

श्री अटल बिहारी वाजपेयी : अध्यक्ष महोदय, हम ने इस बारे में काल-एटेंशन नोटिस दिया हुआ है। इंडियन एयर-लाइन्स और उस के कर्मचारियों के बीच होने वाली बातचीत में डेडलाक हो गया है यात्रियों से अपना खादा साथ लाने के लिए कहा जा रहा है। यात्रियों के लिए भोजन बन्द कर दिया गया है। उन्हें यह भी कहा गया है कि वे अपना सामान न लायें, क्योंकि सामान उठाने का इन्तजाम नहीं है।

MR. SPEAKER: I will be conveying this to the Minister.

13.15 hrs.

The Lok Sabha adjourned for Lunch till fifteen minutes past Fourteen of the Clock.

The Lok Sabha re-assembled after Lunch at eighteen minutes past Fourteen of the Clock.

[**MR. DEPUTY-SPEAKER in the Chair**]

**BURN COMPANY AND INDIAN
STANDARD WAGON COMPANY
(TAKING OVER OF MANAGE-
MENT) BILL—Contd.**

MR. DEPUTY-SPEAKER: **Shri Damodar Pandey** to continue his speech.

श्री दामोदर पांडे (हजारीबाग) : उपाध्यक्ष महोदय, जैसा मैं कल कह रहा था इस तरह के अधिग्रहण जब किए जाते हैं, कारखानों को लिया जाता है तो एक मंशा होती है उस के पीछे कि हम क्यों उस को लेना चाहते हैं। मंशा यह होती है कि उस को अच्छे ढंग से चलाया जाय, मजदूरों की सुविधें हैं, उन की जो तकलीफें हैं उन को दूर किया जाय और देश की ऐकोनामी में उस कारखाने का जो उचित योगदान होना चाहिए था उस के लिए उस को सक्षम बनाया

जाय और इसी नीयत से इस तरह के कारखाने लिए जाते हैं। लेकिन इस सिलसिले में जो कार्यवाही अभी तक की गई है उस से बड़ा असंतोष, बड़ा डिसएप्वाइंटमेंट होता है। आज से डेढ़ साल पहले जब इंडियन आयरन एंड स्टील कम्पनी को टेक ओवर किया गया था तो मजदूरों में एक खुशी की लहर दौड़ी थी। सभी लोगों को यह विश्वास था कि जब इस का सरकारीकरण कर लिया गया है, सरकार ने इस के इंतजाम को अपने साथ ले लिया है तो इस में बाजाठता सुधार होगा। लेकिन सुधार तो इतना ही हुआ जैसा कि कल एक माननीय सदस्य ने कहा कि उन्हीं अफसरों में से एक अफसर को जो सारी बंगलिंग के लिए जिम्मेदार थे, जिन की बजह से सारे कारखाने चौपट हो गए थे उन्हीं में से एक अफसर को सिर्फ बोर्ड बदल कर उस का कस्टोडियन बना दिया गया। आज डेढ़ साल के बाद भी ठेकेदारी प्रथा वहां कायम है। मजदूरों की हालत में भी कुछ विशेष सुधार नहीं हुआ है जिस सुधार की कि हम लोग अपेक्षा कर थे। तो क्या इस तरह से टेक ओवर करने का कोई जायज कारण हो सकता था? अगर यही करना था कि उन्हीं अफसरों में से एक को सिर्फ उस का मालिक बना कर बैठा देना था और उस की अब यह भ्रकड़ और हो जाय कि अब तो वह सरकारी अफसर हो गया, अब तो कोई भी उस के ऊपर या नीचे उसे देखने वाला रहा नहीं तो इस तरह के अधिग्रहण का क्या फायदा है? आखिर क्यों हम अधिग्रहण करना चाहते हैं? जो कुछ भी हमारे मन में बात है कि हम चाहते हैं कि यह कारखाना बढ़ोत्तरी से अगे, हम जिस तरह, की अपेक्षा रखते थे कि इंडियन आयरन एंड स्टील कम्पनी की हालत में सुधार हो उस में अच्छा प्रोडक्शन हो, वह न हो कर के उस की दिन व दिन हालत और खराब होती जाती है। उस पर देश की ऐकोनामी बहुत हद तक निर्भर करती है। उस में जो हम सुधार की अपेक्षा रखते थे वह नजर नहीं आ रहा है और खास कर के हमारे जैसे मजदूर वर्ग

[श्री दामोदर पांडे]

में काम करने वाले लोग जो यह अपेक्षा रखते थे कि मजदूरों की हालत में सुधार होगा, उस में भी कोई सुधार के लक्षण नहीं नजर आते हैं तो यह देख कर बड़ा असंतोष होता है। मैं चाहता हूँ कि मंत्री महोदय बताएं कि क्या वह करना चाहते हैं भविष्य में इस इस तरह की बातों पर। कोयला खदानों का राष्ट्रीयकरण हुआ, कोकिंग कोल का हुआ, नान-कोकिंग कोल का हुआ, इंडियन आयरन एंड स्टील कम्पनी का हुआ सब में जब हम सुधार की बात करते हैं तो एक सब से बड़ा आरोमा जो सरकार को इन में था वह यह था कि मजदूर एक साथ मिल कर के बड़ी मुश्किलों से उन का साथ देंगे और मजदूरों के लिए आज मंत्री महोदय कम से कम यह नहीं कह सकते कि मजदूरों ने उन का साथ नहीं दिया। लेकिन मैं मंत्री महोदय से पूछना चाहता हूँ कि मजदूरों को साथ लेने के लिए, उन के कोआपरेशन को हासिल करने के लिए उन्होंने कौन सी कार्यवाही की? क्या उन्होंने वर्कर्स को उस के मैनेजमेंट में इन्वाल्व किया? क्या उन्होंने मजदूरों की राय ली कि इस तरह का काम करना चाहते हैं? एक जीता जागता नमूना आप के सामने कोयला खदानों का है जहां यह देखने को मिला कि उस तरह के सारे अफसर जो कोयला खदानों में सारे कुकर्मों के जिम्मेदार थे उन सभी लोगों ने मिल कर एक दिन की हड़ताल कर दी तो आप को सुन कर खुशी होगी कि उस दिन कोयले का उत्पादन देश में सब से ज्यादा हुआ। तो क्या यह भी यह नहीं बताता कि मजदूरों में क्या उत्साह है? वह कुछ करना चाहते हैं, आप को सहयोग देना चाहते हैं। लेकिन सहयोग कोई लेने वाला अगर न हो, अगर ऐसी व्यवस्था आप कर दे कि जो पुरानी व्यवस्था है उस से भी बदतर व्यवस्था हो जाय तो इस अधिग्रहण के प्रति जो लोगों की आस्था जगी है, जो एक वातावरण तैयार हुआ है कि जो भी इस तरह के उद्योगपति किसी कल-कारखाने

को अगर खराब करना चाहते हैं, उस में बदअमनी करना चाहते हैं, मजदूरों को लूटना चाहते हैं तो उन को यह करने नहीं दिया जायगा और उन को हम सुधार कर चलाने के लिए अपने हाथ में ले लेंगे, यह जो अपनी अच्छी नीयत है, अच्छी कामना और अच्छा विचार है इस के प्रति लोगों का अविश्वास हो जायगा।

एक बात और मैं यहां कहना चाहता था। कल एक उद्योगपति सदस्य ने बड़ा लम्बा चौड़ा भाषण दिया, उन्होंने कहा कि बड़ा फाड हुआ है और फाड की वजह से कम्पनी की यह दुर्दशा हुई है। यह कहते कहते शायद एक फाड कहना वह भूल गए कि इस फाड में शायद उन का सब से बड़ा हाथ था। गोयनका और बिरला दोनों मिल कर के इस कम्पनी को लेना चाहते थे और यह चाहते थे कि किसी तरह से वीरेन मुखर्जी का भट्ठा बैठे तो अपना भट्ठा वहां चालू हो जाय। इस तरह से सब से बड़ा फाड यह हो रहा था कि बिरला और गोयनका मिल कर इंडियन आयरन एंड स्टील कम्पनी, इंडियन स्टीड्स बैंगन्स कम्पनी और माटिन बर्न को पूरा एक दिन में हड़प कर लेना चाहते थे। उस के लिए सरकार ने सतर्कता बरती जिस के लिए हमारे प्रतिनिधि के रूप में हमारे मौजूदा मंत्री महोदय जो उस समय उस के बोर्ड आफ डायरेक्टर्स में थे, उन्होंने अगर कोई उचित कदम उठाया तो कोई अनुचित बात नहीं थी, बल्कि देश के हित में यह जरूरी था कि इस तरह की जो घोखाघड़ी करने वाले लोग हैं, एक धोखे से बड़े धोखे में इस कम्पनी को न डाला जाय, इसके लिए इस कम्पनी को बचाने के लिए जो आवश्यक कदम उठाया गया वह बहुत जरूरी कदम था। इस में बहुत सारी घोखाघड़ी हुई है, इस में कोई दो मत नहीं हो सकते। अगर इस तरह की बातें नहीं होतीं तो इस कम्पनी की यह दुर्दशा न होती। इस तरह की बदइतजामी नहीं होती तो कम्पनी की इस तरह की हालत नहीं होती। इस में जो लोग धोखाबाज थे,

वे सब मिल कर इस को बरबाद करना चाहते थे, इस को खा जाना चाहते थे, आप ने इस को बचाया है, यह बहुत बड़ा काम आप ने किया है। मैं इस के लिये आप को धन्यवाद देता हूँ।

श्री भारत सिंह चौहान (घार) : इस बिल के सम्बन्ध में एक अजीब सी चीज सामने आती है—आप इस कम्पनी का मैनेजमेंट अपने हाथ में ले रहे हैं, राष्ट्रीयकरण के नाम पर आगे की आशाएँ वतला रहे हैं। इस तरह की एक नई परम्परा हमारे सामने आ रही है—देश में यदि कोई कम्पनी नुकसान में जा रही है तो सरकार उस का मैनेजमेंट अपने हाथ में लेले, यह ठीक परम्परा नहीं है, यह देश के अहित की बात है। सरकार इन का केवल मैनेजमेंट ही नहीं ले रही है बल्कि इन पर खर्च भी करना चाहती हैं, खजाने से पैसे इन को दिया जायगा—यह बिलकुल असंगत-सी बात है। यदि उस का लेना वास्तव में देश के हित में है, तो केवल मैनेजमेंट ही नहीं, उस का पूरा राष्ट्रीयकरण होना चाहिये, लेकिन इस तरह की गलत परम्परा डालना देश के लिये बहुत हानिकारक है। देश में आगे भी ऐसे बहुत से मौके आयेंगे जब सरकार को ऐसी कम्पनियों को चलाने की जिम्मेदारी उठानी पड़ेगी लेकिन यदि यह परम्परा चालू हो गई तो इस की आड़ में न जाने कितनी गलत बातें भी होंगी जो देश के लिये बड़ा अहितकर साबित होगी।

मैं इस बिल के बारे में स्पष्ट रूप से कह देना चाहता हूँ—यह जो प्रबन्ध लिया जा रहा है, इस परम्परा को कायम न कीजिये तथा मैं इस बिल का सख्त विरोध करता हूँ। मैं जानता हूँ इस तरह की नई बातें हाथ में लेने से एक न एक दिन हजारों इस तरह की बातें सामने आ सकती हैं और उसकी आड़ में हमारे धन का दुरुपयोग हो सकता है।

श्री अनेक सदस्यों ने बतलाया कि जो लोग इसके जिम्मेदार हैं उन को ही इस की

शासन व्यवस्था सौंपी जा रही है—मैं चाहता हूँ कि मंत्री महोदय इस पर गम्भीरता से विचार करें कि इस के क्या परिणाम होने वाले हैं। अगर हमने ऐसे लोगों को प्रोत्साहित किया, उनको मौके दिये तो देश का इससे कोई कल्याण होने वाला नहीं है, सिवाय इस के कि हम गिरावट की ओर जाय। इस तरह की ओर भी कम्पनीयां हैं जिन मेंलास हो रहा है, वे भी इस बिल की आड़ में लाभ उठा सकती हैं, सांठ-गांठ कर सकती हैं। इस लिये जिस ढंग से यह प्रबन्ध लिया जा रहा है—राष्ट्रीयकरण के नाम से, मैं उस का सख्त विरोध करता हूँ।

श्री नाबंराम अहिरवार (टीकमगढ़) : उपाध्यक्ष महोदय, माननीय मंत्री जी ने जो बिल प्रस्तुत किया है मैं उस का समर्थन करते हुए अपने कुछ मुझाव प्रस्तुत करना चाहता हूँ। अभी तक सरकार ने जितने धन्य अपने हाथ में लिये, टैक्सटाइल, कोलमाइन्ज या जिन का भी राष्ट्रीयकरण किया है, उनमें जो नाकामयावी रही है उस का सब से बड़ा कारण यह रहा है कि हम ने उच्च पद पर उन कारखानों में टैकनीकल आदमियों को नहीं रखा। अगर किसी भी कारखानों में हम किसी आइ० ए० एस० को बैठा दें, जिस को उसका कोई भी ज्ञान न हो, जिस का उस कारखाने के कर्मचारियों से कोई भी सम्बन्ध न हो, जिस का वहाँ के काम करने वालों के साथ कोई ताल-मेल न हो, वह व्यक्ति कभी भी सफल नहीं हो सकता। ये कम्पनियां क्यों घाटे में गईं, हालांकि इन्होंने अपने समय में अनाप-शनाप मुनाफे कमाये थे, इसलिये कि वहाँ जो काम करने वाले थे उन की बातों को नहीं सुना गया, उन के हितों का ध्यान नहीं रखा गया और जो फायदा बे कमाना चाहते थे, वह कमाया—इसी कारण से वे कारखाने बैठ गये।

मैं मंत्री महोदय से पूछना चाहता हूँ—जब ये कम्पनी इतने दिनों से घाटे में जा रही थी, 7-8 साल में घाटे में जा रही थी, इसको

[श्री नाथूराम अहिरवार]

उसी वक्त ले लेना चाहिये था, उसी वक्त कदम क्यों नहीं उठाया गया ? जब पूरा नफा उस में से निकल गया, जब केवल ढांचा खड़ा रह गया, तब उस को लेने जा रहे हैं। हर साल 25-50 लाख रुपया हम उस को देना चाहते हैं—मैं आप से निवेदन कहंगा कि पहले उस की लायबिल्टी को देख लें, कितना रुपया उस को देना है, मजदूरों के हित में क्या करना है, प्राविडेंट फण्ड और जो दूसरे हित हैं, उन के लिये क्या करना चाहते हैं—इन सब बातों को देखने के बाद उस को अपने हाथ में ले लें और उस का दायित्व वहां काम करने वालों पर डालें।

अभी एक माननीय सदस्य ने बतलाया कि जिस सज्जन ने उस कम्पनी का दिवाला निकालने में सहायता की है, आज उसी को सि जाकर वहां बैठा दिया गया है। आपको इस काम को चलाने के लिये टैकनीकल आदमियों की जरूरत है, इन आदमियों के बैठाने से कारखाना नहीं चल सकता, इस लिये मजदूरों और सरकार के हितों का ध्यान रखते हुए जो कारखाने को अच्छी तरह से चला सके, जो उसकी प्रबन्ध व्यवस्था को सुधार सके, उत्पादन को बढ़ा सके, उन के हाथ में इस की प्रबन्ध व्यवस्था को सौंपिये। आज रेलवे कहती है कि वेगन्ज नहीं हैं, देश में वेगन्ज की जरूरत है उस का उत्पादन नहीं बढ़ रहा है, लोहा मंहेगा हो रहा है, कोयला नहीं पहुंच रहा है, इन तमाम चीजों के लिये यह कम्पनी जिम्मेदार है। तब सरकार का यह कर्तव्य हो जाता है कि इस काम पर ऐसे आदमी को बैठाये जो इस में संचि ले और लगन से काम करे। जिस के खिलाफ कोई चार्जज हों उस को वहां बैठाना उचित नहीं है जिस का चरित्र धुला हुआ हो, पवित्र हो, जो देश के हित में काम करना चाहता हो, मजदूरों और कारखाने के हित में काम करे, दोनों में सामंजस्य स्थापित करे, ऐसे व्यक्तियों को वहां बैठाइये। इस लिये टैकनीकल आदमियों को रखिये, इन्जीनियर्स को रखिये। आज हजारों इन्जी

नियर्स हमारे यहां बेकार हैं उन को काम मिलेगा। आइ० ए० एस० अफसरों से प्राइवेट कम्पनी वाले मिल जाते हैं, उन के लड़के पढ़-लिख कर जब आइ० ए० एस० बन कर निकलते हैं तो उन को फौरन इन कारखानों में काम मिल जाता है, जो देश के प्रति वफादार नहीं होते, पूंजीपतियों के प्रति वफादार होते हैं। इस लिये उन मजदूरों के हित में जो वहां काम करते हैं वहां के इन्जीनियरों के हाथ में वहां की प्रबन्ध व्यवस्था देनी चाहिये।

THE MINISTER OF HEAVY INDUSTRY AND STEEL AND MINES (SHRI T. A. PAI): I have listened with great interest to the various observations made by hon. Members in supporting this Bill and criticising also Government action for so many alleged lapses of either having not taken it over in time or taking it over with all the defects, and advising me how they should be run. I do not dispute many of their observations. I know that they are well-intentioned.

The discussions have also revealed certain aspects of the working of our industries which I am sure the House would be interested in taking into consideration. After all, the private sector, in a mixed economy, is a part of the Plan, and it has a definite role to play. If it fails to play the role or achieve the targets that are set for it during every Plan, or if it helps only to create assets with considerable assistance from the public financial institutions and with a lot of foreign borrowing which this country makes in order to create that capacity, in respect of which the coming generations will be responsible for payment of both interest as well as principal, to create this capacity and not to utilise it in any sector, whether it is private or public, would be absolutely anti-social and would be against the interests of the country itself.

So, the role of the private sector must be clearly appreciated and defined. The private sector is no longer private in the sense in which we used to describe it five or ten years ago.

Even in 138 companies, the top companies in this country, which are responsible for 60 per cent of the equity capital, the Government interest through public financial institutions has been growing very fast. We hold anything between 22 to 48 per cent of the equity capital. Therefore, the ownership of many of these units belongs to the Government indirectly. They may be in charge of a few people who are controlling it. But then it is our problem now to define the ownership of the capital very clearly and not find fault only with those who are in charge because partly it is a definite policy that we may have to evolve as to what role this capital will play in the management also.

Now, take the case of these two companies themselves. In the case of one company, we have a capital investment of 22 per cent and in another case also we have an equal amount. But today, alone with thousands of small shareholders, though 40 or 45 per cent of the capital may have been controlled by Martin Burn and Co. and their associates, we holding 22 per cent, with a large number of shareholders, are now completely reduced to a state of helplessness, in spite of the fact that our investment should have given us the right to intervene in proper time and to look after it.

Therefore, if we have assigned a role to the private sector, if there is any meaning in providing the capital for building up of these industries, we should be vitally interested in their health, and to see that they produce and to see that they fulfil the target that we have meant for them. Otherwise, the sufferer is the community. If they do not produce, if they do not work probably, they will not give the dividends, and financial organisations like the IFC or the LIC or the Unit Trust will not get the reward for those investments and will not be able to pass on those rewards to the millions of savers, the ordinary people who save through these institutions and enable them to save more because these investments become less productive as a result.

So, today, the picture of the private sector is somethings different from what it was a couple of years ago. We have to have a clear conception. Should we allow the industries to be sick before we intervene? I was very happy that many of my hon. friends had observed that we had kept waiting for too long. My hon. friend Shri Madhu Limaye observed that the Company Law Administration did not intervene, in spite of the fact that the company was making a loss. The Company Law Board only acts in cases of allegations of mismanagement and so far as irregularities in respect of the breach of the company law are concerned. If a balance sheet shows continuous loss, I am afraid the Company Law Board would not be expected to intervene, because profits and losses are two faces of the same coin. In one year, the company may make a profit and in another year it may make a loss. But it is for the shareholders to find out why exactly the losses have been made.

SHRI SOMNATH CHATTERJEE: (Burdwan): The Companies Act provides that in the case of companies regularly suffering losses and their business cannot be carried on profitably, the Registrar of Companies can make an application to the court for winding up. Probably the hon. Minister is not aware of it.

SHRI T.A. PAI: If the idea is to wind up many of the companies, hon. members opposite would not agree.

SHRI SOMNATH CHATTERJEE: It can be brought to the notice of the court.

SHRI T.A. PAI: No company which deserves to be wound up either because of obsolescence of machinery or on account of the fact that the industry cannot function properly has been allowed to be wound up when it becomes sick and it is invariable the case that Government is asked to look after it.

SHRI SOMNATH CHATTERJEE: Not that the company law department is not able to do it; it can do something.

SHRI T. A. PAI: The company law department, if it ultimately finds that it is not worth carrying on, would not ask us to intervene. Under the Industries (Development and Regulation) Act, when we go into the working of a company and find that it is not being managed properly and the assets are being allowed to waste, or very often when an industry has been licensed and it does not function, we have pre-empted also other capacity being created on the belief that this capacity is available for the country and the production is being ensured. That is why they intervene.

My hon. friends had suggested that we should similarly take over the Britannia Engineering Company or the other one in Bombay, Mackenzie. Both these units were examined and we found that the machinery is so obsolete that it would not be possible for the Government to take it over and run it. Of course, the interest of labour alone is to be provided for. But I would like the hon. House to consider when we take over, these liabilities cannot be converted into assets if taking over a unit means adding further investment without any hope, with the same machinery. If it is a question of creating new assets, it is a different question altogether. Therefore, the Government has been very reluctant to take over these units whenever they become extremely sick. Where it is possible to intervene and take over, certainly we have not hesitated to do so. But at the same time, a time has now come when Government also should consider whether their intervention through the company law administration or through the Industries (Development and Regulation) Act is adequate to meet the demands of the society or the situations that are developing. Personally, I believe that there should be a policy of national intervention on the part of the Government as a major shareholder to see that production is ensured and the management of the institution is correct. It must intervene also in the interest of labour because nobody is hurt more than labour when they have to lose jobs as a result of any closure of any of these units if it could be prevented.

Thirdly, it has also the right to intervene to see that the consumer interests are also protected and this can be done—has to be done—through a combination of measures. As I have already pointed out, the public financial institutions have considerable stake now. So far they only believed in investment without trying to find out what exactly happens to it. As long as there were dividends, they were happy. But the ultimate utilisation of the finances was also of great importance.

Recently, the Government have made up their mind to separate the Industrial Development Bank of India from the RBI and convert it into a holding company to exercise the rights of the financial institutions in voting right and also to see that they are not satisfied only with the investment but with the utilisation of the investment as well. I welcome the decision and hope its implementation will go a long way in rectifying matters.

Many members have pointed out that there were cases when there were profits and all of a sudden there were losses. We must also find out why the losses arise. Losses do not arise on account of economic conditions. In a particular unit, whether the loss is on account of mismanagement is another aspect to be looked into. But as a country, we have not taken care of our industries, whether the textile industry or even the wagon industry as a whole. The wagon industry was doing very well. We have an installed capacity for wagon making in the country of 40,869 per year, that is the licensed capacity. We had 16 units capable of making these wagons. The installed capacity is 33,869 wagons per year—four wheelers. The maximum number of wagons we produced at any time was about 25,000. In 1968-69, when the railway authorities decided as a result of the observations of the Public Accounts Committee that they should have a more careful watch over the number of wagons that they purchased, they suddenly stopped the order and the entire wagon industry in West Bengal, as hon. Members know, was thrown out of gear, and most of these industries fell sick thereafter. And today, one after another—Arthur Butler, Braithewaite Bridge and Roo Co.,

Britannia Engineering Co., Bird and Co., Indian Standard Wagon Co.,—almost all the units have had to be taken over either under the Industries (Development and Regulation), Act or allowed to get themselves liquidated. It is only when the Ministry of Heavy Industry realised the importance of reviving this industry, we thought ultimately that we should constitute a wagon authority, organise and revive all these industries, because this would give a very great impetus to the revival of the engineering industry as such and negotiate with the Railway Board for definite orders and also about the pricing, and see that the difficulties of these wagon industries are sorted out along with the Railway Board also.

When these wagon units were cut off from the only orders that were available in this country from the railways, naturally they had to think of exporting, but unfortunately, all the commitments that were made for export to Poland and Yugoslavia have proved to be very costly because of the escalation in the costs of raw material or the non-availability, with the result that further losses were also added to these units. Though there have been complaints, and pressure that we should take over either the Indian Standard Wagon Co., or the Burn & Co., we got them inspected under the Industries (Development and Regulation) Act and we came to the conclusion that they deserve to be taken over; but we also found under the same management there were refractory units which were making profits and as long as there is a unit which is working well, we have no powers to take it over under the Industries (Development and Regulation) Act. I could not cause even an inspection to be done and get a report to say that they are not working well. But if I had hurried through the take-over, as many of my hon. friends have suggested, I would have been compelled to take over the wagon-making units, leaving the most profitable part of the business to Burn & Co., who were concerned with making refractories which were of paramount importance to the steel industry in this country. So, we had to think of taking over these items.

Now, you might ask, why did you not nationalise all this. There has not been

a proposal to nationalise the wagon industry. If my object could be served by taking them over under the Industries (Development and Regulation) Act, we would have taken it over under the Industries (Development and Regulation) Act, but when we found that it was not possible to fulfil the main objective of taking over the good part of the concern also along with the bad part, we found that we had to have recourse to bring up this measure before the House.

Now, I have to make it very clear also that unlike in the case of the sick textile mills or the other sick units, it is not our intention to take this over, nurse it and hand it back to the management. We want to make it clear that we take it over with the object of nationalisation. Now, you have asked, why did you not nationalise it straightway? One hon. Member yesterday said that I am nationalising fraud, and therefore I did not come out with the measure to nationalise it straightway; because I do not know what the running institution contains. I have asked the management only because I have received also a large number of complaints and these complaints will have to be verified. The transferred assets, if there are, will have to be looked into. If a large number of appointments have been made on the apprehension that it is going to be taken over, that also require to be looked into. Therefore, today, all that I wanted was the approval of the House to take over these, with the object of nationalising them.

You have asked me, how long will you take. Not more than six months. I only wanted to assess all the assets in a proper way. After a proper audit of the accounts, I shall come before the House with a definite amount to be paid for taking over the assets and a formula also for taking it over. So, I have come here for a limited exercise. If we have decided to give them some amount for taking over management, we are not paying it to the management now. In fact the assets do not now belong to the management. They belong to the shareholders. We are now taking over the assets into our hands and we are managing. Somebody asked: when

[Shri T. A. Pai]

you take it over, they should pay you for managing it. If they had asked us to manage, we are entitled to that. Since we are taking over the management, we are now providing a small once-for-all payment of Rs. 50,000 and 25,000 so that it need not be illusory. I am only saying that this will not be paid to anybody except that it will be credited to the account of the company. An hon. Member said: you are giving them money for enjoying. They will not be able to draw the money; account books, the bank accounts etc. are all with us. We are passing a credit entry. When the final compensation is to be paid at the time of acquisition this amount will be added and all the necessary deductions, arrears of gratuity, provident fund, etc. due to the labour will have to be deducted from that. So, they should not consider that there has been a conspiracy between the management and ourselves to pay big compensation. I do not consider it big. This has been calculated under the provisions of the Companies Act and whenever we take over, we will have to go by the same formula. We have provided the minimum necessary here.

SHRI C. M. STEPHEN (Muvathupuzha): It is not clear to me. There is a particular management, managing agency or whatever it is. It does not go to the managing company; that manager is removed. We are getting into the management. What is the occasion for us to pay to the company? I can understand your stepping into the shoes of the management and the management being compensated, which we are not doing. With the assumption of management for the purpose of discharging our function as manager, payment has got to be by the company to the manager. What for and how is this paid?

SHRI T. A. PAI: During the period when the former managing agents were managing, if there were profits, they would go to the shareholders. Now we are withholding profits from going to them, in case you make it during the management. Therefore you are paying them a nominal amount in lieu of your exercising this power of management.

An Hon. Member asked: it is a foreign company. Martin Burn is a foreign company only in name. It is an Indian company. There is no remittance abroad. Bird and Company is also Indian. Somebody told me that when Indian Iron was taken over, why did you not take this over? I was not before the House at that time. Evidently all these were being managed by Martin Burn, as managing agents. At that time the proposal to take over Indian Iron and Steel came because it was a steel-making unit and the Government consider steel as an important industry. Somebody asked: 'after taking it over, has it come up to your expectation? Have you managed it better? We have still three or four months to give an account. I will have to come before the House. When the plant was taken over it was in such a hopeless condition; it was so much neglected that the Government had decided to invest about Rs. 43 crores for the renovation of the plant in order to restore it to the original production level of one million tonnes. Primarily it has been involved in setting right small matters, even in administration. So far as these companies are concerned, I have been asked: how will you manage them? One of the deficiencies of project management in this country has been: we decided about a project first and set it up and then look for men to run it. That has created a lot of problems and management deficiencies have crept in right from the beginning. If it has taken a little more time for us to come before you, it is primarily because we wanted to settle the management pattern and also tie up the finances so that the moment it is taken over, it is run seriously without deficiencies that were observed in the past. If there had been malafide transfers, what would happen? That was one of the questions asked. The Bill itself provides that we can question any action taken three years prior to the take over. It has been brought to my notice through a memorandum of the employees and also by several hon. Members that such transfers have taken place and people have been reappointed on higher salaries. I shall certainly see that all these points are taken into consideration and the accounts are properly audited by an independent company, other than the

companies auditors so that we may have a clear picture of what we are going to do.

People tell me, that we have given them scope for doing away with part of the assets, as this was not done by an Ordinance.

I was anxious to come before the House with an Ordinance and in fact I waited for the last session to come to a close. But hon. Members are chary about Ordinances and they find fault with us and so I was advised that I better introduce the Bill. I am aware of the problems that you have been suggesting; what would you do in the interim period? I have taken adequate care to see that our officers are posted well in advance, even before the Bill is introduced. Many people have asked me often: are you going to nationalise it? I had to keep my mouth shut; If I said: yes, it would mean more provocation for utilising part of the assets. In these circumstances, I hope you will not find fault with me for not bringing in an Ordinance. If that is your desire that in future such Bill should come in the form of Ordinances first, I shall convey it to the Government that it should be done so... (*Interruptions*)

Somebody asked me about the head office staff of Burn and Company. I have got to see the other aspect of it also. I think Burn and Company was engaged in more activities than one. I would certainly ask the Ministry to look into the cases of those staff who were dealing with Burn and Company and the Indian Standard Wagon so that they might be absorbed. If on the other hand they were doing other functions for Martin Burn Company, you will excuse me as the responsibility to look after them will be Martin Burn and Companies and not ours.

SHRI SOMNATH CHATTERJEE: They were substantially of these two offices.

SHRI T. A. PAI: No question of substantially and this and that. You cannot have it both ways.

SHRI RAMAVATAR SHASTRI (Patna): They were doing half this and half that.

SHRI T. A. PAI: If you permit half the number of them, I shall consider. In any case I want to make it clear that I shall see that those who were wholly looking after this are absorbed. You ask me to see that this industry is revived. You also do not want me to inflate the number of people by taking in those who have nothing to do with the industry. With these observations, I commend the Bill to the House.

15.00 hrs.

MR. DEPUTY-SPEAKER: The question is:

"That the Bill to provide for the taking over, in public interest, of the management of the undertakings of certain companies, pending nationalisation of such undertakings, with a view to ensuring rational and coordinated development and production of rolling stock, other products of iron and steel industry and other goods needed by such industry, and for matters connected therewith or incidental thereto, be taken into consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER: We take up clause-by-clause consideration. There are no amendments to clause 2. The question is:

"That clause 2 stand part of the Bill".

The motion was adopted.

Clause 2 was added to the Bill.

■ **Clause 3—Management of undertakings of the two companies of vest in Central Government.**

MR. DEPUTY-SPEAKER: There are a number of amendments. Shri B. R. Shukla—not here. Shri Panda—not here. Shri Chatterjee.

SHRI SOMNATH CHATTERJEE: I beg to move:

Page 2, line 22, add at the end "for a period of five years" (15).

[Shri Somnath Chatterjee]

The Minister has just now said that instead of nationalising, he is taking over the management to find out the company's position, to get its accounts audited to see how it functions. He has not said that he will decide not to nationalise it if he finds the company beyond redemption.

SHRI T. A. PAI: I have made it clear that it will be nationalised within six months.

SHRI SOMNATH CHATTERJEE: In that case, this money will have to be paid to the company which will have no board of directors, no managers, no managerial personnel and no managing agents. Our Constitution requires that if the management is taken over for an unlimited period, some amount has to be paid, but if the management is taken over for a limited period, no compensation need be paid to the former management or to the company. I am not minimising the importance of Burn & Company, but IISCO was much more important and when IISCO was taken over for a limited period, no amount was specified in the Act for being paid to the old management or to the company. Therefore, I do not understand why we are trying to make any payment to these companies when the previous management does not deserve any sympathy or encouragement or financial reward from the public exchequer. Therefore, I have provided through my amendment that the management be taken over for a limited period. In the meantime, if Government does come to a decision to nationalise it, they can do so without paying any amount as compensation. In respect of the biggest unit of Martin Burns, namely IISCO, this particular procedure was adopted without nationalising it. Why was not the same principle followed in this case also? You will find under clause 3(4), this company will cease to have any board of directors or managers or managerial personnel. But the company's banking account will remain which nobody can operate. This money will be deposited there. Ultimately after six months, this amount will be accumulated to the extent of Rs. 50,000 or whatever it is and the company will say, this should be taken into consideration for fixing the ultimate

amount to be paid to the company. When there are outstanding liabilities of this company towards statutory debts, liabilities to workmen etc., instead of utilising such money as may be available for meeting those liabilities, why should any amount be paid to the company?

I have moved another amendment seeking the deletion of the entire clause 5, which is not printed as an amendment. This payment is not required by law. We have amended the Constitution doing away with the requirement of paying compensation in such cases. But we are not following those amendments which we have passed. Therefore, I would request the hon. Minister to consider this amendment favourably.

SHRI T. A. PAI: I am extremely sorry, I am unable to accept this. The case of Indian Iron and Steel is not comparable with this. It was taken over for management for a specific period of two years without declaring our intention to nationalise it at that time. Here I come forward with a definite announcement in the House that I am taking over the management with the object of nationalising it. I have not specified any period for the take over.

SHRI SOMNATH CHATTERJEE: In the case of Indian Iron also the late Shri Mohan Kumaramangalam said that the management of the company will never be given back to the old management.

SHRI T. A. PAI: I do not know what he said. He might have said in the House that it should not be given back. But it was taken over for a specific period of two years. In this case also, if a specific period is mentioned, then no amount need be paid. But, instead of mentioning any specific period, on the other hand I have declared the intention of the Government to take it over now. Therefore, a nominal and fair amount will have to be paid. I have made it very clear that it will not be credited to the bank account to be operated by them. A question was asked why we do not

give it to the workers. In fact, this will be added to the compensation that is to be paid at the time of take over, when the liability of the workers will be settled first.

MR. DEPUTY-SPEAKER: I will now put amendment No. 15 to the vote of the House.

Amendment No. 15 was put and negatived.

MR. DEPUTY-SPEAKER: The question is:

"That clause 3 stand part of the Bill"

The motion was adopted.

Clause 3 was added to the Bill.

New Clause 3A.

SHRI SOMNATH CHATTERJEE: I beg to move:

Page 3,—

after line 7, insert—

"3A. All employees of Messrs. Martin Burn Limited, a company within the meaning of the Companies Act, 1956 and having its registered office at 12, Mission Row, Calcutta, who were employed wholly or partly for discharging duties and functions in respect of the work of the two companies or any of them on the appointed day shall become employees of the Central Government on their existing terms and conditions of service:

Provided that this section shall not apply to such employees who desire to continue as employees of Messrs. Martin Burn Ltd."(16)

So far as Martin Burn Limited is concerned, it was formerly Managing Agents for Indian Iron & Steel, Hooghly Docking, Agra Electric Supply Company, Burn & Company Ltd., Indian Standard Wagon Company Limited and several light railways and electric supply companies. After the abolition of the managing agency

system, Martin Burn Limited had been Secretaries and Treasurers of these companies. Subsequently, so far as Indian Iron & Steel is concerned, its management has been taken over by the Government of India. Hooghly Docking has gone into the hands of the IRCI. So far as Agra Electric Supply is concerned, there are 24 employees who work not only for this Agra Electric Supply but also for other electricity supply undertakings. So far as the Howrah-Amra light railways are concerned, they are no longer functioning and in spite of the promises made by the Prime Minister, nothing has been done about them. So, there remained only Burn & Company and Indian Standard Wagon, which are now being taken over, apart from some small agency business and building construction work that is being carried on by Martin Burn. There are 500 employees in the head office who have been now substantially engaged in the work of these two concerns and they are now in the danger of losing their jobs. The hon. Minister now says that if they are wholly employed for the purpose of these two companies, then only he is prepared to consider their case favourably, even for which there is no assurance. It is no fault of the employees that the Government is nationalising the undertaking, or taking over the management of the undertaking. The victims of this will be the employees for no fault of theirs. I do not understand why this policy is being adopted and you are throwing them to the wolves. When unemployment in the country is increasing, there is no prospect of their getting alternative employment, if they are thrown out. Government should give an assurance that they will take over those employees who are going to lose their jobs, not for inefficiency or bad work, but because of the take over by the Government of the concern. Therefore, in my amendment I have proposed that those employees of Martin Burn Limited, who are employed wholly or partly for discharging the functions of either of the two companies should be taken over by the Government excepting those employees who did not wish to go to the Government and who wish to continue under the old management.

[Shri Somnath Chatterjee]

This is a matter of grave concern for 500 persons that is, 500 families, in these hard days. Their future is dependent on this. Therefore, I would earnestly request the hon. Minister to accept it. It is not a question of only taking over the management of the Company for making profit. You cannot think of undertakings like this without their workmen. You have to consider the history of Martin & Burn Co. and the history of the Burn Company and Indian Standard Wagon Company. They are interlinked. You cannot keep it separately divorced from the Martin & Burn Co., and say, "They are different entities. Therefore, I am not concerned about the Martin & Burn Co. employees."

You cannot take up a rigid attitude like that. Therefore, I am pressing for the amendment. I know he will not accept it. I am requesting the hon. Minister to give an assurance on the floor of the House. I am surprised, before this amendment came, the hon. Minister tried to make a policy assurance. I would again request him to kindly consider this. So far as those employees who are wholly or substantially the employees for the purpose of looking after the work of the Company are concerned, the Government should accept the amendment. They should become the employees of the Central Government. I am strongly pressing for this amendment.

श्री अटल बिहारी वाजपेयी (ग्वालियर) :
मैं मंत्री महोदय से एक प्रश्न पूछना चाहता हूँ—मैं नहीं समझता कि मंत्री महोदय का यह इरादा हो सकता है कि जो कर्मचारी वहाँ काम पर लगे हुए हैं उन्हें काम से हटा दिया जाय। सरकार प्रबन्ध करने हाथ में ले, इस बात का आम तौर पर सदन में स्वागत किया गया है, लेकिन यदि सरकार के हाथ में प्रबन्ध जाने का अर्थ यह है कि कुछ लोगों की रोजी-रोटी छीन ली जाय तो मैं समझता हूँ कि यह कर्मचारियों के साथ न्याय नहीं होगा। मैं चाहता हूँ कि मंत्री महोदय इस संशोधन को स्वीकार करें।

SHRI T. A. PAI: Sir, I appreciate the sentiments of the hon. Members. But I would like the House to understand the implications behind it also. The Martin & Burn Co. were the Managing Agents first and then they were appointed as the Secretaries of the Indian Iron and Steel, the Burn Company, the Indian Standard Wagon Company and half a dozen other companies which function or do not function. Now, this point about a part of the staff wholly or substantially engaged in looking after the Indian Iron and Steel was not pressed at that point. So, these employees have continued with the Martin & Burn Co. As I have already said, if it can be proved that they were looking after the affairs of the Burn Company and the Indian Standard Wagon Company, to that extent, I am prepared to accept. Otherwise, what the hon. Member is suggesting to me is to take over the responsibility of the Martin & Burn Co. squarely on myself, to pay them gratuity and all the arrears of provident fund and all that, which I am sorry, because I am not taking over the Martin & Burn Co. and their assets, I will not be in a position to agree.

MR. DEPUTY-SPEAKER: The question is:

Page 3,—

after line 7, insert—

"3A. All employees of Messrs. Martin Burn Limited, a company within the meaning of the Companies Act, 1956 and having its registered office at 12, Mission Row, Calcutta, who were employed wholly or partly for discharging duties and functions in respect of the work of the two companies or any of them on the appointed day, shall become employees of the Central Government on their existing terms and conditions of service:

Provided that this section shall not apply to such employees who desire to continue as employees of Messrs. Martin Burn Ltd."(16)

The Lok Sabha divided:

Division No. 13]

[15.19 hrs.

AYES

Bade, Shri R. V.
 Banerjee, Shri S. M.
 Bhattacharyya, Shri S. P.
 Chatterjee, Shri Somnath
 Chowhan, Shri Bharat Singh
 Dandavate, Prof. Madhu
 Dutta, Shri Biren
 Gupta, Shri Indrajit
 Joarder, Shri Dinesh
 Lalji Bhai, Shri
 Limaye, Shri Madhu
 Panda, Shri D. K.
 Pandeya, Dr. Laxminarain
 Pradhan, Shri Dhan Shah
 Roy, Dr. Saradish
 Shastri, Shri Ramavatar
 Shastri, Shri Shiv Kumar
 Vajpayee, Shri Atal Bihari
NOES
 Ahirwar, Shri Nathu Ram
 Ambesh, Shri
 Arvind Netam, Shri
 Babunath Singh, Shri
 Bajpai, Shri Vidya Dhar
 Barman, Shri R. N.
 Barupal, Shri Panna Lal
 Bhargava, Shri Basheshwar Nath
 Bheeshmadev, Shri M.
 Bist, Shri Narendra Singh
 Chandra Gowda, Shri D. B.
 Chandrakar, Shri Chandulal
 Chhuttan Lal, Shri
 Dalbir Singh, Shri
 Darbara Singh, Shri
 Dwivedi, Shri Nageshwar
 Engti, Shri Biren
 Ganga Devi, Shrimati
 Godara, Shri Mani Ram
 Gogoi, Shri Tarun
 Gomango, Shri Giridhar
 Gotkhinde, Shri Annasabeb

Joshi, Shri Papatlal M.
 Kailas, Dr.
 Kasture, Shri A. S.
 Kedar Nath Singh, Shri
 Kinder Lal, Shri
 Kulkarni, Shri Raja
 Lakkappa, Shri K.
 Lakshmikanthamma, Shrimati T.
 Mahajan, Shri Y. S.
 Maharaj Singh, Shri
 Majhi, Shri Gajadhar
 Malaviya, Shri K. D.
 Malhotra, Shri Inder J.
 Mandal, Shri Jagdish Narain
 Mandal, Shri Yamuna Prasad
 Maurya, Shri B. P.
 Mirdha, Shri Nathu Ram
 Murmu, Shri Yogesh Chandra
 Negi, Shri Pratap Singh
 Pandey, Shri Narsingh Narain
 Pandey, Shri Sudhakar
 Panigrahi, Shri Chintamani
 Partap Singh, Shri
 Patil, Shri E. V. Vikhe
 Patil, Shri Krishnarao
 Raghu Ramaiah, Shri K.
 Rajdeo Singh, Shri
 Ram Dhan, Shri
 Ram Sewak, Ch.
 Reddy, Shri P. Narasimha
 Richhariya, Dr. Govind Das
 Sadhu Ram, Shri
 Saini, Shri Mulki Raj
 Samanta, Shri S. C.
 Sankata Prasad, Dr.
 Shankaranand, Shri B.
 Sharma, Shri Nawal Kishore
 Shastri, Shri Sheopujan
 Shenoy, Shri P. R.
 Shivnath Singh, Shri
 Stephen, Shri C. M.
 Suryanarayana, Shri K.
 Tiwary, Shri D. N.

Tiwary, Shri K. N.
Tula Ram, Shri
Unnikrishnan, Shri K. P.
Verma, Shri Ramsingh Bhai
Yadav, Shri Karan Singh

MR. DEPUTY-SPEAKER: The result* of the division is: Ayes—18; Noes—70.

The motion was negatived.

MR. DEPUTY-SPEAKER: Now, the question is:

"That clause 4 stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

Clause 5—(Payment of amount.)

SHRI D. K. PANDA (Bhanjanagar): I move:

Page 4, line 23,—

after "cash", insert—

"to be fixed by a Parliamentary Committee who shall consult the workers' representatives of the two companies," (6)

Page 4, line 23,—

after "management" insert—

", ownership and control" (7)

Page 4,—

omit lines 25 to 31. (8)

SHRI MADHU LIMAYE (Banka): I move:

Page 4, line 28,—

for "fifty thousand" substitute "ten thousand" (13)

Page 4, line 30,—

for "twenty-five thousand" substitute "five thousand" (14)

MR. DEPUTY-SPEAKER: I will now put all the amendments to the vote of the House.

Amendments Nos. 6, 7, 8, 13 and 14 were put and negatived.

MR. DEPUTY-SPEAKER: Now, the question is:

"That clause 5 stand part of the Bill."

The motion was adopted.

Clause 5 was added to the Bill.

Clause 6 was added to the Bill.

Clause 7—(Penalties)

SHRI D. K. PANDA: I move:

Page 5, line 14,—

after "control" insert—

"or through the control of any other person". (9)

Page 5,—

after line 25, insert—

"(f) withheld, sold or diverted such property within the period commencing from the date of the public announcement made by the Minister of Industrial Development till the Act comes into force," (10)

MR. DEPUTY-SPEAKER: Now, I will put amendments 9 and 10 to the vote of the House.

Amendments Nos. 9 and 10 were put and negatived.

MR. DEPUTY-SPEAKER: Now, the question is:

"That clause 7 stand part of the Bill."

The motion was adopted.

Clause 7 was added to the Bill.

MR. DEPUTY-SPEAKER: We go to Clause 8. Mr. Shukla is not here. So, that amendment is not moved. The question is:

"That clause 8 stand part of the Bill."

The motion was adopted.

Clause 8 was added to the Bill.

Clauses 9 to 13 were added to the Bill.

*Sarvashri Jagannath Mishra and B. V. Naik also recorded their votes for NOES.

Clause 14—(Power to terminate contracts of employment)

MR. DEPUTY-SPEAKER: On Clause 14, there is an amendment by Shri Somnath Chatterjee. Are you moving?

SHRI SOMNATH CHATTERJEE: Yes, Sir, I am moving.

I beg to move:

Page 7, line 15,—

after "employment" insert—

"except that of a workman"(17)

Under Clause 14, power is sought to be given to the Custodian to terminate the employment of any person there. It has not been specified whether the contract of employment will be that of the workman or of any other category of employees there. You will see that so far as this Bill is concerned the power has been taken by the Central Government to appoint even a company as a custodian for the purpose of management of this business. So far as Government company is concerned, if it is to be appointed as custodian, finding from the recent trends, what will happen is this. The Government company management, that is to say, the corporate bureaucracy, will now decide whether some individual employee will remain an employee or not. It is said that if it is thought by the Custodian, if the Custodian is of the opinion that any contract of employment entered into by either of the two companies or its managing agents etc. is unduly onerous he may by giving the employee one month's notice in writing, or the salary in lieu thereof, terminate such contract of employment. That is the provision. What I provide here is this. I say 'contract of employment' except that of a workman. The workmen who are employed there should not be at the mercy of the custodian, that is to say, the Government company, for the purpose of future employment under the concern. There are no guidelines laid down as to what they mean by onerous terms and conditions. I have been saying this and raising this question so far as other Bills too are concerned, but this

is deliberately kept vague. I know it will be said, nobody can visualise what the situation would be, and all that. But, Sir, this is to give too much of unguided and unchecked power to the custodian of these companies which will be Government companies to take away the jobs of the employees including a workman without assigning any reason whatsoever. No reason need be assigned. Therefore, I say, so far as the workman is concerned, he should be kept away from the purview of Clause 14 and the Custodian should not have such power.

SHRI T. A. PAI: By no stretch of imagination can we think of any workman being terminated. Since large number of complaints and objections have been raised saying that the company has reappointed people on contract on onerous terms and conditions we have got to take the power to see that such instances are dealt with. I assure the House that no workman will be discharged under this.

MR. DEPUTY-SPEAKER: I will now put the amendment of Shri Chatterjee to the vote of the House.

Amendment No. 17 was put and negatived.

MR. DEPUTY-SPEAKER: Now the question is:

"That Clause 14 stand part of the Bill."

The motion was adopted.

Clause 14 was added to the Bill.

Clause 15, Clause 1, the Enacting Formula, the Preamble and the Title were added to the Bill.

SHRI T. A. PAI: Sir, I beg to move:

"That the Bill be passed."

MR. DEPUTY-SPEAKER: Motion moved:

"That the Bill be passed."

SHRI INDRAJIT GUPTA (Alipore): While supporting the fact of the take-over which is incorporated in this Bill I must

[Shri Indrajit Gupta]

once again utilise this opportunity to raise a very important question as to what is the *modus operandi* or policy which the Government is adopting in cases of such undertakings in the private sector which have been reduced to the verge of disaster, to the verge of closure, to the verge of ruin, by the management.

In this Bill, the fact of the takeover cannot, but be supported. But, the whole background and the whole set of circumstances in which it has been brought about is something which cannot but cause an extreme disquiet in our minds.

I have here the Inquiry Committee's report on the Indian Standard Wagon Company. A similar report is also there regarding Burn & Company. I am sure the Minister is quite familiar with the contents of this report. On not a single ground can the management be exonerated. It is stated here in black and white that neither is there labour trouble nor there are so-called disturbed conditions in the eastern region of the country, nor reduction in wagon orders by the Railway Board, nor any other circumstance which can be brought forth to justify the conditions to which these companies have been reduced by the management.

This is now the situation and this is not something which has transpired all of a sudden. It cannot be. In the very nature it is the climax of a process which has been going on for quite considerable time. It is not that the Government has been taken by surprise. They have been given plenty of warning. Apart from their getting information through their own agencies which, I hope, they do, repeatedly the matter was brought to their notice by the workers' unions and by the State Government pointing out that this is the way these companies are being allowed to work completely to financial ruin and breakdown. Even in the Statement of Objects and Reasons, it is stated that from the middle of 1972 the Government have started receiving reports from the West Bengal Government and from various workers' unions about the gross mismanagement of the two companies, etc., etc.

Now, on the verge of 1974 when this legislation has come about, I want to know from the hon. Minister—because such developments may recur in case of many such undertakings—what is the *modus operandi* that in spite of the Government being given timely warning and in spite of having plenty of information at your disposal, you allowed such companies to go on being mismanaged and ruined till they are brought to, what you yourself have described here, the verge of closure. And only at that stage the Government comes forward with a Bill or an Ordinance to take over the management incurring thereby also all the liabilities of tremendous losses, outstanding loans and all liabilities of these companies and it then tries to put them back on their feet. We know what has happened in Braithwaite. This is a sister concern in the sense that this is part of the wagon building industry. This was not taken over until the management put up a notice of closure and they said that they were not going to run it. Is this the way that you propose to carry out nationalisation? All its valuable assets are frittered away like this. Lastly, on 10th July Shri Pai had told the Consultative Committee meeting that a new public sector undertaking called Wagons (India) Ltd. was going to be set up to coordinate the manufacturing of wagons which are being done by the existing wagon manufacturing firms. I just want to know from him whether it is contemplated that firms like Burn, I.S.W., Jessops and Braithwaite are going to be brought under one centralised public sector undertaking which will be responsible for the overall manufacture of wagons? If so, what is the stage at which this is going to be done? How long is the wagon crisis going to last which is sabotaging so many other fields of production?

MR. DEPUTY-SPEAKER: Time and again Members put me in a fix. The scope of the debate in the third reading is to support or to oppose the Bill. Here my friend, Shri Indrajit Gupta supports the Bill and yet he does not support it and brings in certain other things.

SHRI INDRAJIT GUPTA: You are not correctly representing what I have said.

MR. DEPUTY-SPEAKER: You have said that the taking over in the present conditions rose to suspicion and disquiet. That is what you said. The background of this particular take-over was in the context of the reports of the Inquiry Committee or whatever it may be—you said that. Now, what I am going to say is that these are important points which could have been made in the first reading and not in the third reading. Even the rules do not permit repeating what the other members' arguments were.

SHRI INDRAJIT GUPTA: I only gave my qualified approval.

MR. DEPUTY-SPEAKER: I am only pointing out the procedure.

SHRI INDRAJIT GUPTA: I have said that I am giving my qualified approval.

MR. DEPUTY-SPEAKER: I am pointing out that you could have made your points in the first reading itself and not in the third reading.

SHRI K. LAKKAPPA (Tumkur): I appreciate the fact that the hon. Minister has come forward with this Bill for the asking over of these two companies. He has stated in the Statement of Objects and Reasons that that it is essential to take them over because they manufacture items like railway wagons which are essential needs of this country, and also to streamline the production. But I would like to ask one pertinent question and suggest that on this score no discrimination should be made between company and company.

My hon. friend has already referred to case of the Mackenzie Co. which is also manufacturing railway wagons. This company had an investment of nearly Rs. 22 lakhs and it has gone up to Rs. 25 lakhs, and has distributed dividends and other things. It was a flourishing company. I would like to know at what stage this company had started deteriorating. As a consequence of the personal interests of the management, the entire amount of the company has been diverted and it has been made into a Jhunjhunwala company where various others interests came into play, and it

is as a result of all this that this company had started deteriorating.

The entire organisational set-up, the machinery and the lands attached to this company are all intact. The 500 labourers and the workers and engineers attached to it and who have done everything to improve the company are urging Government to take over this company. Even with a nominal investment of Rs. 1 or 2 lakhs this company can be streamlined, and thereby we can also augment the shortage of railway wagons which are the need of the country. This can be done with a little prudence, and I hope the hon. Minister would apply his mind and see that this company is taken over with a little investment. Even this investment need not be made by Government. Even the assessed value of the available wagons is all right. I am told that the hon. Minister has stated in his reply that it is obsolete. I would like to suggest that the officers who were deputed to investigate into this matter had not investigated properly and they had not assessed the real assets of the company and the worth of land and machinery properly. Further: even the entire machinery has not been investigated by the technical experts, and, therefore, they have come to the erroneous conclusion that it is not a viable unit.

MR. DEPUTY-SPEAKER: So, he is opposing it?

SHRI K. LAKKAPPA: I am not opposing the taking over of these two companies, but I am only pointing out that there should not be any discrimination on that score. The hon. Minister with his progressive ideas has come forward to take over these two companies, and I suggest that he should come forward to take over this company also which is manufacturing railway wagons which are the crying need of the times. Why should Government hesitate to take over this company? Let not the hon. Minister take it as a prestige issue, but let him have an open mind. Let him re-examine the whole thing, the availability and the value of the assets in the machinery and the lands and the capital investment etc. With just a little investment,

[Shri R. Lakkappa]

we can see that the entire company functions well once again and manufacturers railway wagons.

I hope, therefore, that the hon. Minister will have an open mind and see that a re-investigation is made.

SHRI D.N. TIWARY (Gopalganj): In a few minutes, this Bill will be passed. At this stage, I want to sound a note of caution. Whenever such Bills or matters come up for discussion here, the interests of the consumers are often ignored. Throughout this discussion, I seldom found references to the consumers' interest. Government should have thought or should think of the consequences of this Bill or any Bill whose burdens are passed on to the consumers. What will be the after-effect of that? Because, if the after-effects are bad, then the enthusiasm of the people for nationalisation will ebb away. We want to guard against that. People must not think that nationalisation is not a good thing. So we should remember that if the management is not better than what it was before under the previous owners, then the enthusiasm of the people for nationalisation will ebb away.

What has happened in the coal industry? Before nationalisation, coal was selling at a very low price, much lower than what it is selling today. Besides, people were getting ample supplies of coal. Now what has happened? Even trains are being cancelled—200 trains have been cancelled for want of coal. Even power, steel and other plants are on the verge of closure. Even if supply is there, it is there for two days and three days.

In the circumstances, production cannot increase. Consumers are not getting coal. Even in Delhi, when we go in for soft coke, we do not get it and if we get it, it is at Rs. 12, Rs. 13 or Rs. 15 whereas formerly it was available at Rs. 7-8. If this be the result of nationalisation, how do we think that the enthusiasm of the people for nationalisation will be maintained?

So I would like the Minister to see that the management is done in a better way and the difficulties of the consumers are removed and their facilities improved. Then only he may think of further nationalisation. If this is not done, we shall have very bad days ahead for nationalisation.

श्री राम प्रवर्तार शास्त्री (पटना): प्रध्वन्न महोदय, जिस उद्देश्य से बर्न कम्पनी और इंडियन स्टेडर्ड बैंगम का अधिग्रहण सरकार कर रही है मैं उस का समर्थन करते हुए छोटी सी दो बातें कहना चाहता हूँ। जिन कारणों का जिक्र आप ने किया जिन की वजह से आप इन दो कम्पनियों को अपने हाथ में ले रहे हैं वह बातें आगे न घटने पाएँ इस के लिये आप जो बोर्ड बना रहे बनाने वाले हैं या कस्टोडियन के हाथ में इस को चलाने की जवाब देही देना चाहते हैं तो वहाँ मजदूरों के प्रतिनिधि को भी रखिये। सरकार बार बार कहती है कि हम प्रवन्ध में मजदूरों को हिस्सा देना चाहते हैं, तो यही वह मौके हैं जिन मौकों पर आप उन्हें यह दे सकते हैं और उन का सहयोग ले कर के इन को अच्छी तरह चला सकते हैं। एक बात तो यह होनी चाहिये।

दूसरी बात उसी से संबंधित है जिस का जिक्र पहले आ चुका है कि जितने भी मजदूर या कर्मचारी काम करते हैं, इन कम्पनियों में आज के जमाने में इस संकट की घड़ी में अगर आप उन की मदद करना चाहते हैं तो यह आवश्यक है कि उन तमाम लोगों को काम में रखा जाय, उन की छटनी न की जाय। अगर छटनी करेंगे तो उनके सामने तो समस्या पैदा होगी ही, आप जानते हैं कि उस का असर आप के ऊपर भी पड़ेगा।

आखरी बात मैं यह कहना चाहता हूँ कि आप कम्पनियों को अपने हाथ में ले तो लेते हैं लेकिन उन का समय पर

चलाने की व्यवस्था नहीं करते या कोई न कोई पुराने मालिक कहीं तो सुप्रीम कोर्ट में चले जाते हैं और कहीं हाई कोर्ट में चले जाते हैं और इस तरीके से बेरुकावट पैदा करते हैं कि आप उस को चालू न कर सकें। उदाहरणस्वरूप मजदूर नगर की आर्थर बटलर कम्पनी है जहां वैगन बनते हैं और वैगन की कमी हमारे मुल्क में है जिस की वजह से कोयला आप नहीं पहुंचा पाते, गल्ला पहुंचाने में दिक्कत होती है, स्टील मिलों में जरूरी सामान नहीं पहुंचा पाते। तो आप आर्थर बटलर कम्पनी को ले चुके हैं, लेकिन अभी तक उस कम्पनी को चालू नहीं किया गया है। वहां के मजदूर बेचारे अभी भी बेकार हैं, उनका बकाया अभी तक नहीं दिया गया। उन के सामने भूखमरी की स्थिति है। तो आप उस को चालू कीजिये। क्यों देर हो रही है आर्थर बटलर कम्पनी को चालू करने में? इसी तरह मौकामा में ब्रिटानिया इंजीनियरिंग कम्पनी है। वह भी वैगन बनाने वाली कम्पनी है। उस को भी आपने हाथ में नहीं लिया है। एक साल से ज्यादा से वह कारखाना बन्द है। मजदूरों के सामने कठिनाइयां हैं। उत्पादन नहीं हो रहा है। एक तरफ वेगन्स की शोर्टेज है और दूसरी तरफ आप उस को लेने में ढिलाई कर रहे हैं। यह बात समझ में नहीं आती। इस को जल्दी लीजिये। आप को क्या कांठनाई हो रही है जो ब्रिटानिया इंजीनियरिंग कम्पनी मौकामा को नहीं ले रहे हैं।

SHRI T. A. PAI: The point that my hon. friend, Mr. Indrajit Gupta, had raised, I had covered in my speech in his absence. I had pointed out that it is no use taking action under the Industries (Development and Regulation) Act at too late a stage. Even under the Companies Act, the powers enjoyed by the Company Law Board are not sufficient and with the substantial stake of the public financial institutions in several of these

companies and with the working capital provided by the banking system which is in the nationalised sector, a greater vigilance is necessary for their functioning. It would be much more desirable that we prevent them from falling sick rather than become nurses. In fact, if I am extremely reluctant to accept the advice of my hon. friend who gave it vehemently and who charged me with even discrimination for not taking over Mackenzies, it is precisely because of the reason that even if the Government has to take care of only those units which are viable and if they are beyond repairs, and we take the exercise of taking them over, we will have to pay the good money which belongs to the people of this country, without bringing any fruition.

SHRI S. M. BANERJEE (Kanpur): In that case, may I ask why you took over Mr. Lakkappa? Is he beyond repair?

PROF. MADHU DANDAVATE (Rajapur): And that from the Socialist Party without paying us compensation. (Interruption)

MR. DEPUTY-SPEAKER: Is he an asset or a liability?

SHRI T. A. PAI: For the last two days, I have been hearing from them that I should not pay any compensation, but now, I do not understand why they resort to that word at all in the case of Mr. Lakkappa.

I want to assure the House that after we take over, if we find there have been irregularities either by the management or in their administration regarding the affairs of the company, whatever we observe shall be referred to the concerned Ministries, whether it is the Law Ministry or any other Ministry, so that appropriate action is taken. I do not want any management to think that when they come to reach a particular stage there is always the Government to come forward and take it over and they can escape also the

[Shri T. A. Pai]

consequences of whatever mismanagement they might have been responsible for. So, I shall certainly see that whatever investigations are necessary are also ensured.

Now, however sympathetic I may be regarding the problem of wagon manufacture, all the units that we have now under us are enough to ensure, if they work well, and to meet the requirements of the railways. In fact, I am afraid we will be short of orders and we have to look for export orders also. The particular unit which my hon. friend Shri Shastri referred to,—I may say that I am sometimes very helpless because after taking action under the Industries (Development and Regulation) Act, the people can rush to the court and bring an injunction against me from even taking over. I think I have reached that stage when I shall be able to take it over and run it and put it on its rails.

My friend has also said that it is no use nationalising it if you cannot look after it. I entirely agree with him. Nationalisation is not often a solution unless you are able to work it better than these people who had worked it before. I assure him that this unit has not been nationalised merely because of doctrinaire purposes. Under these circumstances, we have no alternative but to take it over and run it properly. I have assured the House that we have taken care to see that the management prospects have been looked after very clearly before we took the decision of taking it over.

SHRI D. N. TIWARY: Consumer interests.

SHRI T. A. PAI: Yes; the consumer interests have also been taken care of. They said that because the wagon industry was allowed to get into difficulties; the price of wagons which was Rs. 39,000 in 1968-69 is now Rs. 79,000.

The Constitution of the wagon authority is well under way and we hope not only to press with the Railways but with others for orders to see that all these

wagon units are given enough work. The price, at the present moment, is Rs. 79,000 with possible escalation also. The decision to postpone buying wagon could affect in many ways, but merely because we have taken it over, I assure the House that our costs are not going to be more.

MR. DEPUTY SPEAKER: The question is

"That the Bill be passed."

The motion was adopted.

15.46 hrs.

ALCOCK ASHDOWN COMPANY LIMITED (ACQUISITION OF UNDERTAKINGS) BILL

THE MINISTER OF HEAVY INDUSTRY AND STEEL AND MINES (SHRI T. A. PAI): I beg to move*:

"That the Bill to provide for the acquisition of the undertakings of the Alcock Ashdown Company Limited for the purpose of ensuring rational and co-ordinated development and production of goods essential to the needs of the country in general, and defence department in particular; and for matters connected therewith or incidental thereto, be taken into consideration."

MR. DEPUTY-SPEAKER: Motion moved:

"That the Bill to provide for the acquisition of the undertakings of the Alcock Ashdown Company Limited for the purpose of ensuring rational and Co-ordinated development and production of goods essential to the needs of the country in general, and defence department in particular, and for matters connected therewith or incidental thereto, be taken into consideration."

PROF. MADHU DANDAVATE (Rajapur): The Alcock Ashdown company is an 86 years old company and it has been decided to take it over. It is a welcome decision. But unfortunately right decisions

*Motion with the recommendation of the President.