you and the Finance Department and the banks for funds. Why do you allow these things to continue? Our tea industry, even if it has to keep the export limit to 23 per cent as it is today, then we are to produce at least by 2000 A.D. tea to the tune of 1800 million kg. Of this, 721 million kg. will be for home market and 363 million kg. for the export. By taking over four tea gardens, you have increased the production from 1.4 million kgs to 1.50 million kgs. You have made up losses also and in some gardens, you have made profit. I do not mean, you take over all gardens. While you give us this answer, we agree with you and we support it. We have to support it. It is a limited Bill. We give you full support. But then, I request the Hon. Minister to consider whether he can bring a comprehensive Bill nationalising all the big tea gardens controlled by monopoly houses.

With these words, I again thank you Mr. Deputy Speaker and thank the Hon. Minister. I support this Bill. I hope that he will bring a fresh Bill which will cover all the points which we have mentioned.

[*Translation*]

SHRI GIRDHARI LAL VYAS (Bhilwara): Mr Deputy Speaker, Sir, I rise to support the Tea Companies (Acquisition and Transfer of Sick Tea Units) Bill, 1985.

In the Statement of Objects and Reasons of the Bill, it has been stated—

[*English*]

“The management of the four sick units was taken over by the Central Government under the provisions of the Tea Act, 1953 after continued mismanagement and neglect of the said tea units by the tea companies concerned, coupled with reckless investment made and incumbrances created by

[Shri Girdhari Lal Vyas]

those companies, had led to a state of deterioration which threatened the very continuance of the said tea units as also of the employment of about 3,000 workers.”

[*Translation*]

I would like to ask the Hon. Minister why Government do not frame such laws as would provide that any unit which is mis-managed will be nationalised. The way there is mismanagement and wastage of money in such units, you should not pay compensation at the time of their being taken over. I feel that the units which wastes the funds by mismanagement should not be given any compensation.

In the Financial Memorandum, it has been stated that

[*English*]

The amount so payable will be approximately Rs. 168.35 lakhs.

[*Translation*]

You will pay Rs. 1.68 crores to such units which are being mismanaged. You want to pay this money as compensation for the take-over. I suggest that provision should be made that the units which have been mis-managed, where money has been misutilised and where because of the mismanagement, the entire unit has been made sick, no compensation will be paid to them. If you make such a provision, the other companies will start re-thinking that if they indulge in mismanagement, they will not get any compensation. I want to draw your attention towards this issue.

My second submission is and you yourself have said—

[*English*]

“...For the deprivation of the management of its sick tea unit, for the period commencing on the date on which the management of such sick tea unit was taken over by the Central

Government under the Tea Act, 1953 and ending on the appointed day.”

[*Translation*]

To deprive any tea company of the management of its sick tea unit, for the period commencing on the date on which the management of such sick unit was taken over by the Central Government, you will provide an amount of Rs. 2.1 lakhs for a certain period which will be in the shape of allowances etc. In this connection, my request is that it is wrong to pay any compensation to those sick units which have become sick because of mismanagement. Therefore, no compensation should be paid for their maintenance. Similarly, in clause 3 also you have said that the tea companies will be paid an ordinary interest at the rate of 4 per cent per annum on the amount payable to them. First, you will pay Rs. 168.35 lakhs as compensation for taking them over and then you will pay an interest at the rate of 4 per cent which will come to about Rs. 7 lakhs.

14.00 hrs.

My submission in this respect is that when because of mismanagement those units have been made sick, they should not get any Compensation for that period. They should not get any interest either so that other companies learn a lesson that if there is any mismanagement, no company will get any compensation. There is need to look into this aspect.

You have spent large amounts to make these units viable and the units which had been incurring losses are now earning profits. Their production has increased. In such a situation, when as one Hon. Member has just now stated, the tea units are earning profit and their production has also increased, why is tea so costly? Today in India everyone wants a cup of tea in the morning. Why then are its prices increasing day by day? Why have Government no control over it? This aspect should also be gone into and some arrangement should be made so that its prices may not increase. In other industries you have made many arrangements like imposition of levy on cement, sugar etc. Similarly, you should make some arrangement for tea

also. Levy sugar is sold at a different price in the open market and controlled sugar at a different rate. Similar arrangements can be made for tea also so that the poor may get tea at cheaper rates and their needs may be fulfilled.

Mr. Deputy Speaker, Sir, the Hon. Minister is sitting here. I request him to tell us whether the companies which you have taken over have deposited the amounts deducted from employees for ESI and Provident Fund in their accounts because it is seen that many a time these companies deduct money from the workers pay but do not deposit it in ESI and Provident Fund accounts. There have been many such cases in other industries like the textile industries etc. Where the management has misused this amounts by using it for themselves. Although you have in the very beginning provided that the payment of the workers' dues will be the liability of the company, I would like to know from you whether the money deposited for ESI scheme and the Provident Fund is secure or not and whether you have proper control over that money or not. Keeping all these things in mind, I request you to take suitable steps so that these big tea companies may make available tea to the people at cheaper rates. Government should make arrangements to take over or nationalise these big tea companies so that the people may get these commodities easily.

Mr. Deputy Speaker, Sir, we agree that our export has increased and during these years the tea production too has increased but the tea export has not increased in that proportion. I, therefore, request that our tea export should increase. Simultaneously, it is also necessary that our local needs should be met and the prices should be reasonable. I would like to know from the Hon. Minister what steps are being taken by Government in this regard. Kindly inform us about this in your reply.

With these words I support the Bill.

[English]

SHRIMATI PHULRENU GUHA (Contai) : Mr. Deputy Speaker, I rise to support the Bill. I welcome this Bill very much. I am one of those who believe that all mill

industries, profit making institutions etc. should be run by the public sector. But I understand that in a developing country like ours, it is not possible. So we have given scope to the private sector also. So, we have to give scope to the private sector also. It is well-known that many of our private sector tea industry units deliberately make their units sick. It is very well known and many of our friends and colleagues have mention that. So, I am not going into that. They like to extract as much money as they can and when they find that no more money can be extracted, then they make it sick and make the situation that it should be taken over. This is their tactics—I am sorry to say. It is so in the majority of the cases—may not be in all cases.

I would like to say that according to the law of the land compensation is to be given. But through you I request the Government and I request the Finance Minister—you have to follow the law, but give as minimum compensation as possible.

What I would like to say is that not only the Government take over this tea industry but it must see the condition of the worker. The houses of the workers in the tea plantations are really horrible. Many of you must have been to the different gardens. In the tea plantations the difference between the manager's house or even the office clerk's house and the workers house cannot be imagined. Really if you see, tears will come in your eyes. What I would like to say is that as soon as the Government takes over all these units, they must improve the condition of the workers. There are no hospitals. There are no dispensaries. Dispensaries are there but there are no medicines. So I would like through you to request the Government to see that there are dispensaries with all possible medicines and also arrangements for hospitals. There should be arrangements for children's schools, children's play gardens and there should be creches. There should be a place where the nursing mother can go and nurse the child. All these creches should be run by trained people.

What I want to request the Government is that there should be proper family planning arrangements. It should not be on paper alone, but proper motivation should be there and family planning programme should be under-

[Shrimati Phulrenu Guha]

taken with all sincerity.

What I would like to say in one word is that welfare measures must be there according to the labour laws because in most of the places the labour laws are not implemented and the condition of all, particularly of the women are really terrible. So my request is this that it is not only that the Government should take over all these industries but along with that they should see that proper welfare measures are taken for all and particularly for women and children.

With these words I again support this Bill.

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : I want to thank all the Hon. Members for their support of the nationalisation of these tea gardens that is proposed in the Bill. It is indicative of the fact that the present Government will not shirk its responsibility when it comes to steer the economy. It shall assume this responsibility of steering the economy in the directions of the socio-economic goals that we have. Whether it was the issue of the workers or whether it is the issue of the tea or primary industry in our country, this is the decision that has been made.

I want to answer some of the specific issues raised by the Hon. Minister. One point was made by Mr. Vyas that for those who have mismanaged the industry, there should be some punishment. The Government is thinking on these lines. In the Budget speech itself I had mentioned that we are coming up with a proposal and it is under the active consideration of the Government because public money is committed and somebody siphons away the money. Certainly we are thinking of blacklisting such managements that institutional finance and bank finance will not be available to them. Of course, certain things like power shortage, power break-down, etc. have to be taken into consideration. In this we are thinking to have a body which will go into it and on its recommendation action will be taken. I think it is a very much radical change that the Government is thinking of disciplining those who exploit national resources and waste them. We are going in

much detail of it and I hope soon we will be coming before you with a concrete proposal in this regard to take care of those who mismanage and siphon away money. There cannot be a more stringent punishment than this — that they are denied institutional finance and bank finance...

PROF. N. G. RANGA (Guntur) : Have some imprisonment also.

SHRI VISHWANATH PRATAP SINGH : If you ask them to choose between prison and denial of finance, they will go to prison and take finance. This will be much harsher.

PROF. MADHU DANDAVATE (Rajapur) : Even capital punishment they will prefer.

SHRI VISHWANATH PRATAP SINGH : It is capital punishment in the other sense.

About the apprehension that compensation is being given to these owners who have mismanaged, under the law compensation has to be ascertained. Otherwise it will be struck as ultra vires. But what will the owners get under the present Bill? They will be getting hardly anything. It is not a question of any plus, they will be getting zero money as compensation. First out of the compensation labour dues will be paid and even then if the balance of dues are there, the Government has the responsibility to pay that. Thereafter comes the State Government dues and then the Central Government dues and these dues are so heavy that by then the compensation is getting exhausted. Thereafter comes the tax dues of the Central Government and there will be nothing for that liability. Then secured loans. For that nothing will be left. Then come other liabilities. So nothing he is going to get out of this big compensation.

A point was made by Mr Anand Pathak about the service conditions. He asked what about the continuity of service. If he sees clause 11, it is absolutely ensured that the continuity will be there. It says :

“Every person who has been, immediately before the appointed day, employed in any sick tea unit of any of

the tea companies shall become, on and from the appointed day, an employee of the Tea Trading Corporation and shall hold office or service under that Corporation, with the same rights and privileges as to pension, gratuity and other matters as would have been admissible to him if there had been no such vesting and shall continue to do so unless ...”

So there is complete security on this point.

Then the other point was made—why not give it to the Tea Development Corporation of Bengal? One, the State Government has made no such request. Second, the Tea Trading Corporation has shown improvement and has got the experience. So, it has been decided that it is better that it is with the Tea Trading Corporation.

There was some confusion as to who was managing it. An Hon. Member said that it is protection to those who have mis-managed and that is why nationalisation has come. That is not so. This is mis-management of the erstwhile owners of the tea gardens and not of TTC. After Tea Trading Corporation has come there has been improvement in production. Some of them have shown profit and in some losses have got reduced. So, it is not the mis-management of the Tea Trading Corporation.

Many Hon. Members have mentioned about labour. It is a labour intensive industry and according to our socio-economic needs it needs maximum attention. While a lot has to be done on the labour field generally but in these four tea estates you will be glad to know that while the daily wages in Looksan in 1976 were Rs. 3.92 now it is Rs. 10.12. I don't say it is enough. There has been improvement but still we have to do a lot for the labour in this respect. Therefore, for labour welfare quite a sum has been spent in these gardens and I need not go into the figures.

Sir, the major issue that has been raised is about sick units. The Tea Board takes action and notices are given and after that Report committees are set-up. Another major

issue raised is about the nationalisation of the tea industry as a whole. Wherever the management has been wanting I can assure the House that Government will not be wanting and will be coming forth and save the economy. But there are about 13,000 tea estates of various nature and between 1951 and now there has been increase of production from 285 million kg. to 645 million kg. So, while there are errant ones or those who are not on the right track Government will come forward to take proper action but, I think, at this stage we have also to take into consideration the resource position. It is the same resources needed for the other public sector units like Steel etc. where more attention is needed. It is also a question of how we distribute our available resources. But the larger companies—FERA companies—there you note that all multi-national companies like Brooke Bond and Lipton—they are not FERA companies because they have got a branch here and their equity is below 40 per cent but still it is a branch of multi-nationals. Their total share in package tea market has declined from 45 per cent to 30 per cent and together they are only exporting 10 per cent of the total exports of tea. So, in tea exports they do not have major dominant share but in the packet tea they dominate and there also it has come down from 45 per cent to 30 per cent. Remittances of FERA companies have also come down. In 1980 it was Rs. 11.26 crores and in 1981 it came down to Rs. 7.25 crores. Similarly the total share of FERA companies in 1981 in exports was 12.45 per cent. It has not grown but it is rather a little reduced to 11.83 per cent, or so. We are taking care that these multinationals and the FERA companies do not come or have a monopoly control in these areas.

A point was made by Mr. S M. Bhattam as to what happened to the fifth one while four you are nationalising. Perhaps he was referring to Chargola Estate. Now the studies made by TTC and other consultants have shown that Chargola Estate is permanently nonviable. Anyway, we are also in touch with Assam Government before taking any decision on that point.

About Darjeeling we have got a special programme. There was some slow movement on the distribution of the loan. But that scheme has got going now and loans have

[Shri Vishwanath Pratap Singh]

started being distributed and maximum attention is paid to Darjeeling.

Mr. Daga and Mr. Dogra yesterday raised the issue of share of our tea market and production. Well, production has gone up. In 1976 it was 555 million kgs. and in 1984 it is estimated at 6.44 million kgs. You will be glad to know this. This year our export of tea is going to get us Rs. 73 crores as earnings. It is a big contribution to our foreign exchange earnings. While it was Rs. 366 crores only in 1982-83, it is a big jump from that figure. There is a big jump in production as well as prices. The point was made that our share has come down in this respect. What I want to submit is that previously we used to export 70 per cent of our tea and we used to consume 30 per cent. Now we consume 70 per cent and we export 30 per cent. That is why in spite of production rising, your quantum of exports has been stagnant.

SHRI INDRAJIT GUPTA (Basirhat) : There has been so much more money—a boom in prices.

SHRI VISHWANATH PRATAP SINGH : Well, it has been to our advantage.

SHRI INDRAJIT GUPTA : And the benefit of the companies also...

SHRI VISHWANATH PRATAP SINGH : That we can take care on a different level. A point was made about domestic availability being ensured and that care should be taken. Now what has been decided is that the total exports of orthodox tea to be allowed for a whole year will not exceed 150 million kgs. leaving 35 million kgs. for domestic purpose. Simiary CTC tea will be restricted in respect of export to 70 million kgs. leaving 400 million kgs. for domestic consumption. So 435 million kgs. will be available for domestic consumption which is adequate according to our assessment. Care has been taken regarding that. Then about small growers a point was made. It was asked : What is the scheme regarding small growers? We have schemes regarding replanting subsidy, rejuvenating subsidy, irrigation schemes and of hire purchase for tea machinery. These

are schemes for small growers which are available to them. Regarding the Board, I think that it is an exaggeration that it is only the big companies who represent the Board. But I would say that the Members of Parliament are also on the Board and all sections of people also represent the Board.

Now, regarding the help that the Government is giving to the industry in the South, I would submit that the Deputy Chairman has been appointed for taking direct supervision, development and progress of tea in South India and its headquarters will be in the South. We have taken this decision for the South for the promotion of Tea.

Regarding Idukki, in Kerala, in the Seventh Plan we have special programme of rejuvenating, new planting and replanting of all these and it is estimated to cost about Rs. 6 crores. This is a special programme which is being considered.

PROF. P.J. KURIEN : What is your programme for the small growers ?

SHRI VISHWANATH PRATAP SINGH : A scheme is there for implementation. If there is any specific problem in certain areas, we will certainly look into it. Now, about the investment in tea, it was mentioned that the investments are not there and they are being diverted, I would say that there is a lot of truth in it. There is sometimes over-exploitation. A short-term view is taken. But on an overall basis, as production has grown, there is a net total investment. In 1984-85, it was assessed at Rs. 140 crores. So, investment has gone up. In 1971-81, the investment was about Rs. 300 crores, that is, in 10 years. So, this is the assessment on this. Now, while individual cases of gardens may not be having investments where we must take harsh action, even in the budget we have a scheme to promote investment in the Tea gardens and the benefit will be available to those who replough and make investment, but those who do not will be denied and they will not avail all those benefits.

So, Sir, I think most of the points I have tried to meet in this short time and I again thank all the Members for the support they have given.

[Translation]

SHRI ABDUL RASHID KABULI (Srinagar): Mr. Deputy Speaker, Sir, the Hon. Minister has claimed about tea that we are going to earn foreign exchange worth Rs. 735 crore this year but I have a complaint in this regard, and the entire House agrees with me that so far as the labourers working in the tea gardens are concerned, they are being highly exploited. Their condition is pitiable, specially that of the women and the children who work there. The labour laws are not being implemented for them. Housing conditions for them are miserable. Government should have paid attention towards alleviating their misery. Therefore, comparing this situation, earning of foreign exchange worth Rs. 735 crores is not a big thing. The people who toil hard and are responsible for producing tea are in a very bad condition.

I want to tell you that the position regarding tea is very bad and the rate of tea which was Rs. 27 per kg. in 1983 rose to Rs. 35 per kg. in 1984, although according to your claim tea is being produced on large scale. CTC tea is not being made available according to the country's needs. A major part of the production is being sent out of the country to earn foreign exchange and people in the country are not getting even half of the per capita requirement of tea. In reply to my question you had particularly stated that management of these four sick units was taken over in 1976 and 1979. You have stated the purpose for which this Bill has been introduced.

[English]

"in respect of said tea units with a view to securing proper reorganisation and management of such tea units so as to subserve the interests of the general public by augmenting the production and manufacture of different varieties of tea..."

[Translation]

You have referred here to reorganisation and management. After the old management there had been Government's management in 1976 and 1979. I would like to know

what your report is in regard to those management. Due to this approach of Government, this Bill has become somewhat conspicuous. It has given room for suspicion. These units remained under government management also. I am opposing this. Bill on this way basis only. Had that management made a correct evaluation and made proper investigations, they could have told us at that time that those units had become completely sick and Government must take them over completely. A period of 9 years from 1976 to 1985 has lapsed since you started managing them and now on the basis of your experience of these 9 years you propose to nationalise them as they are incurring loss. I would like to ask you why you did not implement the policy of nationalisation in 1976 and again in 1979 when you did so in the matter of other units.

You made an investment of Rs. 3.80 crores in them after your management took them over. After issuing the ordinance and introducing the Bill for nationalisation you are saying :

[English]

We still require large sums of money to be invested since the sickness was a result of long years of mismanagement etc.

[Translation]

Besides an investment of Rs. 3.80 crores, in the beginning, Government have made a further investment in them. It has created confusion in my mind. You are showing that you are performing a big feat and are implementing the policy of nationalisation in these four units. I would like to say that your management has not fared well there. What would you like to say in this regard?

I would like to submit one thing more. According to press reports, you got the tea plantation in a very bad condition. That was absolutely dry. Now, you propose to take it over all of a sudden. In fact you want to shield the management which had been functioning there from 1976 and 1979. You want to protect them. I would like to tell the Hon. Minister that so far as nationalisation is concerned, we are not against it

[Shri Abdul Rashid Kabuli]

and we will support it. I would have commended your efforts more, had you taken them over earlier. The multinational companies are exploiting the labourers in all the units. The labourers are being denied their rights. Besides, conditions have become very bad there, Everything including banking is being done there in an improper manner. Therefore, Government should take over these units in the best interests of the people of this country.

I have no objection if you take them. It would be a matter of great pleasure to me. You should implement the policy of nationalisation. Merely taking over these four units will not serve the purpose. There are many multi-national companies in our country, which are earning profit to the tune of crores of rupees. I would like to say that all the units of these companies should be taken over by you in order to improve the conditions of the workers there. There is no other alternative but to take over all the units in order to safeguard the interests and rights of these plantation workers including women. I have no objection if Government take over these units.

I have got an objection that the Ordinance for taking over these units was promulgated at a time when the House was in session. I have criticised this aspect. I feel that keeping in view the respect, supremacy and importance of this House, you should have brought this Bill and got it passed here. I feel that you would not have faced any difficulty in this regard. Instead of doing so you promulgated the Ordinance when the House was in Session. It means that you do not take this House into confidence and are increasing such Ordinances by over ruling this House. In this way you are lowering the prestige of this House.

I am not opposing nationalisation. But I understand that Government never intended to resort to nationalisation previously. If Government had an intention of doing so, then why were these companies not nationalised when their management was taken over in 1976 and 1979? After taking over the management they themselves got involved and that is why they have resorted to

nationalisation now, Had Government intended to nationalise them, they would have done so in 1976 itself.

You have nationalised only four units. There are many other big industries and multi-national companies in the country where lakhs of laboures are working. They are being subjected to exploitation and the capitalists are earning profit and foreign exchange to the tune of crores of rupees. Nothing is being done in the interests of these lakhs of workers. I, therefore, press upon my Resolution.

[English]

MR. DEPUTY SPEAKER : I shall now put the statutory Resolution moved by Shri Abdul Rashid Kabuli to the vote of the House. The question is :

“That this House disapproves of the Tea Companies (Acquisition and Transfer of Sick Tea Units) Ordinance, 1985 (Ordinance No. 3 of 1985) promulgated by the President on the 8th April, 1985.”

The motion was negatived.

MR. DEPUTY SPEAKER : I shall now put the consideration motion moved by Shri Vishwanath Pratap Singh to the vote of the House :

“That the Bill to provide for the acquisition and transfer of the sick tea units specified in the First Schedule and the right, title and interest of the tea companies in respect of the said tea units with a view to securing proper reorganisation and management of such tea units so as to subserve the interests of the general public by augmenting the production and manufacture of different varieties of tea which are essential to the needs of the economy of the country and for matters connected there with or incidental thereto, be taken into consideration.”

The motion was adopted.

MR. DEPUTY SPEAKER : The House will now take up clause-by-clause consideration of the Bill.

Clause 2—Definitions

SHRI ANANDA PATHAK (Darjeeling) : I beg to move :

Page 2,—

for lines 32 to 34, substitute—

‘(h) “The Development Corporation” means the West Bengal Tea Development Corporation Limited, a company incorporated and registered under the Companies Act, 1956.” (6)

My amendment is that in place of ‘Tea Development Corporation’, ‘West Bengal Tea Development Corporation Limited’ should be inserted. This is because TTCI is basically a trading organization. Management of tea plantations is not in line with its principal functioning or activity. It is meant for trading. Similarly we have got the State Trading Corporation. The STC deals with innumerable items including tea. Then we have the Balmer Lawrie Company. It is also trading in tea but it does not have any production of its own. But the West Bengal Tea Development Corporation has got 7 tea gardens and they are showing an improvement also. Therefore in the same State there is no logic in having to separate organisations, one under the Central Government and the other under the State Government. I have brought this amendment with this point of view. The smaller units should be merged into a bigger unit, so that they will be more viable and stronger. This is not just my version only. In 1951, the Central Government had appointed the Menon Commission. After going through all the aspects of the issue, the Commission also recommended amalgamation of small units into a bigger unit so that the bigger unit will be more viable and more profitable. From all these points of view, I request that my amendment should be taken into consideration and I once again request the Hon. Minister to consider my plea.

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : I have already answered on the Tea Development Corporation. The Government of West Bengal itself has not

made any request about this corporation. There is no such move from them. Then regarding TTCI, there has been improvement in production and some tea gardens have shown profit, and in some others losses have been reduced, during this period. Mr. Kabuli may note it.

SHRI ANANDA PATHAK : In general, the prices have gone up. Consumption has gone up and the exports have been increased. Not only the TTCI has improved. Others also have shown improvement.

SHRI VISHWANATH PRATAP SINGH: But there is no request from the State Government itself about its own Corporation. How can we consider it *suo motu*? How can we give it? Then about the amalgamation...

SHRI NARAYAN CHOUBEY : Suppose, the proposal comes from the State Government, will you consider it ?

SHRI VISHWANATH PRATAP SINGH : We do not write novels here. ‘If this happens, what will happen next, and so on.’

Then, so far as cooperatives are concerned, some help is given if cooperatives are formed. Certainly we will try to assist them.

MR. DEPUTY SPEAKER : I put amendment No. 6 to Clause 2 moved by Shri Ananda Pathak to the vote of the House.

Amendment No. 6 was put and negatived.

MR. DEPUTY SPEAKER : The question is :

“That Clause 2 stand part of the Bill.”

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3—Acquisition of rights of tea companies in respect of sick tea units.

SHRI ANANDA PATHAK : I beg to move :

Page 3, line 9 and wherever they occur in the Bill,—

for "Tea Trading Corporation"

substitute "Tea Development Corporation." (7)

Sir, I move this amendment also for the same points which I have mentioned previously.

SHRI VISHWANATH PRATAP SINGH:
My answer is also the same, Sir.

MR. DEPUTY SPEAKER : I put amendment No. 7 to Clause 3 moved by Shri Ananda Pathak to the vote of the House.

Amendment No. 7 was put and negatived.

MR. DEPUTY SPEAKER : The question is :

"That Clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clause 4

MR. DEPUTY SPEAKER : There is no amendment to Clause 4. The question is :

"That Clause 4 stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

Clause—5 Tea Companies to be liable for certain prior liabilities.

MR. DEPUTY SPEAKER : Now Clause 5. Amendment No. 1. Mr. Ayyapu Reddy.

SHRI E. AYYAPU REDDY (Kurnool) :
I am moving my amendment.

I beg to move :

Page 4, lines 18 and 19—

Omit "and not against the Tea Trading Corporation" (1)

The purport of my amendment is this :
Clause 5 says :

"Subject to the other provisions of this Act, every liability, other than the liability specified in sub-section(1) of section 24, of a tea company in respect of any period prior to the appointed day, shall be the liability of that company and shall be enforceable against it and not against the Tea Trading Corporation"

Under Clause 3, the Tea Trading Corporation takes over the assets and liabilities. They become vested in the Government, and then they stand transferred to the Tea Trading Corporation. Jurisprudentially, where you take over the assets, you have to take over the liabilities also. If you say : "I am taking only the assets and not the liabilities", it will not be constitutionally valid, because an innocent third party's rights cannot be defaced without even payment of compensation. The basic principle is that the liability must also be taken over by a person who takes the assets. It is there. But under Clause 15, it has been provided that the Tea Trading Corporation can pay the liabilities to third parties; and after it makes the payment, it can file an application before the Commissioner for recovering that amount. I request the Hon. Minister's attention to Clause 15 (2) which says—I quote :

"The Tea Trading Corporation may make a claim to the Commissioner with regard to every payment made by that Corporation, after the appointed day, for discharging any liability of a tea company, not being any liability specified in sub-section (1) of section 24, in relation to any sick tea unit owned by it in respect of any period prior to the appointed day; and every such claim shall have priority, in accordance with the priorities attaching under this Act to the matter in relation to which such liability has been discharged by the Tea Trading Corporation."

That is, if the Tea Trading Corporation makes payment for any liabilities which the

sick unit had incurred prior to the appointed date, then it is entitled to go before the Commissioner and ask for payment. But Clause 5 very strangely says that it is not enforceable against the Tea Trading Corporation. For two reasons, my amendment has to be accepted : one, for the simple reason that you have taken over the assets; you have to take over the liabilities. Secondly, Clause 15 itself provides for payment of the debt. Hence if there is a contradiction between Clause 5 and Clause 15, i.e. if it is not enforceable against the Tea Trading Corporation according to Clause 5, then the question of the Corporation paying the liability does not arise under Clause 15(2). I do not know whether I have made myself clear.

SHRI VISHWANATH PRATAP SINGH : It is quite clear.

SHRI E. AYYAPU REDDY : Therefore, my submission is that this amendment, viz. for omitting "and not against the Tea Trading Corporation", will be in order. It will make the matter quite clear. Otherwise, it is liable to lead to confusion; and the very constitutional validity of this section may be questioned.

SHRI VISHWANATH PRATAP SINGH : When we have paid the compensation, and we give it to the Compensation Commissioner for the assets, then all the liabilities have to be paid out from that compensation, and it cannot be the burden of the Tea Trading Corporation, fundamentally. Now, that is only enabling it, if TTC does pay. It is not obligatory that it will pay. Then, it will also draw from that compensation itself, and go and make payment to him. So, it is not obligatory that the TTC will pay; and the principle is very clear.

SHRI E. AYYAPU REDDY : There is some contradiction and confusion involved in it. Now, 15 (2) says that TTC can pay the liability and then make a claim before the Commissioner. If under clause 5 there is no enforceable law against the TTC, that means TTC may pay or may not pay; if it pays, it is entitled to go and ask for it; if it does not pay, naturally, the third party is left in the lurch. An innocent third party who has paid to the sick unit a certain amount is entitled to recover a certain amount from

the sick unit; he will be left in the lurch; that is you are leaving discretion to the TTC either to pay or not to pay. There are no guidelines as to how this discretion has to be exercised by the TTC; it will be unguided.

SHRI VISHWANATH PRATAP SINGH : The scheme is, first labour dues, then the State Government dues, then the Central Government, then the banks etc. Now, when we have taken the assets, paid the money and paid it to the Commissioner, all liabilities have to be prawn from there; it cannot be anything further than what we have paid as compensation; that cannot devolve on the TTC. Now, if TTC opts to pay any liability, then it has a claim out of the compensation and go and apply for it and get it; it is totally voluntary; and if it does make it, then it does have a right because that liability has to be paid out of the corpus of the compensation.

MR. DEPUTY SPEAKER : Now, I shall put amendment No. 1 moved by Shri E. Ayyapu Reddy to the vote of the House.

Amendment No. 1 was put and negatived.

MR. DEPUTY SPEAKER : The question is;

"That Clause 5 stand part of the Bill."

The motion was adopted.

Clause 5 was added to the Bill.

MR. DEPUTY SPEAKER : There are no amendments to Clauses 6 and 7. I put both the clauses together to the vote of the House. The question is :

"That Clauses 6 and 7 stand part of the Bill."

The motion was adopted.

Clauses 6 and 7 were added to the Bill.

Clause 8—Management etc. of the sick tea units of the tea companies.

SHRI E. AYYAPU REDDY (Kurnool) : I beg to move :

[Shri E. Ayyapu Reddy]

after line 9, insert—

“Provided that a representative of the employees or of their union if any, shall be taken as a Director or an advisor in the superintendence and management of the sick tea unit.” (2)

This is for giving effect to Article 43 (a) of the Constitution. The Constitution has provided that it is the responsibility of the States to take steps for enacting legislation so that the worker is entitled to participate in the management of the undertakings or industrial units. Now, in this particular Bill, we have shown the anxiety to come to the rescue of the workers. Hon. Members from both sides have very eloquently stated how these tea workers are exploited, how the labourers in all these tea estates are being ruthlessly exploited all these years. Now, we want to run them efficiently. For that purpose, it is necessary to associate the labour unions or the representatives either a Director or an advisor in the management of this. It is to give effect only to this simple principle adumbrated in Article 43 (a), I have tabled this amendment. I hope this amendment will be quite acceptable to the Hon. Minister.

SHRI VISHWANATH PRATAP SINGH :

It is for workers we have taken this step of nationalisation of this. This is the general policy, that is to promote workers' participation in management and various public sector organisations have been given these guidelines and government is promoting it in a phased manner. I don't think statutory provisions at this stage would be advisable.

SHRI E. AYYAPU REDDY : The Hon. Minister may kindly see Article 43 (a) of the Constitution which requires that you must give a Statutory recognition to the participation. At least the Hon. Minister should give us an assurance that it will be provided in the delegated legislation or in the rules to be made; then I will withdraw my amendment. I wanted an assurance that at least under the rule making power, in exercise of the rule making power they will provide for the participation of the accredited labour unions in the management of these tea companies.

SHRI VISHWANATH PRATAP SINGH : It is our policy to promote workers participation in management and I assure you that we will promote this as a policy and we are taking steps in this regard. The Labour Ministry formulates the specific policies and it is done according to it, in all the public sector units. And this much I can assure you that this policy of workers' participation in the management will be promoted even in this area.

MR. DEPUTY SPEAKER : In view of the assurance given by the Hon. Minister, are you withdrawing your amendment ?

SHRI E. AYYAPU REDDY : In view of the assurance given by the Hon. Minister I withdraw my amendment.

MR. DEPUTY SPEAKER : Is it the pleasure of the House that the amendment moved by Shri E. Ayyapu Reddy be withdrawn ?

SOME HON. MEMBERS : Yes.

Amendment No. 2 was, by leave withdrawn

MR. DEPUTY SPEAKER : The question is :

“That Clause 8 stand part of the Bill.”

The motion was adopted.

Clause 8 was added to the Bill.

MR. DEPUTY SPEAKER : Now we come to Clause 9.

Shri Ananda Pathak. Amendment No. 8

Clause—9 Duty of persons incharge of Management of the sick ten units to deliver all assets, etc.

SHRI ANANDA PATHAK : I have given a similar amendment. This is about the public undertakings.

MR. DEPUTY SPEAKER : Are you moving your amendment ?

SHRI ANANDA PATHAK : I am moving the amendment.

I beg to move—

Page 5,—

after line 9, insert—

“Provided that management of the Corporation shall be supervised, conducted and guided by a Board of Directors to be constituted wherein the representatives of the workers and/ or their unions, if any, shall also be included.” (8)

I would like to say that in every public undertaking there are Boards of Directors. There are workers in the Board of Directors to ensure the workers' participation, the representatives of the workers if they are not already there, should be included. Therefore, I hope in view of whatever has been stated by the Minister this particular provision should be incorporated in the Bill. I hope the Minister will consider this.

SHRI VISHWANATH PRATAP SINGH : The TTCI is under the Companies Act and not under this Bill. But I have given this assurance that generally we will promote the workers' participation as a general policy.

SHRI ANANDA PATHAK : Inclusion of the workers in the Board of Directors is what I wanted.

SHRI VISHWANATH PRATAP SINGH : This Bill is for nationalisation. TTCI is constituted under the Companies Act. This Bill does not cover the Companies Act. But as a general policy for promoting the workers' participation the Government will come forward and take steps to promote the workers' participation.

SHRI ANANDA PATHAK : In view of this, I am withdrawing my amendment.

MR. DEPUTY SPEAKER : Is it the pleasure of the House that the amendment moved by Shri Ananda Pathak be withdrawn.

SOME HON. MEMBERS : Yes.

*Amendment No. 8 was by leave,
 withdrawn.*

MR. DEPUTY SPEAKER : The question is :

“That Clause 9 stand part of the Bill.”

The motion was adopted.

Clause 9 was added to the Bill.

MR. DEPUTY SPEAKER : The question is :

“That Clauses 10 and 11 stand part of the Bill.

The motion was adopted.

Clauses 10 and 11 were added to the Bill.

MR. DEPUTY SPEAKER : Now we come to Clause 12. There is an Amendment No. 3.

15.00 hrs.

Clause 12—Provident Fund and other Funds

SHRI E. AYYAPU REDDY : I beg to move :

Page 6,—

after line 18, insert—

“Provided that the benefits which the employees are having on the appointed day shall not be affected adversely.”(3)

The Sub-clause especially says :

“moneys which stand transferred under sub-section 1 to the Tea Trading Corporation shall be dealt with by that Corporation in such manner as may be prescribed.”

That is why I have moved the Amendment.

SHRI VISHWANATH PRATAP SINGH : There are two provisions. One is about the dues already in the schemes. All those dues are taken care of. Clause 11 takes care of their employment conditions and terms that are continuing. So, both aspects are well ensured in the Bill. I do not think we are wanting the assurance that present this amendment is necessary.

SHRI E. AYYAPU REDDY : At present we are wanting the assurance that present conditions will not affect adversely.

SHRI VISHWANATH PRATAP SINGH : Clause, 11 ensures it.

SHRI E. AYYAPU REDDY : But you have taken the power to prescribe "in such manner as may be prescribed." There is no such assurance in Clause 11 that it shall not be adversely affected. It says their services will continue. With regard to their benefits I only wanted that they should not be adversely affected and there is no mention of that in Clause 11.

SHRI VISHWANATH PRATAP SINGH : If you read clause 11, it is very clear that the terms and conditions of the employees will be the same as they were there and will continue to be on the same terms.

SHRI E. AYYAPU REDDY : Sir, I seek leave of the House to withdraw my amendment.

MR. DEPUTY SPEAKER : Is it the pleasure of the House that the amendment moved by Shri E. Ayyapu Reddy be withdrawn ?

Amendment No. 3 was, by leave, withdrawn.

MR. DEPUTY SPEAKER : The question is :

"That Clause 12 stand part of the Bill."

The motion was adopted.

Clause 12 was added to the Bill.

Clause 13—Appointment of Commissioner of Payments

SHRI E. AYYAPU REDDY : I beg to move :

Page 6,—

after line 26, insert—

"Provided that the Commissioner of Payments shall not be a person below

the rank of a District Judge or a District Collector." (4)

Sir, no qualifications have been fixed with regard to the Commissioner of Payments. This is only for the purpose of saying that the Commissioner shall not be a person below the rank of a District Judge or a District Collector because he has to function as a Civil Court. Subsequently it is stated that he has got all the powers of the Civil Court. That is why I say at least minimum qualification should be that of a District Judge or a District Collector.

SHRI VISHWANATH PRATAP SINGH : If the spectrum is wide, we can choose. There are many people outside, other than Collectors and Judges who are capable. So, why should we restrict our choice ?

SHRI E. AYYAPU REDDY : Since he has to discharge such functions he has to be a judicial officer. That is why I said the minimum qualification I should not be below the rank of District Judge or a District Collector. He has practically to act as a judicial officer. He entertains claims, takes evidence and gives judgement. Then against that order there is an appeal provided to the High Court.

SHRI VISHWANATH PRATAP SINGH : Sir, it is not acceptable.

SHRI E. AYYAPU REDDY : Sir, I seek leave of the House to withdraw my amendment.

MR. DEPUTY SPEAKER : Is it the pleasure of the House that the amendment moved by Shri E. Ayyapu Reddy be withdrawn ?

Amendment No. 4 was, by leave, withdrawn.

MR. DEPUTY SPEAKER : The question is :

"That Clause 13 stand part of the Bill."

The motion was adopted.

Clause 13 was added to the Bill.

MR. DEPUTY SPEAKER : Since there is no amendment to Clause 14 to 25, I will put them together to the vote of the House.

MR. DEPUTY SPEAKER : The question is :

"That Clause 14 to 25 stand part of the Bill."

The motion was adopted.

Clause 14 to 25 were added to the Bill.

Clause 26—Contracts to cease to have effect unless ratified by the Tea Trading Corporation

SHRI E. AYYAPU REDDY : I beg to move :

Page 10,—

after line 38, insert—

"Provided further that any person affected by an order of the Tea Trading Corporation, refusing to ratify a contract in his favour, shall have a right to appeal to the Government of India within three months of the date of such order." (5)

The Tea Trading Corporation is entitled to ratify the contracts. If it refuses to ratify, the contract, the third party has no other remedy. Most probably he has to go to the High Court by way of a rule, saying that the contract must be ratified. That is why, I have said that he may be entitled to go and prefer an appeal before the Central Government for ratifying the contract.

SHRI VISHWANATH PRATAP SINGH : The TCI is under the overall supervision of the Central Government and if there is any grievance, we will go to settle it.

(Interruptions)

SHRI E. AYYAPU REDDY : Unless there is a right of appeal, if they refuse it, there is no other remedy. Suppose you refuse to ratify the contract, there is no other remedy.

PROF. MADHU DANDAVATE (Rajapur) : That right is inherent.

SHRI E. AYYAPU REDDY : The statutory right is put from his coming here and requesting the Central Government to exercise power. It is not administrative supervision which is a judicial remedy.

SHRI VISHWANATH PRATAP SINGH : I would not agree to a statutory provision, but generally it is a working proposition, it does work.

SHRI E. AYYAPU REDDY : Sir, I seek leave of the House to withdraw my amendment.

MR. DEPUTY SPEAKER : Is it the pleasure of the House that the amendment moved by Shri Ayyapu Reddy be withdrawn?

SOME HON. MEMBERS : Yes.

Amendment No. 5 was, by leave withdrawn.

MR. DEPUTY SPEAKER : The question is :

"That Clause 26 stand part of the Bill."

The motion was adopted.

Clause 26 was added to the Bill.
 Clauses 27 to 34

MR. DEPUTY SPEAKER : The question is :

"That Clauses 27 to 34 stand part of the Bill."

The motion was adopted.

Clauses 27 to 34 were added to the Bill.

First Schedule and Second Schedule.

MR. DEPUTY SPEAKER : The question is :

"That First Schedule and Second Schedule stand part of the Bill."

The motion was adopted.

First Schedule and Second Schedule were added to the Bill.

Clause 1. The Enacting Formula, the Preamble and the Title

MR. DEPUTY SPEAKER : The question is :

“That Clause 1, the Enacting Formula, the Preamble and the Title stand part of the Bill.”

The motion was adopted.

Clause 1, the Enacting Formula the Preamble and the Title were added to the Bill.

SHRI VISHWANATH PRATAP SINGH : Sir I move :

“That the Bill be passed.”

MR. DEPUTY SPEAKER : The question is :

“That the Bill be passed.”

The motion was adopted.

15.08 hrs.

HIGH COURT AND SUPREME COURT JUDGES (CONDITIONS OF SERVICE) AMENDMENT BILL

[English]

MR. DEPUTY SPEAKER : Now, I shall pass on the next item—the High Court and Supreme Court Judges (Conditions of Services) Amendment Bill. Time allotted for this is one hour.

THE MINISTER OF LAW AND JUSTICE (SHRI A.K. SEN) : Sir, I move* :

“That the Bill further to amend the High Court Judges (Conditions of Service Act, 1954 and the Supreme

*Moved with the recommendation of the President.

Court Judges (Conditions of Service) Act, 1958, be taken into consideration.”

Sir, the matter is not of a controversial nature. This allowance of Rs. 300/- was legislated some time back, and it was felt that Rs. 300 is hardly adequate. That is why we are moving this Bill to at least raise this amount to Rs. 500/- per month.

MR. DEPUTY SPEAKER : Motion moved :

“That the Bill further to amend the High Court Judges (Conditions of Service) Act, 1954 and the Supreme Court Judges (Conditions of Service) Act, 1958, be taken into consideration.”

Now, Mr. Ayyapu Reddy may speak.

SHRI E. AYYAPU REDDY (Kurnool) : Sir this is a very small and inconsequential Amendment. We are not opposing it, we are supporting it. (*Interruptions*)

15.09 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

I take the opportunity to say that we require to take a second look on the service conditions of the Supreme Court Judges and the High Court judges. I would like to draw the attention of the Hon. Minister to one anomaly which is now existing with regard to the service conditions of the High Court Judges. If any High Court Judge resides in his own house, he is entitled to only 12-1/2 per cent of his salary towards rent. But if he wants a house to be provided, the State Government is bound to provide a new furnished residence for him. The anomaly is, a judge who wants to stick to his residence gets about Rs. 450/- only. Whereas if he quits his house and claims another house, he can rent out his own house for Rs. 3,000 or Rs. 3,500/-. So, those judges who want to take advantage of the present service conditions are willy nilly forced to leave out their own houses and then ask the respective State Government to provide them free residential accommodation. It is costing the State Government nearly Rs. 4,000 to Rs. 5,000, in some cases, to find a suitable