14

MR. SPEAKER: But you can ask another question for that. I can allow that. If you give me the question, I will get it

answered.

SHRI BHADRESWAR TANTI: Sir, what is the use of putting question?

MR. SPEAKER: There is no scope for that question and that is to be curtailed to that. So simple it is. You must understand that logic.

(Interruptions)

SHRI V. SOBHANADREESWARA RAO: Sir, considerable quantity of spurious drugs are being sold in the market causing great loss to the consumers, sometimes endangering the life of the people themselves. At present, my information is that only the retailers are taken to task for selling spurious drugs. To discourage production of such spurious drugs, will the Government make the manufacturer also responsible and bring forward an amendment to the Drug Control Act to that effect?

SHRI J. VENGAL RAO: Sir, it is the duty of the State Government to look into this problem. The Drug Control authority is under the State Government and they must take action. (Interruptions)

## Take over of Gwalior Rayons Factory at Mayoor in Kerala

\*390. PROF. K.V. THOMAS† : SHRI MULLAPPALLY RAMA-CHANDRAN :

Will the Minister of INDUSTRY be pleased to state:

- (a) whether the approval of Union Government is needed for the take over of sick private factories and industries by the State Government;
- (b) whether Kerala Government has requested Union Government to take over the management of the Gwalior Rayons Factory at Mavoor in Kerala; and
- (c) if so, the details thereof and the action taken/proposed to be taken keeping in view the interest of the workers of the company?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF

INDUSTRY (SHRI M. ARUNACHALAM):
(a) According to the provisions of the Industries (Development and Regulation)
Act, 1951, the power to assume the management or control of an industrial undertaking in certain cases vests in the Central Government.

(b) and (c). A request has been received from the Government of Kerala for the take over of the management of the Gwalior Rayons Factory at Mavoor in District Kozhlkode, under Section 18 AA(1) (b) of the Industries (Development and Regulation) Act, 1951. The Central Government do not intend to take over the management of the unit.

PROF. K.V. THOMAS: Sir. the Gwalior Rayons Factory at Mavoor in Calicut is one of the major private enterprises in Kerala, which has been closed down for a very long time. Thousands of workers are under starvation. During the last election to the Kerala Assembly, the opening of this Factory was one of the election campaigns of the LDF which said that if LDF Government came to power, before anyone of the MLAs draw his salary. this company will be opened. But this company has not yet been opened. Sir, my question to the hon. Minister is whether any request has been received from the Government of Kerala for assistance in order to open this Gwalior Rayon Factory at Mavoor in Kerala.

SHRI M. ARUNACHALAM: Sir, we have received a letter from the Chief Minister of Kerala on 16th February 1988, for taking over this factory by the Government of India. But now we understand that the Industries Minister of the State Government had stated in the Kerala Assembly on 17th March 1988 that the State Government's policy was to try for a negotiated settlement on the problem which has led to the closure of the Gwalior Rayon Factory, rather than make efforts to take over the factory which has remained closed for over 32 months now. As far as the request from the State Government is concerned, we have received a letter from the State Chief Minister. More than that, we have not received any proposal or anythying like that.

PROF. K.V. THOMAS: Sir, in order to open this company, the Chief Minister and the Industries Minister of Kerala State

15

are hunting after Birla and Tata. Sir, to settle this issue, one of the major problems is the price of the raw material and non-availability of the raw material, that is, bamboo. I would like to know from the hon. Minister, whether the State Government has approached the Central Government for assistance, for making available the raw material as well as fixing the price at reasonable rate.

SHRI M. ARUNACHALAM: The hon. Member is to some extent correct. The problem is essentially the bad labour relations and non-availability of raw materials.

Sir, we learn from the management and the Government of Kerala that they were discussing the issues three days back. The first round is over and the second round will be taking place.

SHRI MULLAPPALLY RAMA-CHANDRAN: I reliably understand that the Left Government in Kerala is going to have a long-term understanding...

(Interruptions)

SHRI THAMPAN THOMAS: What is this, Sir? (Interruptions)

What is the meaning of\*\*

SHRI MULLAPPALLY RAMA-CHANDRAN: It is a conglomeration of several conflicting interests. (Interruptions)

I reliably understand that the\*\*.....I Left Government in Kerala is going to strike a long-term understanding with the monopoly house of Birlas under which bamboo and other soft-woods are provided to Mavoor Gwalior Rayons Factory at Calicut at an extremely nominal rate of Re. 1 per tonne. This no doubt leads to the denudation of the remaining forests in Kerala. With this and the total industrial backwardness of Malabar area in mind, I would like to know from the hon. Minister whether the Government will give clear and specific instructions to the State Government of Kerala to take over this industry. (Interruptions). And also I would like to know from the hon. Minister, if the State Government fails to take over this industry, will the Central Government

take over this industry, converting it into some other industrial unit which will not harm the ecology and environment of the State.

MR. SPEAKER: Mr. Ramachandran, there is no such thing,

It is 'State Government'.

SHRI MULLAPPALLY RAMA-CHANDRAN: It is not the 'State Government'. That is why specially I say that it is the.......'Left Government'. It is not that because the Janata Party is there, some other right parties are there, so many interests are there.

MR. SPEAKER: Not allowed.

(Interruptions)

MR. SPEAKER: I have already done that. Will you behave well?

(Interruptions)

MR. SPEAKER: Again expunged!

(Interruptions)

SHRI MULLAPPALLY RAMA-CHANDRAN: You are striking a long-term agreement with Birlas. (Interruptions)

MR. SPEAKER: Please sit down. Mr. Saifuddin Chowdhary's remarks also expunged.

(Interruptions) "&

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): Sir, the present Government of Kerala has failed to supply the guaranteed raw materials of two lakhs tonnes per annum to this unit, and moreover, they increased the royalty from Rs. 37.58 per tonne to Rs. 305.25 P. in respect of bamboo in March 1988 and royalty for eucalyptus has been increased from Rs. 121 per tonne to Rs. 550.47 P. They have promised that they will give guaranteed raw materials, but they have failed.

SHRI SURESH KURUP: Sir, it is good that the Minister has admitted on the floor of the House that it is the responsibility of the Central Government to take over this industry or anything like that because his colleagues in Kerala........ (Interruptions)

SHRI A. CHARLES: It is 'not the responsibility of the Central Government to take over.

SHRI THAMPAN THOMAS: Why are you worried about it? (Interruptions).

SHRI SURESH KURUP: Sir, his party people in Kerala are carrying on propaganda that it is the responsibility of the State Government. It comes exclusively under the jurisdiction of the State Government. That is what they are saying. (Interruptions).

Sir, what is this?

MR. SPEAKER: These are interruptions.

SHRI SURESH KURUP: According to Section 2 of the Industries (Development and Regulation) Act, synthetic fibre and pulp comes exclusively under the jurisdiction of the Central Government. So, only; the Central Government can do anything in this. The only thing the State Government can do is to mediate in this and to offer proper raw materials to the Birla management without any break. To the best of my understanding the State Government have already offered the raw materials and mediation efforts are going on. I would like to know from the Minister one thing. Even then, if the Birla management is not going to reopen the factory, would the Central Government do anything to help the 5000 workers who are rendered jobless?

SHRI J. VENGAL RAO: The general policy of the Government is not to take over any sick unit.

MR. SPEAKER: Shri P. Penchalliah.

SHRI THAMPAN THOMAS: Sir, this is 'a very important question which has created a lot of problem. This relates to State-Centre relationship. (Interruptions)

MR. SPEAKER: Shri P. Penchalliah.

Production of Coal in Andhra
Pradesh Mines

\*391, SHRI P. PENCHALLIAH; Will

the Minister of ENERGY be pleased to state:

- (a) the production of coal in various mines of Andhra Pradesh during the last three years; and
- (b) whether there is any gap between the production and demand?

THE MINISTER OF STATE IN THE DEPARTMENT OF COAL IN THE MINISTRY OF ENERGY (SHRI C.K. JAFFAR SHARIEF): (a) and (b). The estimated demand and actual production of coal in the mines of Andhra Pradesh, which are being operated by the Singareni Collieries Company Ltd., are as given below:

(In million tonnes)

| Year    | Estimated-<br>demand | Actual coal production | Gap  |
|---------|----------------------|------------------------|------|
| 1984-85 | 15.79                | 12.33                  | 3.46 |
| 1985-86 | 17.64                | 15.66                  | 1.98 |
| 1986-87 | 19.85                | 16.58                  | 3.27 |

SHRI P. PENCHALLIAH: Sir, while going through the reply given by the hon. Minister, it is evident that the gap between the estimated demand and the actual coal production is more than 3 millon tonnes in the last three years. The demand for coal is going up every day.

I would like to know the reasons why the production has not reached the estimated level. Would the hon. Minister take steps to see that coal production reaches its estimated level?

MR. SPEAKER: It was a written question, So, it can be a written answer to you also.

SHRI C. K. JAFFAR SHARIEF: Sir, the problem in the Singareni Collieries is...

SHRI HANNAN MOLLAH: The answer is also written.

MR. SPEAKER: He is Just starting. I do not Jump at conclusion.

SHRI C. K. JAFFAR SHARIEF: Sir, this soul industry is Peing suppreted—it is a