

[Mr. Speaker]

Coal Mines Provident Fund, Family Pension and Bonus Schemes Act, 1948, the Employees' Provident Funds and Family Pension Fund Act, 1952, the Wealth-tax Act, 1957 and the Income-tax Act, 1961."

The motion was adopted.

SHRI RAGHUNATHA REDDY: I introduce* the Bill.

STATEMENT RE. LABOUR PROVIDENT FUND LAWS (AMENDMENT) ORDINANCE, 1976

THE MINISTER OF LABOUR (SHRI RAGHUNATHA REDDY): I beg to lay on the Table an explanatory statement (Hindi and English versions) giving reasons for immediate legislation by the Labour Provident Fund Laws (Amendment) Ordinance, 1976.

12.27 hrs.

METAL CORPORATION (NATIONALISATION AND MISCELLANEOUS PROVISIONS) BILL

MR SPEAKER: The House will now take up for consideration and passing the Metal Corporation (Nationalisation and Miscellaneous Provisions) Bill. The time allotted is two hours.

THE MINISTER OF STEEL AND MINES (SHRI CHANDRAJIT YADAV): I beg to move†

"That the Bill to provide for the taking over of the management of the undertaking of the Metal Corporation, after such undertaking is deemed to have been transferred to, and re-vested in, the said Corporation, and for the subsequent acquisition of the undertaking of the Metal Corporation for the pur-

pose of enabling the Central Government, in the public interest, to exploit to the fullest extent possible, the zinc and lead deposits in and around Zawar area in the State of Rajasthan and to utilise those minerals in such manner as to subserve the common good, and for matters connected therewith or incidental thereto, be taken into consideration."

This Bill seeks to replace the Ordinance promulgated in this behalf on 2nd August, 1976. This has two important features and two important legal stages also. First, in Chapter II of the Ordinance under Sec. 4 after repealing the 1966 Act with effect from the same day, 2nd August, 1976, the undertaking was restored to, and re-vested in, the MCI, but simultaneously it was taken over in respect of management by the Government, and the management stood transferred and vested in the Central Government again from 2nd August, 1976.

Another important feature of the law is that this management period continued upto 1-8-76. During this period, the Metal Corporation of India continued to be the owner of the undertaking, but Government remained in management of the undertaking and an administrator was appointed by the Government. Therefore, the Metal Corporation of India had been deprived of the management of this undertaking for that period, from 22nd October 1965 to 1st August, 1976. Therefore, it was required that a reasonable amount should be paid in lieu of this deprivation of management to the company. For this both the Ordinance in sec. 10 and the Bill in cl 10 make a provision of Rs. 11.39 lakhs per annum to be paid to the company. This amount is being paid according to well established norms and standards, which had been decided by the government. The second stage comes from 2nd August 1976.

*Introduced with the recommendation of the President.

Under clause 7, the management of the Metal Corporation of India is being transferred and vested absolutely in the Central Government and in common parlance this is called pre-nationalisation period; two specific amounts are provided and provision has been made in the Bill; it was in the Ordinance also. The amount which will be paid to the company will be Rs. 1.98 crores. This is the total amount for the acquisition of the property and the amount in lieu of management which the central government has taken over will be Rs. 321 lakhs. This is being done keeping in view the amendment which was made under article 31(2) of the Indian Constitution. This figure has also been worked out after careful examination by the department in consultation with the law department and the finance department; this is in accordance with the standard practice in this regard.

The urgency for the issue of the Ordinance taking over the management of the company has been clearly indicated in the statement of objects and reasons of the Bill. The company are producing zinc and lead, minerals which are important raw materials for the economic development of our country. We found that the company had prepared a plan of expansion and the government was very keen that those strategic minerals for the development of our economy should be produced quickly. We should try to mobilise all resources and see to it that we are able to meet our internal or domestic requirements but unfortunately the company was not taking any action and the expansion programme was held up or a long time. Perhaps the company was also not in a position financially, to invest further. Therefore, the government decided to acquire this undertaking. When this undertaking was acquired, at that time according to the Act that was passed by this august House, there was a provision that the government and

the company should mutually agree or compensation to be paid to the undertaking. Unfortunately when the offer of Rs. 1.98 crores was made to the company, there was no response from the company for a long time and ultimately government provided for the appointment of a tribunal in the law and the tribunal was appointed. As against the government's decision to give to the company Rs. 1.98 crores, the company made a counter-claim for compensation to the extent of Rs. 101 crores. You can see the gap between Rs. 1.98 crores and Rs. 101 crores which the company was claiming. This matter was referred to the tribunal. Unfortunately however the company took an obstructive attitude.

The company went to various courts—High Courts of Punjab and West Bengal and Supreme Court. It was adopting delaying tactics and its non-co-operation created a lot of uncertainty. Therefore, even though the government acquired the undertaking, we were facing a lot of difficulties for expansion and other programmes. The tribunal commenced its proceedings in September, 1972, but even the issues were not framed till 15th May, 1975, because the company was coming with one application after another, making excuses and adopting delaying tactics. Ultimately the company told the tribunal that the government should also give Rs. 19 lakhs so that the company might fight the case against the government! This is how they were adopting an obstructive attitude. There was uncertainty prevailing and the government was finding difficulty in the formulation and execution of plans for increasing the production of these important metals by the government company in which the undertaking was vested long back. After the matter had been before the tribunal for more than 4-1/2 years, we came to the conclusion that even if the tribunal gave its verdict, the company on one pretext or the other would go to the court and further delay the proceedings, which will mean unnecessary delay in the formulation

[Shri Chandrajit Yadav]

of our expansion programmes. So, the only course left to the government was to issue an ordinance specifying the compensation already computed on a reasonable basis in the ordinance itself. So, this ordinance was issued and the Bill is now before the House.

Many important steps have been taken since the takeover of the undertaking. These are very important minerals and therefore, the Hindustan Zinc Ltd. drew up plans for expansion of Debari zinc smelter from 18,000 tonnes to 45,000 tonnes per annum, modernisation of the Tundoo lead smelter so as to realise a net annual lead production of 8,000 tonnes and development of new mine at Balaria (Zawar area). A new zinc smelter of 30,000 tonnes per annum based on imported concentrates with a lead plant of 10,000 tonnes per annum is also being set up by the company at Visakhapatnam in Andhra Pradesh. The modernisation of Tundoo lead smelter is almost complete. The expansion of Debari zinc smelter and the new zinc smelter at Visakhapatnam are expected to be commissioned by the end of this year. The new mine is being developed at Balaria is also expected to be commissioned in October, 1977. Considerable investment has already been made because of the strategic importance of these minerals.

Our estimate is that by the end of the fifth plan our country will need 30,000 tonnes of zinc and 40,000 tonnes of lead. By 1978-79 the demand will be 1,15,000 tonnes for zinc and 50,000 tonnes for lead. Apart from Hindustan Zinc Limited, another zinc producer is Cominco Binani Limited. This company is operating 30,000 tonnes per annum smelter, based on imported concentrate. When these steps are being taken, with the above expansion scheme, the zinc smelting capacity in the country will go up to 1,15,000 tonnes, which will be able to meet our demand.

The GSI has also been asked to make further survey in various parts of the country, at least for strategic minerals like zinc, lead and copper, which we have still to import, in spite of our best efforts to become self-sufficient. Of course, the situation has now considerably improved. Both GSI and SEO will make a survey of these areas. With the co-operation and coordination of work of these two agencies we would try to be self-sufficient in these minerals.

I have already explained the reason for which this Ordinance was promulgated. I would welcome suggestions from hon. Members and if there are any queries, I will reply to them at the end of the discussion.

MR. SPEAKER: Motion moved:

"That the Bill to provide for the taking over of the management of the undertaking of the Metal Corporation, after such undertaking is deemed to have been transferred to, and re-vested in the said Corporation, and for the subsequent acquisition of the undertaking of the Metal Corporation for the purpose of enabling the Central Government, in the public interest, to exploit to the fullest extent possible, the zinc and lead deposits in and around Zawar area in the State of Rajasthan and to utilise those minerals in such manner as to subserve the common good, and for matters connected therewith or incidental thereto, be taken into consideration".

SHRI P. K. DEO (Kalahandi): Mr. Speaker, so far as strategic minerals like zinc and lead are concerned, there would be unanimity in the House that their production should be in the public sector. If we trace the history of this piece of legislation, it has a chequered career. Government have been trying to acquire this Company since 1965 but all sorts of impediments and obstacles have been

put in their way, which have been moved both in the High Court and the Supreme Court, so that Government will not be able to achieve their objective. At long last some concrete steps have been taken in this regard.

But I cannot reconcile myself to the procedure that has been adopted by the Government in acquiring this Company. It came by way of an Ordinance, which was promulgated on 2nd August 1976. This House was to meet on the 10th of this month. Just eight days prior to the meeting of the House, an Ordinance was promulgated. I do not think the heavens would have fallen if we had waited for ten days, when we had already waited for over 11 years. Now this House is faced with a *fait accompli*. Such a procedure should not be adopted in future. Sir, I would request you to issue a directive to the Government that when the House is about to meet, they should not promulgate any Ordinance but come forward with a concrete legislation. Because, this amounts to showing scant respect to the authority of Parliament.

Coming to the merits of this legislation, this is a very strategic material. We have been importing quite a lot at the cost of foreign exchange. From the report of the Committee on Public Undertakings, you will find that the figure has been rising every year. During 1969-70 to 1974-75, we imported zinc and lead to the tune of Rs. 215 crores in foreign exchange, and the demand has been rising every year. In 1973-74 we imported these materials at a cost of Rs. 10.71 crores, and in 1974-75 it went up to Rs. 18 crores. Taking into consideration the fact that in this country there are vast deposits of galena, lead and zinc, I think all possible efforts should be made to exploit those areas.

So far as the exploitation of our potential deposits is concerned, I

would like to draw the attention of the hon. Minister to the fact that at the time of the Cuttack by-election, the foundation stone was laid in Sargipali in Sundergarh District where there is a large deposit of galena, to have a smelting plant there, but no action has been taken so far. Neither has the hon. Minister said anything about it in his preliminary remarks. So, we are constrained to think that probably the laying of the foundation stone was meant only for political propaganda. Now we learn that these galena and lead ore found in the to be taken to the Vishakapatnam smelter. I have no complaint in that regard, but the Vishakapatnam smelter was primarily meant for the galena and lead ore found in the Agnikundalam area of Vishakapatnam District of Andhra Pradesh. If you see all the plants which are coming up in that area, you will find they are mainly based on the mineral deposits of Orissa.

So far as the ferro-chrome plant in Girividi in Andhra Pradesh is concerned, there is not even one ounce of that ore available in Andhra Pradesh. It is primarily based on the chrome that is produced in Orissa. Similarly, the Vishakapatnam smelter plant will be mainly fed by the galena deposits of Sargipali.

I believe that the hon. Minister is contemplating to put up two aluminium plants based on the vast bauxite deposits in Andhra Pradesh and in Orissa. I hope it will materialise and that both the States will be benefited by an aluminium plant each. For an electro-metallurgical industry like this, where a large amount of electricity is needed, we have to select sites where electricity is in surplus. So far as Orissa is concerned, we are in surplus in electricity and we are capable of giving as much power as they want for the smelter or for the aluminium plant that is likely to come.

[Shri P. K. Deo]

If you go through this Report of the Committee on Public Undertakings on Hindustan Zinc Ltd., you will find that some adverse remarks have been made against the red-tapism in the Government. So far as the Debari zinc smelter is concerned, it took quite a long time to come to a decision. They had talks with a firm of France, and with another in Poland, and ultimately they came to an understanding with the firm in Frankfurt. It took nearly three years to come to a decision.

So far as the Vizag plant is concerned, they expected that by September, 1976, it will come into production. But now the Minister says that it may be by the end of this year. So, I feel that there is something wrong somewhere and that has to be streamlined.

So far as modernising the Tundoo smelter is concerned, the matter has been referred to the National Metallurgical Laboratory at Jamshedpur. As this Committee has remarked, the National Metallurgical Laboratory is an organisation primarily meant for research purpose. They are not competent to suggest any modernisation method so far as the Tundoo smelter is concerned. I would submit that the Government should give priority to this area so far as installation of new smelting plants is concerned.

Sometime back, I wrote to the Minister and I also wrote to the Government of my State that plenty of galena with a large amount of silver and lead content is available on both sides of the Tel river in the Kalahandi district and in the Bolangir district. These deposits do not occur as large deposits. They appear as small veins and if you start digging them, they suddenly disappear. But it is a fact and it has been established that there are large deposits of this ore scattered in that area. Unscrupulous people have been digging out this concentrate galena ore from that

area at night in trucks and selling them somewhere. I would request the hon. to go into this matter. The smelting of galena or lead or iron is not a very difficult process. There are small smelters on the cottage industry scale and by beneficiation method, they can separate galena, silver and lead content. There are many unscrupulous people who are doing this kind of work to the detriment of the national interest.

I would, therefore, submit that the Government should inquire into the feasibility of putting up a smelter somewhere at Kesinga in between Vizag and Sargipali so that they can utilise Sargipali ore from the Sundergarh district and these deposits at Kesinga. There is plenty of lead available. So far as electricity is concerned, the Government of Orissa has been taking up the Upper Indravati project which is going to generate 600 MW of electricity. So, there will be plenty of power available. With a long range view, I submit, the Government should consider all these matters.

With these words, I fully support the proposal of the Government to nationalise this concern.

SHRI CHAPALENDU BHATTACHARYYA (Giridih): Mr. Speaker, Sir, I rise to welcome and support this Bill for nationalisation of the Metal Corporation of India at long last, after ten years of litigation, of withdrawals, of marching forward and retreats. All the time, the confidence, the credibility, the skill of the workers and of the management and their morale were being put to a severe test. I welcome it because of the imperative of the Indian economy at the present stage.

There has been some difference of opinion between the estimates of the Planning Commission and those of the Committee on Public Undertakings on how much zinc will be required at the end of the Fifth Five-

Year Plan. The Planning Commission have put it at two lakh tonnes whereas the Committee on Public Undertakings have estimated it at 1,15,000 tonnes. In any case, even in 1974-75, we imported 66,000 tonnes of zinc at a cost of Rs. 55 crores and 37,000 tonnes of lead at a cost of Rs. 18.7 crores. We have the capacity, the reserves and the resources to wipe out these imports altogether and switch on to exporting some of these. In Rajasthan itself, there are 2,000 geophysical anomalies—not adequately prospected. I am very happy to hear our Minister say that they are now directing the GSI and the Mineral Exploration Corporation to go ahead with intensive exploration, because, to make up the shortfall, we have to go much faster and much farther than we have done. In any case, because of the recent findings of new deposits in buxite, in copper and also improvement in the situation in zinc, our entire picture, which was so dismal ten years ago, has practically changed for the better, and MMTC's operations of importing non-ferrous metals are contracting very fast. That is the index of our success and the movement forward of this economy in the right direction.

Lack of coordination between the various Ministries and Departments, which has been so eloquently brought out in this report of the Committee on Public Undertakings, leads me to believe that what is required is a chaser, as they say in America,—the person who will be chasing certain objectives and bringing about coordination—in all departments, in steel plants, in mines, in zinc, in smelting processes, which will be chasing to cut through the red-tape. I am glad that the Gordian Knot has been cut so smoothly, so effectively, and we have this at long last, in the shape of this Bill which we are discussing today.

The Committee on Public Undertakings has brought out the question of idle hours. It is not a happy

reading: plant shut-down in 1973-74 1251 hours, the percentage of idle hours to total hours 18.6. 1973-74 was the Great Divide for Hindustan Zinc. After that, things have steadily improved. These idle hours have to be combated and these can be combated by mobilising all the expertise and skill, involving all the people, not only the foreman and the graduate foreman but the artisans the skilled workers below, and having a continuous dialogue between them on how to cut down the idle hours. This, of course, is a part of the larger question....

MR. SPEAKER: You can continue after Lunch.

13.01 hrs.

The Lok Sabha reassembled after till Fourteen of the Clock

The Lok Sabha reassembled after Lunch at Four Minutes past Fourteen of the Clock.

[MR. SPEAKER in the Chair]

METAL CORPORATION (NATIONALISATION AND MISCELLANEOUS PROVISIONS) BILL—*contd.*

SHRI CHAPALENDU BHATTACHARYYA (Girdih): As I was saying, we have to intensify the search for non-ferrous metals. As COPU has stated:

"In view of the gap between indigenous availability of zinc concentrates and the requirements of the existing three smelters which may widen when smelting capacity is further expanded, the Committee feel that there is an imperative need to intensify the search for additional non-ferrous metal deposits in our country."

The hon Minister of Steel and Mines with his usual drive has already outlined such a course. I am quite sure with his drive and search for additional deposits, with increase in smelter capacity, the imbalance in our internal requirements and production would shortly become a thing of the

[Shri Chapaendu Bhattacharyya] past. There has been surprising increase in the capacity utilisation by the steel plants. There has been dramatic discoveries of deposits of various minerals, non-ferrous metals, bauxite copper and all the rest of them.

So the Mines Department is also equally geared and, therefore, this Bill is only appropriate so that the decks shall have been cleared for a go-ahead policy towards an expanding future.

But before that, we have to tackle certain thorny problems which I would like to bring to the notice of the Minister through you. The question was posed how to increase the production of OMS in the mines. Now they got the advice of IBCON, of course, a well known consultancy firm in industrial engineering, but I am afraid they have not that background on the mining side as on the mechanical and electrical engineering side. They paid Rs 1,65,000 for that. They got the services of some other party also. That was commented upon by COPU. So in the circumstances, their estimates vary. IBCON says there is a large surplus labour, Hindustan Zinc says that the surplus is not that much. The other consultancy firm also says that although in surplus is there, it is not to the extent outlined by IBCON. Since the Department of Mines is concerned with production of copper, zinc and lead and other minerals which is going to increase very fast, which will necessitate induction of many types of machinery, I suggest that the Minister may kindly consider forming an industrial engineering cell of its own. I suppose with Rs 1,65,000 he can easily employ six or seven engineer with the necessary speciality—they may be directly under the Ministry—who can go to different copper, zinc and lead mines and outline the lines of advance and methods by which bottlenecks and shortfalls can be overcome.

As regards surplus labour IBCON's estimate is that Rs. 32.88 per tonne is the cost of surplus labour. I had a bitter experience of IBCON's findings

when I was—and still I am—President of the Tobacco Workers' Union in Monghyr. These IBCON people came and gave a fantastic figure of surplus labour. So having burnt my fingers once, I always take their findings with a pinch of salt.

MR. DEPUTY-SPEAKER: Don't you think broader issues are a little out of the way?

SHRI CHAPALENDU BHATTACHARYYA: We are trying to discuss this Bill in the context of broader issues. Otherwise, the opportunity may not come.

MR. DEPUTY-SPEAKER: It will come.

SHRI CHAPALENDU BHATTACHARYYA: I do not know. If you will bear with me....

MR. DEPUTY-SPEAKER: We have only 1 hour and 25 minutes left.

SHRI CHAPALENDU BHATTACHARYYA: All right. Would you kindly indicate how many minutes I have?

MR. DEPUTY-SPEAKER: You have already taken 10 minutes. You can take two or three minutes more.

SHRI CHAPALENDU BHATTACHARYYA: In two minutes, I cannot even read out my points.

MR. DEPUTY-SPEAKER: There are other speakers and then the Minister will reply.

SHRI CHAPALENDU BHATTACHARYYA: I should like to point out that there was some price increase of the product. Of course some price increase was justified because of the escalation in cost and increase in gestation period but with increased performance and also in the context of the anti-inflationary drive, I request the hon. Minister to consider how far and how fast the prices can be brought down and how our prices of zinc and lead compare with international prices because there is a ring of brokers in metals, non-ferrous metals, who had been bleeding developing nations white all these decades and we have to

break through that ring. I suggest that there should be expansion of the research and design organisation and there should be pilot plants also to find out whether a single smelter can smelt poly-metallic deposits; for instance in Orissa, zinc, lead, copper and silver are going together. This issue will come before the hon. Minister today or tomorrow. Then there is the question of performance of machines. For that some pilot mines are necessary. I want to know the norms and standards of costing that you have fixed because COPU's report unfortunately gives a different picture. Since we are turning a new leaf, let us start with a clean slate. We should have norms and standards of costing.

MR. DEPUTY-SPEAKER: This should be in the demands for grants on industry. I understand your predicament.

SHRI CHAPALENDU BHATTACHARYYA: Coming to the provisions of the Bill, especially clause 14, I should urge that the gratuity, pension and provident fund deposits of the employees should be guaranteed and should in no way be affected by the take-over. Problems might arise if the provident fund deductions had not been deposited by the previous owners. In that case, the hon. Minister may kindly look into it and ensure their continuity of service, and previous deposits should be fully reimbursed. I wholeheartedly welcome the Bill. This will enable the hon. Minister to orchestrate a new minerals policy along with the necessary production facilities on the ground. I thank you very much.

*SHRI KRISHNA CHANDRA HALDER (Ausgram): Mr. Deputy Speaker, Sir, I welcome this Metal Corporation (Nationalisation and Miscellaneous Provisions) Bill, 1976 and extend my full support to it. But regrettably an ordinance was issued on 2nd August, 1976 for the nationalisation of the Metal Corporation of India while the Lok Sabha session was due to commence on the 10th August, 1976. This practice of issuing ordinances on

the eve of Lok Sabha sessions is highly undesirable and should not be resorted to. Objections against this practice have been voiced in this House on many occasions earlier also but the Government persists with this practice. Why is it so?

In the State of Objects and Reasons it has been stated and the Minister has also stated in his speech that the management of the Company were engaged in prolonged litigation in the Punjab High Court, in the Calcutta High Court and the Supreme Court, obstructing the process of production and expansion programmes in respect of two very vital and strategic minerals viz. Lead and Zinc. The Company could not complete the projects it had undertaken for the expansion of Zowar mines and the construction of Zinc smelter plant near Udaipur due to mismanagement. All programmes came to a standstill and the Company was not even in a position to meet its repayment obligations to the suppliers of machinery etc. Instead of utilising their time, energy and funds for effecting improvements in the working of the Company, the management wasted the resources in litigation. They even sought financial assistance from the Government for purposes of litigation. In these circumstances the decision to nationalise the Company is quite right and I fully support it. But the way it was done i.e. by issuing an ordinance on the eve of Parliament session is not a happy one.

Clause 3 of Section 4 of the Bill provides that all persons incharge of the Management including persons holding offices as Directors, Managers or any other managerial capacity shall vacate their offices. This is a very correct provision since all these people had mismanaged the Company over a long period and wasted the resources of the Company in litigation. As such they have no right and justification to continue in office. Section 5 provides for the appointment of administrator to the Company. Here I will request the Government to take care and appoint an administrator who is rich

*The original speech was delivered in Bengali.

[Shri Krishna Chandra Halder]

in administrative experience and has sufficient technical knowledge to run this Company. Only a highly experienced and technically efficient administrator should be appointed so that the past mismanagement may be quickly overcome and the Company may start efficient production of the vital minerals needed by the country. In Section 10 of Chapter IV it has been provided that a sum of rupees eleven lakhs 39 thousand per annum is to be paid by the Government since 22nd October 1965 for deprivation of management and a further sum of rupees one crore 98 lakhs is to be paid as compensation for acquisition of the Undertaking. Now, what is their obligation for this?

Before paying this huge compensation to the erstwhile management the Government must see that all the arrears of payment due to the workers of the Company are fully cleared. The Provident Fund amount of the workers should also be realised. I am almost certain that the past management of this Company has not deposited the provident fund recoveries from the workers with the Government. This must be thoroughly verified and all the P.F. amount deducted from the amount of compensation paid to the Company. The Government may kindly ensure that no employees are retrenched. Employment must be guaranteed to all the workers. The Government should also ensure that the wages paid to workers are at par with the wages of workers of other nationalised Companies and Mines. There must not be any disparity in the wages of these workers and the workers working in other Government controlled mines.

The penal measures provided in Section 20 of the Bill should be strictly enforced against erstwhile Management if it is found that they have indulged in any way to damage the capital asset of the Company and if any other irregularities have been committed by

them. In case of any acts of sabotage the strictest punishment must be given. Shri P. K. Deo and Shri Bhattacharya who spoke before me have already pointed out that we are spending crores of rupees in foreign exchange on the import of these vital minerals viz. Lead and Zinc. I will request the Government to undertake more surveys and other exploration to locate to deposits of these vital minerals. The experts in the M.M.T.C., Geological Survey etc. may be consulted for this purpose. We should attain self-sufficiency as quickly as possible. I will request the hon. Minister to indicate when can we hope to become self-sufficient in these strategic minerals which are very vital for the development of our economy. The survey work for locating more deposits should be quickly and properly started. I will conclude by once again requesting the Government to see that the interests of the employees are properly protected. They should not suffer in any manner due to the nationalisation of this Company. All their provident fund money must be recovered from the management and all arrears due to the workers should be paid forthwith. No retrenchment should take place and their wages should be at par with the wages paid to the workers of other Corporations and Undertakings under Government control.

सरदार स्वर्ण सिंह सोनी (जमशेदपुर) :

यह जो मेटल कार्पोरेशन (नैशनलाइजेशन एण्ड मिसलेनियस प्राविजज) बिल पेश किया गया है उसका मैं स्वागत करता हूँ। स्टेटमेंट आफ आबजैक्ट्स एण्ड रीजज में बताया गया है कि 1965 से 1976 तक बहुत ज्यादा मुश्किलों का सामना गवर्नमेंट को करना पड़ा है। गवर्नमेंट के ही डिपार्टमेंट के साथ करना पड़ा है और इसमें देर हुई है। यह अच्छी बात नहीं थी। जहाँ आपको 101 करोड़ रुपया देना पड़ता वहाँ आपको 1.98 करोड़ रुपया ही अब देना पड़ा। इससे आपने 99 करोड़ रुपया बचा लिया। इसके लिए मैं आपको مبارकबाद देता हूँ। खर्च करने

का क्या है। वह तो बहुत आसानी से किया जा सकता है; लेकिन सपना बचाना हो तो बहुत ज्यादा मुश्किल पेश आती है। यह जो आपने बचत की है इसके लिए मैं आपको बधाई देता हूँ।

आपने एकसंयोजन प्रोग्राम के बारे में जो बताया है वह बहुत ही अच्छी बात है। एकसंयोजन का काम होना चाहिये। जिंक और लीड बहुत ही एसोशियल रा मटीरियल हैं और मुल्क की इकोनोमी में इनका बहुत महत्वपूर्ण स्थान है। इस वास्ते एकसंयोजन प्रोग्राम तो बहुत जरूरी था और इसको किया जाना चाहिये था।

मैं कुछ सुझाव आपको देना चाहता हूँ। डूब में आपने जो स्मैल्टर लगाया है वह तो अच्छी बात है। लेकिन होना यह चाहिये कि जहाँ पर रा मटीरियल उपलब्ध हो वहाँ पर स्मैल्टर भी लगाया जाए। जावरका एरिया जो है वह राजस्थान में है, वहाँ पर जिस एरिया में डिपॉजिट्स पाए जाते हैं वही पर आपको चाहिये कि आप स्मैल्टर भी लगाएं। मेरा सुझाव है कि जिन जिन एरियाज में जिंक और लीड उपलब्ध है वहाँ वहाँ आप स्मैल्टर भी लगाएं ताकि रा मटीरियल को दूसरी जगह से जाने का जो खर्चा है वह बच सके। अतदी में कापर और का कस्ट्रेट आप मिश्रित ले जाते हैं और वहाँ आपका स्मैल्टर है। इससे खर्चा जो है वह बच जाता है। इस वास्ते इसको बचाया जाना चाहिये। ले जाने का खर्चा चाहे बहुत ज्यादा मालूम न होता हो तो भी जितना खर्चा आप बचा सके उतनी ही प्रोडक्शन कास्ट आपकी कम आएगी।

मैं एक दूसरा सुझाव आपको देना चाहता हूँ। चूंकि जिंक और लीड बहुत एसोशियल रा मटीरियल हैं इस लिए जितने भी प्राइवेट सैक्टर में स्मैल्टर लगे हुए हैं उन सब प्लांट्स का भी आपको नेशनलाइजेशन कर देना चाहिये। हिन्दुस्तान कापर कारपोरेशन

को आपने हिन्दुस्तान कापर बना दिया है। यह बहुत अच्छा आपने किया है। प्राइवेट सैक्टर में अगर आप इन मेटल को छोड़ देते हैं तो उनके दुर्गमयोग होने की बहुत ज्यादा सम्भावना रह जाती है। प्रोडक्शन कुछ होता है और बताने कुछ और है। फासल प्रोडक्शन को किसी दूसरे रास्ते से बेच देते हैं चाहे ब्लैंक कहिये या टैंक्स बचाने के लिए कहिए, उस तरह से उसको बेच दिया जाता है। मैं चाहता हूँ कि इन सब का आप एक ही बार नेशनलाइजेशन कर दें। इस में कोई हर्ज की बात नहीं है। बोर्ड से हतो प्लेट है हूँ। एक ही लाइन में आप इन सब को ले जाएं। आज नहीं तो कल आपको इसको करना पड़ेगा। आप इस पर भी विचार कर लें।

1965 से के कर 1976 तक जब कि गवर्नमेंट ने इसको एक्वायर किया आज करीब 11-12 साल होने जा रहे हैं। हमारे ही अफसर गवर्नमेंट को बेवकूफ बनाते रहे हैं। मिनि.टर साहब ने इन शर्दों में तो इसको नहीं कहा है लेकिन यह कहा है कि कभी कलकत्ता और कभी पंजाब हाई कोर्ट में वे मामले को ले जाते रहे हैं, जहाँ उनको जुरिस्टिकशन मिली वही वे इसको ले गए और वहाँ इस केस को दायर कर दिया। अब आपने अफसरों के बारे में क्लॉज 21 में कहा है :

"21. (1) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly."

उस के बाद पैराग्राफ लिखा है प्रोवाइडेड। प्रोवाइडेड में आप ने उस को छोड़ दिया है :

[सरदार स्वर्ण सिंह से खी]

"Provided that nothing contained in this sub-section shall render any such person for any such punishment if he proves that it was committed without his knowledge."

अगर कोई आइसी आई कोर्ट जाता है किसा मुकदमे को लेकर तो क्या बगैर नालेज के जाता है? वह कहेंगे हमारे लीगल ऐडवाइजर ने यह सलाह दी। तो यह सरदार ब्रदमाशी है। ऐसे लोगों को आप डिसमिस कीजिये और उन पर केसेज चला कर सजा कीजिये। जैसे कल अखबार में आया कि आन्ध्र प्रदेश के आई० जी० को दो साल की सजा की गई। इसी तरह जिन लोगों ने गलत काम किया है उन को सजा देनी चाहिये।

इस्पात और खान मन्त्री (श्री चन्द्रजीत यादव) : यह कम्पनी कर रही थी। सरकारी कर्मचारी नहीं कर रहे थे।

सरदार स्वर्ण सिंह से खी : जो क्लॉज आप ने रखा है इस की कोई वजह जरूर है। इस में भी आप को नारे दूध के धोये अफसर नहीं मिलेंगे। वरना इस क्लॉज की क्या जरूरत थी? कोई जरूरत नहीं थी।

बहुत साल पहले जब बिहार और उड़ीसा एक थे उस बीच में एक सर्वे हुआ था और उस में जिल्क और लैंड पाया गया था। मेहरबानी कर के आप हमारे इलाके में फिर सर्वे कराइये। और अगर यह मिनरल मिलें तो एक स्मैल्टर तो है ही, और स्मैल्टर भी लगाइये।

इन शब्दों के साथ मैं इस का समर्थन करता हूँ।

SHRI S. M. BANERJEE (Kanpur): Mr. Deputy-Speaker, I remember that in 1965 when the Metal Corporation of India was acquired by the Central Government by a parliamentary legislation, it was opposed by many of us.

I was also one of those who opposed it, along with Shri Homi Daji, and I think a very strong expression was used by my hon. friend, Shri Homi Daji, when he said this is prostitution of nationalisation. We realised at that time that merely taking over or acquiring a particular company was not the correct solution, because even at that time the Company claimed that their assets were valued by some French valuer at, if I am not mistaken, Rs. 71 crores. Every big people were involved in it. One was the son of Sardar Baldev Singh, Shri Ajay Singh. Then there was Shri Atul Datta and also others. They were preferring their claim at very high rates. It is a fact that Shri Neelam Sanjiva Reddy, who was the Minister at that time, was trying to negotiate with them, but, unfortunately, nothing happened. Now I must congratulate my hon. friend, Shri Chandrajit Yadav for bringing forward this legislation for nationalising this particular unit.

It is well-known that zinc is a very useful strategic material, and we have been importing it to the tune of Rs. 16 crores to 17 crores a year. It has its bi-products also. Now, what has happened after nationalisation? The officer who was sent there, built a beautiful girls' school there after the take-over or nationalisation, as if the only thing which is left to be done is the opening of a girls' school! A huge amount of money was spent on that.

Now that this company has been nationalised, I would request the hon. Minister to put in charge of this undertaking those persons who believe in nationalisation. Unfortunately, in this country when a particular unit is taken over or nationalised, those persons who oppose nationalisation right from the beginning are brought in as chiefs of those units. That should be avoided. We had the same experience in the case of the Life Insurance Corporation, where we brought in Shri Vaidyanathan. The same mistake was committed when the General Insurance Corporation was taken over.

That sort of mistake should not be committed any more. They claimed Rs. 101 crores as compensation, and now it is Rs. 1.98 crores. I am told that the tribunal also wanted to have a compromise at 50 per cent, that means at more than Rs. 50 crores. I do not know who was presiding over the tribunal, but without imputing any motive or casting any aspersion on his integrity, I should say that such a suggestion should not have come. That this party, not because of the emergency but having realised the futility of its demand of Rs. 101 crores, has now readily accepted Rs. 1.98 crores clearly proves that its earlier demand was not only inflated, but extraordinarily inflated.

My hon. friend Shri Halder has mentioned about the employees. Certain provisions are there for safeguarding the interests of the employees. I am not going into them, because I have a feeling that at present the Bill as it is should be passed. An amendment might be necessary, but that might be done later on because any delay in the passing of this Bill may delay matters in those particular areas.

But there are certain clauses on which I want some sort of elucidation or clarification. It is said in Clause 18(1):

"No suit, prosecution or other legal proceeding shall lie against the Central Government or any officer of that Government or the Administrator or the Government company or any officer or other person authorised by that Government or Government Company for anything which is in good faith done or intended to be done under this Act."

This expression "good faith" is a very vague term. I can go to your house and take away certain things in good faith. You may say I am a thief.

MR. DEPUTY-SPEAKER: A thief in good faith,

SHRI S. M. BANERJEE: What harm did Jean Val Jean do? He simply took the candle from the Church, and he was made a galley slave. So, unless a proper definition is given to this expression, it will be exploited. Anybody might have exploited the Government or helped the company in good faith, misappropriated money in good faith. So, it will be dangerous and I would request the hon. Minister to kindly ponder over it and see whether this should be kept. I am also requesting him in good faith.

In Clause 14(2), it is stated:

"Notwithstanding anything contained in the Industrial Disputes Act, 1947, or in any other law for the time being in force, the transfer of the services of any officer or other employee of the Metal Corporation to the Central Government or the Government company shall not entitle such officer or other employee to any compensation under that Act or other law, and no such claim shall be entertained by any court, tribunal or other authorities."

I know that when a concern is nationalised, it may be necessary to transfer some employees who were working in that company in the larger interests of the company and not of the Government as such. Screening is absolutely necessary, but here it is said that they cannot go to court or a tribunal. Suppose some injustice is done, where should they go? They cannot automatically come to the Minister, he is the last man to whom they can come for a redressal of their grievances. So, what is the alternative? There should be some alternative provided to safeguard the interests of the employees—all employees are officers—who could possibly claim any compensation arising out of this.

I do not say that it should be modified in that sense. But there should be some provision and some proviso should be made here under which they can possibly approach some body. It may not be a tribunal, it may not be

(Shri S. M. Banerjee)

a court. An advisory committee or some appellate body should be there. It should be clearly defined.

About the welfare fund, superannuation benefit, etc., I hope, the hon. Minister will take care of these things.

Another thing which is very important and which was very correctly raised by my hon. friend, Shri Chandalendu Bhattacharyya is this. He spoke out of his personal experience. What about the provident fund dues? They might not have deposited their share of the provident fund at all. I am doubtful whether they have deposited the workers' share. I would like to know whether they have defaulted in paying provident fund dues, whether they have defaulted in ESI, whether they have defaulted in paying other taxes. What are their assets and what are their liabilities. We want to know that. Before paying this amount of rupees 1 crore and 98 lakhs, at the rate of Rs. 11 lakhs per month, I would like to know whether the workers' dues will be deducted from that amount. We should fix the priorities. The bank amount is always deducted because that is given priority No. 1. But what is priority No. 2. It should be the workers' dues. This must be clarified. It is not clarified in the Bill. Even in the statement of Objects and Reasons, it has not been made clear

I would request the hon. Minister, first of all, not to place the same officers who were there. Everyone of them is not bad. I am sure about it. But anybody who is there at the head should be technocrat. He should know his job well. It is not that any IAS officer will do. I know, the IAS officers are versatile and genius. But sometimes they are misled. It is actually a question of having a good technocrat as the head of a particular plant.

Then, I want to know what are the workers' dues which are to be deducted from the amount and paid back to

the workers. This should be given a priority.

Lastly, I want to know what will be the service conditions of the workers, whether it will be like other public sector corporation. That should be clarified.

With these words, I once again congratulate the hon. Minister for the bold stand he has taken. The stand which was taken in 1965 by Shri Sanjiva Reddy, because of the Government's policy of non-nationalisation at that time, was to only acquire it. He did not have the courage to nationalise it. We said, this acquisition is not nationalisation and that, in the name of nationalisation, you are having the prostitution of nationalisation. But today I congratulate the hon. Minister for showing the courage and conviction by bringing forward this Bill at an appropriate time.

श्री हरि सिंह (बुर्जा) : उपाध्यक्ष महोदय, मंत्री महोदय ने मेटल कार्पोरेशन का नैजमलाइजेशन करके राष्ट्र के हित में एक बड़ा ही अच्छा कदम उठाया है। दम माल के सघर्ष के बाद आखिर मंत्री जो को राष्ट्रीयकरण करना पड़ा और इसके अलावा कोई रास्ता भी नहीं था। मैं इसके लिये मंत्री जी को बधाई देना चाहता हूँ और यह निवेदन करना चाहता हूँ कि सीमा और अस्ता घरेलू इन्स्टीमाल में तो आता ही है लेकिन इसका साथ साथ देश की जो बड़ी बुनियादी मांग है डिफेंस में और बिजली में उनकी भी पूर्ति करता है। इन चीजों में बड़ी महत्ता के साथ इनका इन्स्टीमाल किया जाता है। यह बड़ा आवश्यक पदार्थ है।

इसके राष्ट्रीयकरण की क्यों आवश्यकता हुई, इस सम्बन्ध में मैं निवेदन करना चाहता हूँ कि जहाँ राष्ट्र की एकोनोमी और राष्ट्र के उत्थान के लिए राष्ट्र को मजबूत बनाने के लिये यह आवश्यक था वहाँ इसकी सोशल फ्रान्डीशन भी है। कल भी मैंने निवेदन किया था कि धापके सामने कि सरकार के सामने और देश

की कमता के सामने और कोई विकल्प नहीं है सिवाय इसके कि जितनी भी हैवी इंडस्ट्रीज हैं तथा राष्ट्र की सम्पत्ति और राष्ट्र का भविष्य जिन धातुओं और पदार्थों पर निर्भर करता है, चाहे वह समुद्र से निकलते हों चाहे धरती से उन सबको सरकार को अपने हाथ में लेना चाहिये। मुझे प्रसन्नता है कि इस और सरकार के कदम बड़ी तेजी से चल रहे हैं। मैं यादव साहब को बधाई देना चाहता हूँ कि यह मामला जो प्रदालतों और मुकदमों में इतने दिनों से उलझा हुआ था हिम्मत करके उन्होंने इसका राष्ट्रीयकरण कर दिया।

अभी हमारे बनर्जी साहब कर्मचारियों के रोजगार के सम्बन्ध में कह रहे थे। मंत्री जी ने बहुत स्पष्ट रूप से सैक्टर 6 में उपधारा 14 में लिख दिया है, जिससे कि कारपोरेशन में काम करने वाले किसी भी कर्मचारी के किसी भी हित को नुकसान नहीं पहुंचेगा, बल्कि उनके लिये जो भी सम्भव सुरक्षा हो सकती है, उनके पेंशन के बारे में, उनके काम करने की अवधि के बारे में, या अन्य बानों के बारे में, उस का प्रावधान कर दिया गया है। साथ ही साथ उन्होंने यह भी कह दिया है कि अगर कोई कर्मचारी इन नियमों को न माने तो नौकरी छोड़ सकता है। मैं समझता हूँ—यह मंत्री जी की दूरदर्शिता की शोतक है।

जिक के बारे में हमारे राष्ट्र को आत्म निर्भर होने में बड़ी कठिनाइयों मालूम होती थीं, लेकिन मुझे खुशी है जब से सरकार ने इसको अपने हाथ में लिया है, तब से दरार हम उस लेबिल की तरफ आ रहे हैं, जिससे श्रुपीट की जो मात्रा थी, वह लगातार कम होती जा रही है।

पिछले साल में ही हम सम्बन्ध में बड़ा फर्क आ गया है, पहले हजारों टन जिक बाहर से मंगाना पड़ता था, जिसके लिये विदेशी मुद्रा खर्च होती थी, वह अब बच

रही है। पिछला जो प्रोडक्शन हुआ उसकी दर में भी बड़ी घाटी उन्नति हुई है, यही नहीं 1976-77 के लिये जो बाहर से मंगाने का कोटा रखा है, वह केवल 19000 टन है जो कि पिछले कोटे से बहुत ही कम है। इस तरह से हम देखते हैं कि हमारा राष्ट्र बहुत मुझ-बूझ और चतुराई के साथ सीसे और जस्ते के सम्बन्ध में आत्म निर्भर होता जा रहा है और वह दिन दूर नहीं जब कि हमारे राष्ट्र को किसी दूसरे देश से सीसा और जस्ता मंगाना नहीं पड़ेगा। हमारा जिक का प्रोडक्शन 32 परसेन्ट बढ़ा है और एक्सिडन्सी लगातार बढ़ रही है। मद्रास में सरकार कच्चे लेड के बारे में बड़ी तेजी से काम कर रही है। सर्पल्ली, उड़ीसा में 750 टन प्रति दिन के उत्पादन का सरकार ने लक्ष्य रखा है और उसको योजना बनाई है। हमारी सरकार की जागरूकता का यह द्योतक है, कि जो बुनियादी पदार्थ हैं जो कि राष्ट्र की सेना के लिये, देश की सुरक्षा के लिये और घरेलू चीजों में इस्तेमाल के लिये जरूरी है, उनके सम्बन्ध में सरकार बड़ी तेजी से काम कर रही है।

इन अलकाज के साथ मैं मंत्री जी को धन्यवाद देता हूँ और इन बिल का स्वागत करता हूँ।

SHRI B. V. NAIK (Kanara): The Hon. Minister had stated while piloting this Bill that the compensation has been worked out in accordance with the standard procedures and that the procedures had been worked out by the Administrative Ministry—that is, his own Ministry—in consultation with the Ministry of Law and the Ministry of Finance. If you see the compensation that has been worked out, out of a total amount of Rs 320 lakhs, Rs. 122 lakhs have been provided for the purpose of providing an amount for the period from 1965 to the date of taking over on 2nd August 1976. I don't see much of hard logic in this. A parti-

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cular concern staggers the entire process of acquisition or taking over of Management and the same Management delays the processes of a productive enterprise for a period of ten to eleven years and it goes to the courts—it goes to the High Court and it goes to the Supreme Court—about which the Hon. Minister was justifiably and righteously indignant. Though the work should have begun in 1965, it was made to begin in 1976. And you are compensating them at the rate of about Rs. 11 lakhs per annum for this productive, national work of stopping an enterprise from carrying out its operations!

MR. DEPUTY-SPEAKER: Might be a legal compulsion.

SHRI B. V. NAIK: If it is a legal compulsion, it is certainly a very immoral compulsion.

MR. DEPUTY-SPEAKER: That is why, some people say, law is the ass.

SHRI B. V. NAIK: If we have to judge all the people who sit in judgment, this is a voluntarily-accepting legal compulsion, because, there are no legal compulsions, if you go through the amended article of the Constitution....

MR. DEPUTY-SPEAKER: I think, there is.

SHRI B. V. NAIK: I would, therefore, submit that these are hypothetical, legal obstructions in our way. If there is anything to be done, Government ought to be compensated. You have worked out at the rate of Rs 11 lakhs per annum as compensation, or the new verbiage which we have been using—amount. That means, out of Rs. 198 lakhs of *de facto* compensation or *de jure* compensation that is to be paid, the Government has a moral as well as a legal right—after all, it only involves hiring of a good advocate—to deduct from the management an amount of Rs. 122.79 lakhs and pay them only Rs. 75 lakhs. That in the nature of

things, would have been the most proper thing to be done. I would, therefore, say that we are at a bit of loss to know as to how this is being worked out.

Unfortunately, we do not have the financial statement of this concern. At best, we can make a reference to the Directory of Industries and Commerce and see that their authorised capital is about Rs. 5 crores, that this is an old concern of the year 1944, an East India concern, which was started by some Inder Singh, KCBI, etc. But the essential factor is that we are going to give this concern Rs. 3,20,000. The Minister has also mentioned in the Statement of objects and Reasons that their claim before the arbitrator was to the extent of Rs. 100 crores. We have come across quite a few cases. First, they will take from the respective State Government a mining lease and then they will work out the total amount of existing and non-existing ore, zinc ore and lead ore, if that particular mine, and it is very easy to compute on the basis of the hidden wealth below the earth as to how much will the compensation that they would be demanding. But who is binding this Government? We have to put our precious money to renovate it. As far as we know, it is not a running concern, it has been deferred for a period of ten years. Now I feel very sincerely and strongly that there is a need for a thorough scrutiny to see whether we are fortunate enough to get an idea as to what is the share selling for in the market. Their authorised capital was to the tune of Rs. 5 crores. Would they be able, in this country, to get a financier or an entrepreneur to take over the entire concern for this fabulous amount of Rs. 380 lakhs? Who is the man left with so much money to pump into this enterprise today? It is only a sort of buyers' market. At least this is a concern with some potential. We know of many other concerns which have been taken over, what sort of concerns they were, and in a buyers' market, Government is tending to be more and more liberal.

This is a paradise for capitalist, particularly a defaulting capitalist, who makes a mess of his industrial enterprise and then ultimately declares it to be sick, defunct, non-operational, and then comes to the doors of the Government and walks off with a comfortable amount of compensation and compensation for the period, he was obstructing the Government at the fabulous rate of a million rupees a year for the time when he stopped the entire working of the concern. I would have therefore given a notional figure of Rs 5 as the compensation or as the amount to be paid. As far as I can see the constitutional amendment which was moved and piloted by Shri Mohan Kumarmangalam the worth predecessor of Shri Yadav Ji will have to be looked not once but more than once at the time when we fix up the amount to be paid to this concern.

With these words—I hope that for the investment that is suddenly going to be made and for the suggestions made by me which are suddenly going to be rejected in the future the zinc and lead self-sufficiency would be achieved under the able guidance of Shri Yadav.

THE MINISTER OF STEEL AND MINES (SHRI CHANDRAJIT YADAV) Mr Deputy-Speaker, Sir, I am very grateful to the hon Members, who have participated in the debate. Everyone of them has welcomed the nationalisation of this Company and has also emphasised and realised the importance of these strategic minerals for the development of our economy. Exactly that was the objective of taking over this Company, so that the Government undertaking could take all possible measures not only to expand this undertaking, but also to explore the possibilities of the minerals to make a proper survey, to have a proper perspective and also develop these minerals so that the country may be self-sufficient as early as possible. This has been our effort and if the hon Members have a little patience, I would like to draw their attention,

that though we are not yet self sufficient, we are going to be self sufficient in the very near future. All possible efforts are being made in this direction, and there are certain significant achievements which we have made. A mention was made about aluminium. Regarding aluminium, our position about two years back was very bad and the Government at one stage was proposing to import 30,000 tonnes of aluminium worth more than Rs 22 crores. But we took certain steps to see that our mills operated at the maximum utilization capacity, we made power available to them at reasonable rates and drew a proper policy in order that in an important metal like aluminium we should not be an importing country. And I am glad to say that while in the year 1974 the country produced only 128,913 tonnes of aluminium in the last year the outgoing year we produced 1,66,986 tonnes of aluminium and instead of importing aluminium we rather exported more than 35,000 tonnes to the other countries. Therefore, steps are being taken in this direction. So is the position with regard to copper. This House knows that we are very keen that wherever there is a possibility of developing copper mines and wherever the minerals are available, we are making provisions for resources and are taking necessary steps.

15 00 hrs

For example in the Malanjkandarea of Madhya Pradesh we have got very good grade of copper. The Planning Commission and the Finance Ministry have very kindly agreed to give top priority to this area and the work is going to start and necessary funds have been made available to HCC so that they may take the necessary steps.

Many other mines are also being developed under that Corporation. I am sorry that Mr Naik is not perhaps able to understand properly. Not that the company is not functioning all these years. The Company has been

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functioning. Since we took it over in 1965, it has been a public sector undertaking. But, as I said in my opening remarks, the company was not agreeing to the compensation amount and it was all the time agitating the matter in various courts and, therefore, a lot of uncertainty was being created. So, to remove those uncertainties and also to finalise the matter and also to see that in future the government is not unnecessarily impleaded in various kinds of litigation, we thought it necessary that we should bring this Ordinance and this Bill. In principle, Sir, I agree with the hon. Members that when the House is to meet shortly, in the ordinary course, normally an ordinance should be issued. But sometimes there are such situations, compelling situations where in public interest it become necessary and very much unavoidable. The Government is fully aware of the fact that an ordinance should not be brought just before Parliament is to meet but, in this case, it was rather unavoidable and a compelling situation was there. Hence the ordinance but we will take note of the suggestions the hon. Members have made

So far as the production and performance of the HZL is concerned, in its first year, 1966-67 when it became a government undertaking, the new government company produced 1954 tonnes of zinc concentrates, 5242 tonnes of lead concentrates and 2515 tonnes of lead metal. As compared to that during these ten years, in the last financial year, 1975-76 the production of zinc concentrates has shot up to 40,843 tonnes and lead concentrates—to 14469 tonnes and lead metals—5155 tonnes. This represents an increase of 326 per cent, 174 per cent and 105 per cent respectively compared to 1966-67 period. These figures speak for themselves how satisfactory the progress has been in this public undertaking. Therefore, to expand the company and to assure them that they will not be unnecessarily involved in

various kinds of litigations, it was necessary that we should come to this House and completely nationalise this undertaking. That is the main objective of the Bill.

Mr. Naik also raised the question why we are paying the compensation. As you have rightly pointed out, there are certain legal compulsions. At the same time, the House also knows that this company, when we took it over, was not a sick company. It was a different case. It was not that it was a sick company and it was not working. The company at that time was also running at a profit but the company was not expanding.

The Company was not able to complete and implement certain schemes which are in the interest of the nation and as it was not an expanding Company, therefore, it became necessary for the Government to take over this Company. That is the reason why a reasonable management compensation is being given. So far as the compensation is concerned, Mr. Naik says that we should pay Rs. 5/- only. The claim of the Company was Rs. 101 crores as against Rs. 198 crores which we are going to pay. Government has also to be reasonable. This has become possible because of the 25th Amendment to Article 31 of the Indian constitution. Otherwise, the Company would have taken various excuses i.e. they are not being given reasonable market rate etc. They might have gone to the court. I feel that this amount which we are giving to this Company is a reasonable amount. The Government has to be reasonable in these matters and I hope that the House will appreciate this attitude of the Government.

So far as certain questions raised in this House are concerned, I have already said earlier that we are going in for the expansion schemes. Certain new steps have been taken in this regard. The Ministry has already asked the Geological Survey of India that they should give top priority to

these strategic minerals, viz., zinc, copper, chromide and manganese. We do not have these in a large quantity in our country but they are very important and strategic minerals. We should, therefore, see that our import bill should be reduced and we should become self-reliant because we have been the victims of the international fluctuating market. Certain international monopolies have been holding to ransom those countries which are not in a position to produce these metals. Keeping all these factors in view every possible step has been taken to protect the national interest. I want to assure the House that GSI, MEC and all our public undertakings have been asked and certain important steps have already been taken, and every possible effort will be made to make the best use of these minerals.

Shri Sokhi said that we should have smelters at the places of these minerals. It is an impracticable suggestion. It is impossible. Perhaps, he does not realise the cost of one smelter. We cannot go on putting that in every part of the country. It is a national question.

SHRI M. C. DAGA (Pali): In Rajasthan we have a claim.

SHRI CHANDRAJIT YADAV: We are looking after your claim. Rajasthan has got the biggest claim. We are thinking of giving much bigger smelter in Rajasthan. Wherever these claims are, we have taken them into full consideration with full sympathy. At the same time, I hope, all Members will appreciate that on these questions we have to give priority to our national interest. We have also to see the profitability. We should also keep in mind the convenience and other facilities of the undertakings which have to run.

Certain questions were raised about the workers. There is no intention to retrench any worker. I am glad to say that for the last 12 years there

has been no strike here. There has been ideal relationship between workers and management. There is no question of any worker not being paid and so on. Now various problems were sorted out and workers' full participation is there in management. Indeed this is a very happy relationship between the management and the workers. As you know, the old Act was repealed and there were certain legal compulsions and therefore in that context this Bill had to be brought in. Today the Chairman and Managing Director is one of the few experienced steel men in this country. He is a mining engineer of long experience. Regarding the number of workers employed, the number is 6200. For the last 3 years they were making reasonable profits. The figures are: 1972-73, Rs. 42.42 lakhs; 1973-74 Rs. 504.65 lakhs; 1974-75 Rs. 893.45 lakhs. This year we hope to get better profits than last year. The company has taken certain steps for expansion. I am one of those who believes that there is always scope for improvement. We are fully conscious of the weaknesses and we always attempt to remove these weaknesses. We will carefully consider all suggestions made in Parliament, in various Parliamentary Consultative Committees and so on and take necessary steps.

The other day I said about the system of our quarterly review. All Chairmen, Managing Directors and G.Ms. and officers of the Ministry sit together under my Chairmanship every third month and we review every item; we go into details and difficulties and problems faced by each undertaking. There is collective discussion also. One undertaking may get benefited by the experience of the other undertaking. A high-level officer of the Ministry takes follow-up actions. Decisions taken are followed up in the next quarter. We formulate programmes, fix up targets and watch the progress. This is how we have started functioning. I must say that because of excellent

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cooperation from workers, better performance of management and good industrial relationship, these undertakings have started functioning better. We are in an year when these undertakings have made their valuable contributions to our national economy.

Shri S. M. Banerjee raised some doubts whether this will become another bureaucratic set-up. There have been allegations of this nature that that they have been behaving like that. But now the whole House knows the position. We have improved the performance of these public sector undertakings. Not only have we earned profits, but the public sector undertakings have made a very valuable contribution to our economy. Had the core industries not been in the public sector, perhaps the picture would have been much different. Today India can claim very genuinely and rightly that among the developing countries, India is one country which has a strong public sector system which has developed a very high level of technology in various fields with the help of these public sector undertakings. At the same time, we have also taken care of our workers. The public sector today can claim that they gave much better salary and they look after the amenities of their workers well. We have been talking for the last 27 years about workers being given the opportunity to participate in management. It is a matter of pride that in this year we can say that in 98 per cent of the public sector undertakings today the workers have the opportunity to participate in the management. This is one of the public sector undertakings where the workers are fully involved and they are fully participating in the management. This is a very happy result.

SHRI B. V. NAIK: In April 1971, you had decided upon a figure of Rs 1.98 crores. Now it has come to Rs. 3 20 crores.

MR. DEPUTY-SPEAKER: That is to compensate for deprivation of the management.

The question is:

"That the Bill to provide for the taking over of the management of the undertaking of the Metal Corporation, after such undertaking is deemed to have been transferred to, and re-vested in, the said Corporation, and for the subsequent acquisition of the undertaking of the Metal Corporation for the purpose of enabling the Central Government, in the public interest, to exploit to the fullest extent possible, the zinc and lead deposits in and around Zawar area in the State of Rajasthan and to utilise those minerals in such manner as to subserve the common good, and for matters connected therewith or incidental thereto, be taken into consideration".

The motion was adopted

MR. DEPUTY-SPEAKER: We now take up clause by clause consideration. Is Shri Naik moving his amendment?

SHRI B. V. NAIK: No.

MR. DEPUTY-SPEAKER: The question is:

"That Clauses 2 to 25, Clause 1, the Enacting Formula and the Title stand part of the Bill".

The motion was adopted.

Clauses 2 to 25, Clause 1, the Enacting Formula and the Title were added to the Bill

SHRI CHANDRAJIT YADAV: I move:

"That the Bill be passed".

MR. DEPUTY-SPEAKER: The question is:

"That the Bill be passed".

The motion was adopted