

cultural Produce (Grading and Marking) Act, 1937:--

- (1) The Basmati Rice (Export) Grading and Marking (Amendment) Rules, 1987 published in Notification No. G.S.R. 693 in Gazette of India dated the 12th September, 1987.
- (2) The Chillies Grading and Marking (Amendment) Rules, 1987 published in Notification No. S.O. 2859 in Gazette of India dated the 17th October, 1987. [Placed in Library. See No. LT-5075/A/87]

Review on the working of and Annual Report of the Jammu and Kashmir State Agro-Industrial Development Corporation Ltd. for 1978-79 and statement showing reason for delay in laying these papers on the Table.

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE: (SHRI YOGENDRA MAKWANA): Sir, I beg to lay on the Table--

- (1) A copy each of the following papers (Hindi and English versions) under section 619A of the Companies Act, 1956:--
 - (i) Review by the Government on the working of the Jammu and Kashmir State Agro Industries Development Corporation Limited, Srinagar, for the year 1978-79.
 - (ii) Annual Report of the Jammu and Kashmir State Agro Industries Development Corporation Limited, Srinagar, for the year 1978-79 along with Audited Accounts, and the comments of the Comptroller and Auditor General thereon.
- (2) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above. [Placed in Library. See No. LT-5076/87]

12.05 hrs.

MESSAGES FROM RAJYA SABHA

SECRETARY-GENERAL: Sir, I have to report the following messages received from the Secretary-General of Rajya Sabha:--

- (i) In accordance with the provisions of rule III of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Authorised Translations (Central Laws) Amendment Bill, 1987, which has been passed by the Rajya Sabha at its sitting held on the 19th November, 1987.
- (ii) In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 19th November, 1987 agreed without any amendment to the Shipping Development Fund Committee (Abolition) Amendment Bill, 1987, which was passed by the Lok Sabha at its sitting held on the 16th November, 1987.

AUTHORISED TRANSLATIONS (CENTRAL LAWS) AMENDMENT BILL

As passed by Rajya Sabha.

SECRETARY GENERAL: Sir, I lay on the Table the Authorised Translations (Central Laws) Amendment Bill, 1987, as passed by Rajya Sabha.

12.06 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

[English]

Situation arising out of Closure of two units of M/s A.C.C. Babrock Ltd. at Shahbad in Karnataka and Durgapur in West Bengal.

SHRI VEERENDRA PATIL (Gulbarga) : Sir, I beg to call the attention of the Minis-

ter of Industry to the situation arising out of the closure of two units of M/s A.C.C. Babcock Ltd. at Shahbad in Karnataka and Durgapur in West Bengal and the steps taken by the Government to mitigate the hardships of the workers.

(Interruptions)

12.07 hrs.

[MR. DEPUTY SPEAKER in the *Chair*]

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO) : ACC-Babcock Limited (ABL) was set up in 1959-60 for the manufacture of boilers for the power sector. The Company was jointly promoted by M/s. ACC, Vickers and Babcock International, the last two being companies of UK origin. Subsequently, Vickers divested its shareholding in ABL in favour of ACC. At present 66% of the equity of ABL is held by ACC, 26% by Babcock International and the remaining equity with financial Institutions. The Company has two plants—one at Durgapur (West Bengal) and the other at Shahbad (Karnataka) with installed capacity of 500 MW each, with 6,500 employees. The only other boiler manufacturers in the power sector in the country is BHEL in the public sector with an installed capacity of 4000 MW. Due to accumulated losses and paucity of orders, the Company filed a winding up petition before the Bombay High Court in October, 1986. The units of the Company are lying closed since then.

Government have examined the question of rehabilitation of the company. According to a rehabilitation package worked out by IDBI in consultation with the company, substantial financial investments and extensive other reliefs, both by the Central and the State Governments of West Bengal and Karnataka, would be needed in addition to continuous diversion of orders for power boilers from BHEL, if ABL is to be revived. Even then, the long-term health and viability of the company would remain in doubt. On its part, the promoters of the company have expressed their inability to bring in any fresh funds for its rehabilitation.

In the circumstances, Government have

come to the conclusion that efforts must first be concentrated on completion of orders pending with ABL as otherwise it would have adverse consequences on a number of power projects under implementation. For this purpose, appropriate intervention would be sought in the proceedings pending before the Bombay High Court.

The company has reported to the Board for Industrial & Financial Reconstruction on the 13th of July, 1987 under section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985, which has been registered at Sl. No. 124 of 1987. The case is listed before a Special Bench of BIFR and is fixed for hearing on the 24th of December, 1987.

SHRI VEERENDRA PATIL (Gulbarga) : Sir, the statement made by the hon. Minister is, unfortunately, a bland and distorted statement. I am quite confident that the hon. Minister has made this statement very reluctantly. In the statement it is said that even according to the IDBI, the long term health and viability of the company would remain in doubt. I do not think that this statement is based on facts. When the Company filed a petition in the Bombay High Court for winding up the company and the unit, the Government took the initiative. The Government summoned the management and asked them not to proceed with the liquidation petition that was filed before the High Court. This was some time in January 1987. After some discussion a firm commitment through a letter dated the 26th February 1987 was made by the Government with regard to the orders for boilers. I have got a copy of the letter. I do not think it is necessary for me to read out the contents of the letter. In that letter they have committed that they would place orders for boilers straightway for 800MW and for the next three years at the rate of another 400 MW every year; that means, a total commitment for 2000 MW. In that letter they have asked the Company to approach the financial institution and the condition that was laid down while giving this letter was that the Company should not proceed with the petition that they had filed before the Bombay High Court for liquidation. Ac-

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cordingly the management approached the IDBI. The IDBI prepared the rehabilitation package. It was sent to the Government in the month of April 1987. In the IDBI report on rehabilitation package it is clearly said, if my information is correct, that the Company will wipe out all the loans, losses etc., within a period of seven years and according to the rehabilitation package that has been worked out by the IDBI, the Company will make a profit of Rs. 8.6 crores in 1990, Rs. 13 crores in 1991, Rs. 18 crores in 1992, Rs. 17.6 crores in 1993, Rs. 20 crores in 1994 and Rs. 23 crores in 1995; this profit, what they have mentioned, is the profit before taxes, including payment of loan, interest and depreciation. When this is the state of affairs, I am really surprised and very sad to know from the Government that even according to the IDBI this is not going to be an economic proposition.

Sir, the hitch is only with regard to Rs. 13 crores. IDBI has prepared a rehabilitation package for Rs. 44 crores. In that rehabilitation package, they have said that out of Rs. 44 crores, Rs. 26 crores will come from the State Bank of India and IDBI has agreed for Rs. 13 crores. But they have only put a condition that remaining Rs. 13 crores should come from Government of India free of interest on a long-term basis. They have put so many other conditions. The management has accepted all the conditions and when the Government asked them that this Rs. 13 crores should come from the management, the management told them that they have no money and even IDBI also has recommended that since the management has no money and they have no resources, this Rs. 13 crores should come from Government of India. It is really very surprising that the whole deadlock has been created only for the sake of Rs. 13 crores as to who should make that payment. Government has taken a stand that management should make the payment and management has taken a stand that Government should make this payment.

Then, Sir, now Government's intention

has been made very clear in the statement. Government is thinking of concentrating on completion of orders pending with ABL as, otherwise, it would have adverse consequence. Now what is the position of the boiler? ABL is presently manufacturing ten boilers for which Orders have been placed with them.

SHRI J. VENGAL RAO: It is not manufacturing. Orders are placed. Boilers are in different stages of completion.

SHRI VEERENDRA PATIL: Ten boilers have been ordered to ABL for manufacturing. I will give the break up also. Damodar Valley Corporation has placed orders for two boilers; Madhya Pradesh Electricity Board has placed orders for three boilers; West Bengal State Electricity Board has placed orders for two boilers and Atomic Energy Commission also has placed orders for three boilers. Sir, out of these boilers, seven boilers are of the capacity of 210 Megawatt and the three boilers which have been placed orders by the Atomic Energy Commission are of the capacity of 67 megawatt. Hon. Minister is under the impression that only orders have been placed; nothing has been done and the company has not started building up or erecting them, it is not so. Some are half done, in some cases, 75% of the building up work has been done and in some cases, it may be 25 or 30%. But they are at different stages of construction. If we total up the megawatt power of all these ten boilers, it comes to 1,671 megawatt. So, the boilers which are required for generating 1,671 megawatts, are being built by the ABL and they are at different stages. Government electricity boards, Damodar Valley Corporation, Atomic Energy Commission, have already advanced money to ABL. How much is it? The contract value of all these ten boilers is Rs. 297 crores. As against Rs. 297 crores, Rs. 184 crores have already been paid to the company by way of advance. I am asking the Hon. Minister that supposing the company is wound up, what will happen to the Rs. 184 crores that you have already advanced to them. Are you going to realise it? You can say in your reply.

SHRI J. VENGAL RAO: We will file a suit and recover the amount.

(Interruptions)

SHRI VEERENDRA PATIL: I humbly submit that I am posing some questions to the Hon. Minister and let him reply at the end.

Rs. 297 crores commitment has already been made to ABL and Rs. 184 crores have already been paid. Now the intention of the Government is—in Para 3 the Minister has made it very clear—that the Government have come to the conclusion that efforts must first be concentrated on completion of orders pending with ABL as otherwise it would have adverse consequences on a number of power projects under implementation. For this purpose an appropriate intervention would be sought. I don't know how he is going to concentrate on the completion of these boilers because the boilers are being built in their factories. Who is going to complete these boilers, I want to know.

I must tell for the information of the Government and also for the information of the Hon. Minister that the technology of ABL is not the same technology of BHEL; their technology is different. BHEL technology is different and ABL technology is different.

I know how the mind of the Government is working. The Government is thinking of asking the High Court to appoint a provisional liquidator. Once the provisional liquidator is appointed, Government will summon him, give him some money and they will tell the provisional liquidator to take the help of the technicians who are working in the BHEL and complete these boilers and hand over them to the Government. But the technicians alone are not going to build the boilers unless they have the cooperation of workers. Even these technicians who are used to some sort of a different technology are of no use to complete this work.

I don't think that the workers will voluntarily come forward to complete these

boilers and go home after the work is completed. The workers know already all these things.

MR. DEPUTY-SPEAKER: They will do honorary work, don't worry!

SHRI VEERENDRA PATIL: If we tell the workers that we are reopening it and we will continue these two units till those orders are completely executed and afterwards we will put up a notice saying that from tomorrow onwards these two unit are closed; naturally the workers won't agree to this. If we want the cooperation of the workers, they will also extract an assurance from us not only to complete these boilers; but also to continue these two units permanently; otherwise they will not come and they will not cooperate.

I don't know how the officers are thinking. Really it is very unfortunate because officers sitting all the time in the Secretariat calculate everything without knowing the practical difficulties. I want to know from the Government whether they have discussed it with the union and whether the union has said that it is prepared to come forward and after completing the job they will go home. I don't think it is possible.

Now the point is that these boilers are not completed. The State Electricity Board, the Damodar Valley Corporation and the Atomic Energy Commission have invested Rs. 2500 crores for generating power. Boiler is one of the equipment which is required for generating power. Supposing these boilers are not made available I want to know from the Government will this Rs. 2500 crore investment by different Boards, companies and corporations not be infructuous? Further what about the direct and indirect loss of 1600 MW of power because you will not be getting the power without boilers. I do not know what is the commissioning target that has been fixed by different Electricity Boards. Everyday 1600 MW of power loss to the nation comes to a total direct loss of Rs. 700 crores per annum.

If ABL is closed they will not get these

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boilers. They will have to place orders with BHEL because these are the only two units in the country which are producing power boilers. There is no third unit which is producing power boilers in the country. I know as per the present price for these 10 boilers Government and Electricity Boards will have to shell out Rs. 600 crores and what is the time required to complete the work. It will be minimum six years. That means Rs. 297 crores gone. Rs. 184 crores advance is gone and Government and Electricity Boards have to spend another Rs. 600 crores in order to get these boilers and even for getting these boilers they have to wait for six years and every year it comes to a direct loss of Rs. 700 crores on account of loss of power.

I would like to know from the hon. Minister, has he asked the officers to work out the implications of the closing down of this unit only for the sake of Rs. 13 crores? The management says we do not have money and as such we cannot agree to this. If they agree for Rs. 13 crores the whole problem is solved and within one-two weeks the ABL factory can be re-opened.

I think it is my duty to mention to the House and also to the hon. Minister that in the 8th and 9th Plans if we want to meet the power demand we have to spend huge amount. We will not be able to develop the nation because there is lot of shortage of power as it is. Although they had planned for Rs. 35,000 crores investment in the Seventh Plan by the end of Seventh Plan the nation would be short of 10,000 MW.

MR. DEPUTY SPEAKER: Please put the questions and try to conclude.

SHRI VEERENDRA PATIL: I am saying by the end of 9th Plan we have to add 55,000 MW of power to the grid. How many boilers are required for that? I think even if ABL and BHEL continue with the present capacity, they cannot meet the requirement. Government has to ask these units to expand their capacities. In fact, in 1975

Government asked ABL to double their capacity. It is on the record. Why I am saying is that if ABL is wound up, I think, it will be a great and irreparable loss to the nation because it is a modern unit, a unit of high technology. It is a unit which is not controlled by any industrial house or big business houses at all.

If anybody is having the impression that ACC is having 66 per cent shares in ABL, I want to dispel that impression. What is ACC? I think, the Hon'ble Minister must be knowing that in ACC, Tatas have not got even 1 per cent share. Forty per cent equity shares are owned by financial institutions in ACC. Five per cent shares are owned by different states and the remaining 55 per cent shares are owned by 80,000 shareholders scattered all over the country. So, it is not a big business house. When we get an impression that it belongs to a big business house, naturally one would ask: Why don't they bring the money and all that. It doesn't belong to Tatas; it doesn't belong to any big business house. This unit is professionally managed. Management is in the hands of professionals. All highly qualified engineers are there in the management. Its workers are highly skilled. You cannot get another unit. You cannot produce another unit if this unit is wound up. That's why I said that if this unit is unfortunately wound up, it will be a great loss to the nation.

Sir, as I said, it is a question of only Rs. 13-14 crores. I am told--it is for the Hon'ble Minister to find out--that out of this Rs. 44 crores, Rs. 13-14 crores is wages. If it is wages, why not the Hon'ble Minister take the initiative to invite the management and the unions and tell them: This is our difficulty. You must come and cooperate with us. You must also be prepared for some sacrifice.

I am quite confident that if such a proposal comes from the Government, the unions are prepared to cooperate and come forward for whatever the Government is going to suggest. If they suggest deferred payment, I feel and I am confident that unions will fully cooperate with them. So, if it is Rs. 13-14 crores, why don't you

think of deferred wages or something like that because it is not one or two thousand workers but 5,600 workers are involved in this. I request the Hon'ble Minister to imagine what will happen if these two units are closed down. 5,600 workers are without wages, without jobs, without work for the last one year. I request the Hon'ble Minister to imagine the plight of those workers in these days when the prices are shooting up going sky high. How they are living? What is their livelihood? Where are they living and what are their problems? If these two units are closed down, what will happen to 5,600 workers? Where should they go and where should they seek jobs and employment? Therefore, I am suggesting to the Hon'ble Minister and I earnestly request him not to allow the unnatural death of this unit. I think we will be committing the greatest crime against the workers. I am told the case is before the High Court, Bombay, and the date fixed for the next hearing is 27th November. If no decision is taken at the Government Level by that time, then the High Court will pass orders and once the High Court appoints the liquidator, his job is to only liquidate and not to complete the boilers which are now pending with them.

Therefore, in the interest of the nation, and the workers, I request the hon. Minister either to finance whatever the IDBI has said or to takeover and make it a subsidiary of BHEL. It is very easy for BHEL also to cope up with the demand for boilers that is going to come in the future years. So, it is in the interest of the nation and the workers either to takeover or to finance as per the recommendations of the IDBI.

MR. DEPUTY-SPEAKER: I request the Members to take only five minutes each and be brief. Now, Mrs. Basavarajeswari.

SHRIMATI BASAVARAJESWARI (Bellary): I do agree with what has been stated by my friend Shri Veerendra Patil, M/s A.C.C. Babcock Ltd. started its subsidiary units to manufacture boilers at Shahbad in Karnataka and Durgapur in West Bengal. These units were doing well in the manufacture of boilers and they were supposed to get orders from the Government and the

unit was working to the satisfaction of the public. They were supplying boilers for certain power projects. These units went on expending. They have taken a challenge to produce more and more high capacity boilers. The consumers are very much satisfied and the industry was viable. They did pay bonus to the workers at certain times. But after 1985, the trouble started because these units could not get sufficient orders from the Government. This was the only unit started in the country to manufacture boilers for the first time. Afterwards, BHEL also started manufacturing such boilers. This firm requested the Government to give orders but the latter did not. Finally, they did not get any reply from the Government. Meetings were convened in various Ministries Shri N.D. Tiwari, Shri Vasant Sathe, BHEL and the ACCBL Management participated in the meeting in the Ministry of Industry. There was a commitment in that meeting that this firm will be getting sufficient orders immediately. They waited for a long time for the orders. Since they did not hear anything for a long time, they went to the High Court of Bombay because the headquarters are situated in Bombay. They decided to wind up the company. In the meantime, there was a call from the Cabinet Secretary that the company should sit for negotiations and finally it was decided that the Government is prepared to give orders for 2000 MW immediately and it will be spread over for seven years. They have given some formula. With the assistance of the IDBI, this Company has worked out a package deal to rehabilitate the whole industry alongwith the working capital. Rs. 44 crores was needed to rehabilitate this industry and also towards the working capital for the completion of the work. Then the IDBI insisted that Rs. 13 crores should be brought either from the company or from the Government of India. The IDBI asked the company to subscribe some fresh capital but the company was not in a position to subscribe further because the company was in a bad position for the past one year. The workers had not been paid their wages; they were incurring heavy interest and they were losing Rs. 1.5 crores every year. In view of this, the company was not in a position to subscribe Rs. 13 crores investment which had been

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set by IDBI. Finally, the IDBI had also stated to the Finance Department that the Government of India had to come to their rescue and they should give interest-free loan for Rs. 13 crores. In that case, the company had agreed to all the conditions laid down by the IDBI. Meetings took place at various levels and finally the Committee of Secretaries stated that it was a matter of policy and that the whole matter had to go to the Cabinet for approval. The company is now in great trouble as stated by Shri Patil. It has to manufacture lots of boilers and the manufacture is at various stages. Those things have to be completed. Not only that, we have already spent crores of rupees for putting up thermal power plants in various parts of the country. If the company is not able to supply such boilers in time, we are going to incur very heavy losses to the extent of Rs. 1 crore per day, as I was told. Not only that, we will be losing the highest sophisticated technology available in the country in this field.

Further, you have to look at it from the labour point of view also. That is very important. As mentioned earlier, this is viable unit. The IDBI has also stated that it is going to be viable. Financially also it has been worked out and it has been stated that every year it would be making profit. Depending on the viability of the unit the whole package has been worked out and it has been circulated. We have to look at it very sympathetically. Six thousand and five hundred workers have been laid off and since one year they have not been paid their wages in both the units. They are in difficulty.

• Regarding its viability, as I have stated earlier, we do not have any doubt in our minds.

The Government should come forward to give interest-free loan of Rs. 13 crores so that the on-going projects can be completed and they are able to fulfil their programme.

Finally, if nothing could be decided in time, the only alternative is that the Government should take over this unit. BHEL is prepared to take over this unit and that would be a very good idea in the interest of the labour and overall interest of the company and the country.

SHRI V.S. KRISHNA IYER (Bangalore South): Mr. Deputy-Speaker, Sir, it is very unfortunate that the reply of the hon. Minister shows that the Government of India is not serious about this matter. I am surprised to see the reply given by a seasoned politician like Mr. Vengal Rao. The reply is most evasive and it shows that the Government of India is not at all serious.

I charge that it is the Government of India that is responsible for the present state of affairs of this company. Why did they all of a sudden stop placing orders with the Company? Don't they know that Government interest is involved, the interest of 8,000 workers is there, the interest of nation is there, the interest of so many atomic and other power plants is there? Knowing fully well that the interest of so many is involved in it, the Government of India has, all of a sudden, stopped placing orders with the Company.

Sir, I would like to know from the Minister that after you stopped placing orders to this company, have you not imported any Boiler from other country? While replying, I would like the Hon. Minister to make clear this point.

SHRI SAIFUDDIN CHOWDHARY (Katwa): The Minister may write down this point.

SHRI V.S. KRISHNA IYER: It is learnt that the Secretaries held a series of meeting with the Cabinet Secretary and other people. If only the Hon. Minister had applied his mind then this problem would have been solved long ago. It has taken more than a year for the Government to open its eye. The Government has not even now opened it. Sir, this question of Rs. 13 crores would not have arisen if you have taken the action immediately. This company is a flourishing company and if you had not

have stopped placing the orders the present state of affairs would not have arisen. Meanwhile, I am sure that after hearing his predecessor, the former Industry Minister, the present Industry Minister would have been convinced. I would say that you must act here and now. There is no question of delaying it. Not a single minute should be wasted because the workers have already suffered a lot. For the last 12 to 13 months they have not received their salaries. The Hon. Member, Shri Veerendra Patil said, that the workers are prepared for further sacrifice. Their salary for 13 months has already been sacrificed. Can the bureaucrats remain even for one day without salary. On the very first working day of every month they count their salary. So, I press upon the Government of India, as the final hearing of workers petition is still there. If it goes in the hands of the liquidator, whose only job is to liquidate the company, this company will be liquidated. I suggest that the Government of India must come forward and revive it. All of you agree that it is a viable unit. The Government of India has conceded that it is viable. So, you must come forward and see that it is made financially viable and put up on the right track. Otherwise you take it over, but do not delay your action. You take it over and treat it as the Company of the BHEL. One months' salary comes to about a crore rupee. If you would have acted immediately then you would have saved Rs. 13 crores. Knowing fully well that it will become sick; the orders were stopped.

I have nothing more to add. I hope to get a satisfactory reply from the Minister. If it is not revived, 8000 employees will be in the streets. So, I expect a positive and categorical assurance from the Minister that before 27 November, this problem will be solved.

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): Sir, it is very unfortunate that the present Industry Minister is answering the former Industry Minister. Sir, my learned friend, Shri Veerendra Patil knows the limitations of the Industry Minister. I am very sympathetic with the workers of the A.C.C. Babcock. They came to me two or three times and I discussed with

them the problem. One thing I am very sorry of is that Shri Veerendra Patil did not mention who was responsible for the causes of this unit. The A.C.C people were responsible for these causes. Mr. Palkiwala came and discussed with me. Even today his intentions are not good. He told me that he is not going to run the Durgapur unit. Moreover, Shri Veerendra Patil mentioned that now the liquidation petition is before the Bombay High Court. I advised Shri Palkiwala to withdraw the liquidation petition. But he is not willing to do that. There are 6,500 workers who are not getting their salaries for the last one and a half years.

I know every thing. I am thorough on this subject. I tried my level best to revitalise this unit and help the workers. My friend, Shri Veerendra Patil gave so many suggestions. I would like to ask him as to who will manage this unit. Government is not going to take over.

SHRI SOMNATH CHATTERJEE (Balpur): Why not?

SHRI J. VENGAL RAO: I will tell you afterwards. Shri Palkiwala has written a letter to me saying that they are going to sell all their shares and Government should purchase them. They do not want to run this unit. I know that this is a good unit. The design is different from the BHEL. I again say that the A.C.C is responsible for the closure.

SHRI SAIFUDDIN CHOWDHARY: What action are you going to take against them?

SHRI J. VENGAL RAO: Kindly listen to me first. I may tell you, I am more sympathetic to the workers than you.

DR. DATTA SAMANT (Bombay South Central): We want action, not sympathy.

MR. DEPUTY-SPEAKER: Sympathy means action. First listen to his sympathetic words and then action would follow.

SHRI J. VENGAL RAO: A few days back, I discussed this problem with the Chief Minister of West Bengal. I explained to Shri Jyoti Basu all the difficulties.

SHRI SOMNATH CHATTERJEE: You are always overruled by the Cabinet.

SHRI J. VENGAL RAO: It is not like that.

(Interruptions)

SHRI J. VENGAL RAO: Will you listen to me Dr. Datta Samant. There are so many units closed in Maharashtra also.

DR. DATTA SAMANT: Yes. 140 big units are closed. I can give you all the details.

SHRI J. VENGAL RAO: Let us not go into that now.

Shri Veerendra Patil gave some information. IDBI has evaluated that the company is not viable because it requires Rs. 22 crores interest-free loan and Rs. 13 crores at a concessional rate of 10 per cent interest and Rs. 18 crores of working capital. No institution has assured it any funds. The IDBI has asked the Government for guarantee. In this connection, our Prime Minister appointed a group of Ministers. I was the Chairman of that Group. We decided that we would ask the IDBI to finance and that we would give guarantee to give order for four years. I also told them that I would divert the orders from the BHEL and give them the same if they are ready to work. But they are not willing to take up this responsibility. These are all pressure tactics. They want the Government to shoulder all the responsibility.

DR. DATTA SAMANT: Put them behind the bars under economic offences. If necessary, bring forward a legislation for this purpose.

(Interruptions)

SHRI J. VENGAL RAO: Orders were placed for generating 800 megawatts. Rs. 134 crores was advanced. In my own district, there is a heavy water plant. This company also has placed orders for boilers. In my own State, a modern cement plant at Tamlur also placed orders with this Company. Therefore, I am also as interested as Shri Veerendra Patil.

SHRI SOMNATH CHATTERJEE: It is not the personal interest of the Minister. So many thousands of employees are suffering.

MR. DEPUTY-SPEAKER: As a Minister he is concerned. That is his interest.

SHRI J. VENGAL RAO: For the last ten months, I have been discussing with so many people to try to open these closed units because the original management is not ready to do so. Now the Secretaries Committee examined it. And shortly, I am going to take it to the Cabinet. Cabinet will take a decision. It is before the BIFR also. According to the Cabinet's decision, I shall try to help this unit. I have nothing more to add.

SHRI VEERENDRA PATIL: In the entire Session I had not participated even in half a dozen such discussions. This is the case concerning my constituency, that is why I am asking you.

The hon. Minister has accepted all my arguments. On the other hand, he has gone a step forward saying that it is a very healthy and a good unit. He is also going to suffer because of the closure of this company. But I wanted an information which he has not supplied. The information which I wanted was--let him ask his officers to work out now--the 10 boilers which are now under manufacture in ABC for which the Minister has stated that already Rs. 134 crores have been given to them as advance, if ABC is closed, what will happen to those boilers; what will happen to the advance; and what will happen to the projects started for generating 1600 MW of power. What is the direct and indirect loss to Boards and the nation. Hon. Minister wants to know who will manage. I said, it is professionally managed. It is not one Palkiwala who is managing. After all he is only a nominal Chairman--a figurehead. If you don't want, tomorrow they can change and ask somebody to take over the Chairmanship. The entire staff from the Managing Director downwards are all professionals. I suggest one thing. It is only a question of Rs. 13 crores. Why not invite

the workers unions and have a discussion with them? It the hon. Minister asks what about your charges? Are you prepared to wait for some time? Let him know the reactions of the workers. Because I know that the workers are prepared to co-operate with the Government if the Unit is going to be opened.

(Interruptions)**

MR. DEPUTY-SPEAKER: I cannot allow. Hon. Minister, do you want to add anything to what Shri Veerendra Patil has just said?

SHRI J. VENGAL RAO: I inform the House that shortly, I am going to take it up with the Cabinet and after that a decision will be taken.

SHRI SAIFUDDIN CHOWDHARY: A favourable decision!

(Interruptions)**

MR. DEPUTY-SPEAKER: Nothing will go on record. Shri Scindia.

12.57 hrs

RAILWAY CLAIMS TRIBUNAL BILL

[English]

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): I beg to move for leave to introduce a Bill to provide for the establishment of a Railway Claims Tribunal for inquiring into and determining claims against a railway administration for loss, destruction, damage, deterioration or non-delivery of animals or goods entrusted to be carried by railway or for the refund of fares or freight to it or for compensation for death or injury to passengers occurring as a result of railway accidents and for matters connected therewith or incidental thereto.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for the establishment of a Railway Claims Tribunal for in-

quiring into and determining claims against a railway administration for loss, destruction, damage, deterioration or non-delivery of animals or goods entrusted to be carried by railway or for the refund of fares or freight to it or for compensation for death or injury to passengers occurring as a result of railway accidents and for matters connected therewith or incidental thereto."

The motion was adopted.

SHRI MADHAVRAO SCINDIA: I introduce the Bill.

12.58 hrs.

COMPTROLLER AND AUDITOR
GENERAL'S (DUTIES, POWERS AND
CONDITIONS OF SERVICE) AMENDMENT
BILL

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): On behalf of Shri Narayan Dutt Tiwari, I beg to move for leave to introduce a Bill further to amend the Comptroller and Auditor-General's (Duties, Powers and Conditions of Service) Act, 1971.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Comptroller and Auditor-General's (Duties, Powers and Conditions of Service) Act, 1971."

The motion was adopted.

SHRI JANARDHANA POOJARY: I introduce the Bill.

MR. DEPUTY-SPEAKER: Next item. Matters under rule 377.