

SHRI B. RACHALAH (Chamarajanagar): Sir, seventeen officers of the office of Commissioner .

MR. SPEAKER: You must first send it to me I will look into it and then allow you to make a statement, it considered necessary Do not record. (Interruptions)**

12.17 hrs.

MESSAGE FROM RAJYA SABHA

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

I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on Monday, the 8th May, 1978, adopted the following motion in regard to the Lokpal Bill, 1977—

"That this House concurs in the recommendation of the Lok Sabha that the Rajya Sabha do appoint two members of the Rajya Sabha to the Joint Committee of the Houses on the Lokpal Bill, 1977, in the vacancies caused by the retirement of Shri K. A. Krishnaswamy and Shri D. P. Singh from the membership of the Rajya Sabha on the 2nd April, and 9th April, 1978, respectively, and resolves that Shri N. K. P. Saive and Shri V. V. Swaminathan, Members of the Rajya Sabha be appointed to the said Joint Committee to fill the vacancies."

12.18 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

REPORTED MOVE TO WIND UP CENTRAL FISHERIES CORPORATION

SHRI SAMAR GUHA (Cônai): Sir, I call the attention of the Minister of Agriculture and Irrigation to the

following matter of urgent public importance and request that he may make a statement thereon:

"Reported move to wind up Fisheries Corporation of India, a Public Undertaking, causing concern among the employees and the fish consuming people of West Bengal".

THE MINISTER OF AGRICULTURE AND IRRIGATION (SHRI SURJIT SINGH BARNALA): The Central Fisheries Corporation Ltd, Howrah was set up by the Central Government in 1965 to meet the twin objectives of making fish available at reasonable rates primarily to the consumers at Calcutta and to provide a fair price to the producer within the country.

The Corporation had been running into losses almost every year since its inception A Review Committee was constituted in November, 1976 to comprehensively review the working of the Corporation The Committee recommended that since the Corporation had failed to achieve the objectives for which it was set up in spite of full financial and moral support of the Central Government and since the primary responsibility for regulating supplies and maintaining reasonable price of fish in the Calcutta market is that of the State Government, the Corporation should be transferred to the State Government to be merged with the State Fisheries Development Corporation.

The Committee was convinced that the Corporation would not prove viable under the existing circumstances and therefore, further recommended that no additional financial support should be given to the Corporation except to pay to the minimum staff, till a decision is taken on the future of the Corporation.

The Government of West Bengal was accordingly requested to take over the activities of the Corporation to be

**Not recorded.

[Shri Surjit Singh Barnala]

merged into the State Fisheries Development Corporation. The State Government have since expressed their inability to take it over.

As there is no possibility of the Corporation attaining any measure of viability, further continuance of the Corporation would only involve further infructuous expenditure to the Public Exchequer. The question of winding up of the Corporation is, therefore, under consideration of the Government.

SHRI SAMAR GUHA: Sir, I am sorry to say that had the matter affected any other State than West Bengal, perhaps the hon. Minister would have thought several times before making such a statement before this House. Such a statement is full of incorrectness. I do not know whether you have done your homework or you have gone through it. He has said, "To meet the twin objectives the Central Fisheries Corporation was constituted." "Which is not the fact. Have you gone through the objectives? There are 24 objectives laid down? Broadly it is 'Development of fisheries, both inside fisheries and offshore fisheries' and of which purchasing of the fish from different States and mainly selling it in the Calcutta market was only one aspect of it. That is only one of the 24 objectives. You have mentioned 'the twin main objectives' as if there are only two objectives which is not so. There are 24 objectives laid down in the whole body of the Central Fisheries Corporation Act. Have any attempts been made whatsoever to study those objectives?

Then you have made another wrong statement that it was incurring losses almost every year since its inception—which is also not correct. In 1973-74 and 1974-75 this corporation earned a profit of Rs. 21 lakhs. But what happened afterwards? Why did it turn into a losing concern from 1976?....

SHRI JYOTIRMOY BOSU (Diamond Harbour): I am told that private business is going on.

SHRI SAMAR GUHA: Have you gone into it? Have you tried to understand the matter as to why it has happened? It appears to me a case of bad management. Sir, because of bad bungling by a bad nurse, nobody is allowed to throw the baby with the bath water. What happened is that because of the bad management by the top officers, the Managing Director and others, you are going to throw out this Fisheries Corporation which serves the people of West Bengal mainly, not to speak of other people and the people of Calcutta, and for no reasons whatsoever and without going deep into the matter. I ask this question. Is this the only public sector corporation which is running at a loss? There are about 40 public sector corporations which are running at a loss for years together. Are you going to throw them out? Are you going to wind them up? Why single out the Fisheries Corporation to wind up?....

SHRI JYOTIRMOY BOSU: A step-mother.

SHRI SAMAR GUHA: What happened—you know. Before 1976 the Managing Director was getting a salary of Rs. 2400 per month. But suddenly in 1956 a Retired Military Officer on a packet pay of Rs. 4000 per month including his house-rent, was appointed and this retired military officer—what did he do? Immediately on coming into office he recruited about a dozen superannuated military officers as if it was some kind of a military organization. Due to these people the corporation incurred Rs. 3.5 lakhs extra expenditure annually and also some other expenditure was made. You will be astonished to know the Managing Director, just for renovating his toilet, spent Rs. 5000. In Calcutta on staff care and other items extra amounts were paid and some officers were given many other facilities.....

MR. SPEAKER: Kindly come to the question.

SHRI SAMAR GUHA: This is how corruption went on. There was a refrigerator van which was purchased at a cost of Rs. 3 lakhs but this Managing Director sold it for no reasons whatsoever at Rs. 24,000 only. Therefore, I do not know whether this Review Committee has gone through the matter. Was it a military organisation opened for the benefit of retired military officers who have no knowledge whatsoever of pisciculture or either how to deal with the development of fisheries or to deal with the fish market. They do not have even an iota of experience

MR. SPEAKER: Please come to your question. This is a call attention.

SHRI SAMAR GUHA: Unless I give the background, there is no meaning. The problem is there two years before they earned a profit of Rs. 21 lakhs but suddenly after some retired military officers were dumped into it, officers who had no experience whatsoever of fishery development or any kind of pisciculture, they started incurring losses..

MR. SPEAKER: Mr. Guha, fish is good but there must be a limit.

SHRI SAMAR GUHA: For that reason only I am raising all this. It was because of bad management, bad recruitment policy and because of this coterie of inexperienced officers, experienced pisciculturists were side-tracked and they were pushed back and they were not given any room whatsoever to deal with the problems of fishery development and this has resulted in the losses to this organization. You should understand. What is the result in 1973-74? Even in 1975 this Fisheries Corporation fed the market of fish in Calcutta. You know what it means? About Rs. 12 per kg. Sometimes even less than that. Now fish is being sold in the Calcutta

market at anything between Rs. 18—22 per kg.

Sir, I would say, there are some private conspirators and private agencies who are working against this Corporation.

They have done everything to finish this Fisheries Corporation.

I want to know for what reason they have entered into this agreement with Bangladesh.

Sir this Fisheries Corporation was also expected to deal with that fish.

Also, you should remember, this is not a question of Bangla Desh only. This fish is brought from Tamil Nadu, from Andhra, from Orissa, from Rajasthan, from Himachal, from U.P. and from other States. It will affect their revenue also.

MR. SPEAKER: Kindly come to the question.

SHRI SAMAR GUHA: I am putting the question. It will affect their development also.

Now, what is being done is this.

The private businessmen are getting fish from there and they are selling it at exorbitant rate, at very high price, in the Calcutta Market. This is what is happening.

I wish to point out that this step which you are contemplating will affect 500 officers and employees who are working there.

MR. SPEAKER: Now, will you please come to the question? You have taken lot of time.

SHRI SAMAR GUHA: Unless I give the background, it is meaningless....

MR. SPEAKER: No, no. Not this way. Background means, very briefly.

SHRI SAMAR GUHA: I want to know from the hon. Minister:

[Shri Samar Guha]

(a) who were the persons who constituted that Review Committee and

(b) whether they examined why the CFC failed to implement the twenty-four objectives for which it was set up?

Also, I want to know whether they got into this extravagant expenditure and loss, after the bad policy of recruitment and dumping into the Fisheries Corporation of military officers.

Have they gone into the cases of corruption and malpractices which I had mentioned?

These are my questions

Finally, .

SHRI SOMNATH CHATTERJEE (Jadavpur) Give up the idea of winding up

SHRI SAMAR GUHA I want to know whether after having a fresh enquiry the Government will try to reorganise it and revamp it with Fisheries Experts and Pisciculturists and not with retired military officers

Sir, I again want to say that this Government should not adopt a policy of step-motherly attitude which was shown by the earlier Government. I am really sorry to say that this Government is not showing any better attitude towards the problems of West Bengal. I can catalogue them. They are not showing any better attitude at all.

As you know fish is the most important item of food in West Bengal. Winding up of the Fisheries Corporation, instead of strengthening it, in stead of revamping it, will create problems for us.

SHRI JYOTIRMOY BOSU rose—

MR SPEAKER No No

SHRI JYOTIRMOY BOSU On a point of order.

MR SPEAKER What is the rule that is breached? You should not make a long speech

SHRI JYOTIRMOY BOSU Arising out of the observations made by Prof. Samar Guha that the matter be examined, I wrote a letter to the Prime Minister

MR SPEAKER No no Please resume your seat That is not a point of order

SHRI JYOTIRMOY BOSU No Sir, I am telling you

MR SPEAKER No Mr Bosu, we would not allow this. In a Calling Attention I am not allowing a discussion Mr Minister

SHRI JYOTIRMOY BOSU I did not know that you have got so much of energy .

MR SPEAKER I am also fond of fish but not that much Mr Minister.

SHRI SURJIT SINGH BARNALA The hon Member mentioned that in certain years that is 1973-74 and 1974-75 there had been a profit of about Rs 21 lakhs but this statement according to facts is not correct

The loss started right from their inception 1965-66. Then the loss was Rs 2 lakhs. Then it went on increasing. In 1967-68, it went to Rs 12 lakhs. Then in 1971-72 it was 13.10 lakhs and in 1972-73 it was 35.31 lakhs. And in one year, that is, 1973-74 there was a profit of Rs 2.54 lakhs, because of the reason that our relations with Bangladesh had improved. About 4,412 tonnes of fish had come from Bangladesh for sale. So it was because of that reason. And, in the very next year, that is, 1974-75, there was a loss of Rs 25.15 lakhs. So it was because of that import from Bangladesh that we had some gain in that one year. Regarding all the other years, we had been incurring losses—right from 1965. We have incurred a total loss of more than Rs 1 crore.

SHRI SAMAR GUHA: I wanted to know from the hon. Minister as to what were the reasons for these losses.

MR. SPEAKER. He is mentioning.

SHRI SURJIT SINGH BARNALA: The quantity of fish made available was also very little. Originally it was envisaged that it should be 10,000 tonnes per year and from 10,000 tonnes per year it should go up to 40,000 tonnes per year ultimately. But, in none of these years excepting, as I said, 1973-74, when Bangla Desh fish came, the output had gone more than 3,100 tonnes. In most of the years, it was 1400, 1300 and like that. So, the output was very low. That was one of the reasons why the losses were incurred.

Regarding the Committee to which the hon. Member referred to, they went into this and the Members on that Review Committee were:

1. Shri Shiv Ram, Deputy Secretary, Department of Agriculture;

2. Shri B. B. Kapur, He was appointed, after some time, as Deputy Secretary. He took over as Deputy Secretary (Fisheries);

3. Shri M. P. Deva Sundaram, Deputy Commissioner (Fisheries),

4. Shri K. P. Sharma, Senior Cost Accounts Officer, Ministry of Finance,

5. Shri B. Singh, Under Secretary, Department of Agriculture (Finance);

6. Lt. Col. Mukerjee, Deputy Divisional Manager (Marketing), Central Fisheries Corporation; and

7. Shri Naginder Singh, Under Secretary, Fisheries Division, He was appointed as an Additional Member of the Corporation.

They went into all the matters.

MR. SPEAKER: Did they go into the corruption question?

SHRI SURJIT SINGH BARNALA: Sir, their report consists of about 70 pages. They have gone into every detail.

Regarding induction of certain military officers also, I would submit that the Managing Director to whom he was referring was one Maj. General Bhattacharyya. He was appointed in December 1975, But he resigned in December, 1977. (Interruptions).

SHRI SAMAR GUHA: He started by saying that he imposed an embargo. After all this mischief, still these things are lying idle.

MR. SPEAKER Mr Guha, you have put your question.

SHRI SAMAR GUHA: He should be imprisoned. He only resigned as Managing Director.

MR. SPEAKER A senior Member like you should give a lead It must be orderly.

SHRI KANWAR LAL GUPTA (Delhi Sadar): The Minister is giving a fishy answer instead of fish.

MR. SPEAKER: You cannot speak about the fish. You have no authority.

SHRI KANWAR LAL GUPTA: I am interested in Shri Guha. (Interruptions).

SHRI SURJIT SINGH BARNALA: Maj. General Bhattacharyya's gross monthly salary was Rs. 2,975. This was given to me in this note. He was appointed in 1975 December. Before that also the Corporation was incurring heavy losses.

SHRI SAMAR GUHA: I categorically change that before the appointment of that Maj. General, the Managing Director was getting Rs. 2,450 including everything per month. After the Major General was inducted as Managing Director, he was getting a packet pay including Rs. 1600 for his house, that is, Rs. 4,600 per month. He inducted another Major General.

SHRI JYOTIRMOY BOSU: There is dearth of fish trade and there is dearth of fish supplies. Why is the Corporation running at a loss?

SHRI SURJIT SINGH BARNALA: These losses were earlier also ever since the inception of the Corporation. I have mentioned that.

MR. SPEAKER: You were giving a total pay packet of Rs 4,600?

SHRI SURJIT SINGH BARNALA: The gross monthly salary indicated in the note is Rs. 2,975. He may be getting some perks. I do not know that. This is the gross salary. I have got the figures with me. These were being given to the earlier directors.

SHRI SAMAR GUHA: His pay packet was Rs. 4,000.

MR. SPEAKER: You have said it. The Minister also said that he does not know the details. *(Interruptions)*

SHRI SURJIT SINGH BARNALA: Earlier directors must also be getting some perks. There were some ex-army officers also in that to which they had objected. *(Interruptions)*

SHRI JYOTIRMOY BOSU: Will the Minister agree to the Public Undertakings Committee's examining it and giving a report?

SHRI SURJIT SINGH BARNALA: The ex-army officers are also provided with jobs somewhere. Fortunately or unfortunately some more officers were taken. That is why they are objecting to it. These are the facts. I hope I have mentioned all these things.

SHRI SAMAR GUHA: I said categorically that a refrigerator van which was purchased at Rs. 3 lakhs was sold at a price of Rs. 24,000. I want to know whether he would examine this. This has to be re-examined. This is a very serious matter. There is a conspiracy of the private fish traders to see that the Fish Corporation is scuttled so that they can capture

Calcutta market. Now, it is selling at Rs. 18 to Rs. 20 per kilo. It is a very important matter so far as West Bengal is concerned.

SHRI SURJIT SINGH BARNALA: A review committee was set-up in October last year. They have submitted a very recent report and a detailed report. We have gone into it and agree with this report as it is.

MR. SPEAKER: He wanted to know about the car having been sold.

SHRI SURJIT SINGH BARNALA: I do not have the facts about selling of the car. I can enquire into this matter. Let the hon'ble Member give the details he has got.

SHRI SAMAR GUHA: Sir, I wanted to know before having a fresh enquiry into the whole matter about CFC, Government should not take any decision to wind it up.

SHRI SURJIT SINGH BARNALA: I have already replied clearly that the report is a very recent one and a detailed one. So, a new enquiry is not at all required.

(Interruptions).

SHRI SAMAR GUHA: Sir, a conspiracy by the private fish contractors is going on. A fresh enquiry should be conducted without winding up the CFC. I

MR. SPEAKER: The Minister does not agree to your viewpoint. We go to the next item, that is, item No. 7.

12.37 hrs.

BUSINESS ADVISORY COMMITTEE EIGHTEENTH REPORT

**THE MINISTER OF PARLIAMEN-
TARY AFFAIRS AND LABOUR
(SHRI RAVINDRA VARMA):** Sir, I beg to move the following:

"That this House do agree with the Eighteenth Report of the Busi-