

Departmentalisation of Dalli Rajhara Iron Ore Mines

*365. SHRI A. K. ROY: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that perennial nature of jobs are being done in the Dalli Rajhara Iron Ore Mines under SAIL in Madhya Pradesh by contract system without departmentalising the workmen;

(b) whether there was agreement between the management and the Chhatisgarh Mines Shramik Sangh about progressive departmentalisation of the mines and a memorandum to that effect was submitted to the Minister by an M.P. in 1980;

(c) whether it is a fact that no step has been taken in this direction despite assurance; and

(d) if so, reasons thereof?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). Bhilai management have already departmentalised those operations in their iron ore mines at Dalli-Rajhara which have been notified as of permanent and perennial nature under the Contract Labour (Regulation and Abolition) Act. There was no agreement between the management and the Chhatisgarh Mines Shramik Sangh about the progressive departmentalisation of different jobs in their iron ore mines. In a tripartite memorandum containing the minutes of a meeting held by the Chief Labour Commissioner (Central) and signed jointly on 11-8-1980 the management undertook to review the economics of the working of the system of production of iron ore feeding the Dalli Crushing Plant and to give their decision about departmentalisation of the works under their scheme by 15-9-81.

(c) No, Sir.

(d) Does not arise.

SHRI A. K. ROY: Sir, the Minister's reply on Dalli-Rajhara Iron Ore Mines speaks very little and hides many things. You would be shocked to know that all the 9,000 miners of Dalli-Rajhara are now on strike. Their leader Shri Shankar Neogi and others of the union are held under national Security Act.

You would be further surprised to know that Mr. V. C. Shukla, the Union Minister who is sitting there, went to Dalli-Rajhara and condemned this arrest and the treatment of the miners. This was published in the newspapers.

I would, therefore, like to know whether it is a fact that an agreement has been reached to prepare a seniority list of the workers from 1977, 1978 and latest up to June, 1980 and that the list would be finalised by 5-9-1981 giving service certificate employment exchange card and medical copy etc. to prepare the ground for departmentalisation of the workmen?

SHRI PRANAB MUKHERJEE: Sir, there is nothing to hide because all these facts which the Hon. Member mentioned are known to us and whether Mr. Shukla condemned the arrest of one particular trade union leader or not is not relevant. We are discussing about departmentalisation and not about the arrest of one trade union worker. There is the tripartite memorandum which was signed before the Central Labour Commissioner. I have explained the position in the statement.

So far as departmentalisation of work of this particular mining sector is concerned, according to the information given to us by SAIL, the blasting work has already been departmentalised. As regards the drilling work the departmentalisation has been completed on 11th August, 1980 and certain other types of work are to be identified and this work has to be completed by 15th September, 1981 positively.

In the main reply I have indicated that there has not been any formal agreement and because firstly the work is to be notified by the Central Labour Authorities for necessary departmentalisation or the Plant itself will identify the work. Thereafter, discussions will have to be held with the recognised union to ascertain the nature of the work. If it is found that the work is of a perennial, permanent nature, the normal course of departmentalisation takes place and the same process is being followed.

SHRI A. K. ROY: Perennial nature of work means permanent nature of work and all work connected with the process of production. You would be surprised to know that in coal mining, raising, loading and production works are considered to be perennial in nature and they have been departmentalised. And the same public sector is run by the Steel Ministry. Due to the pressure of the Steel Ministry, I told you, this raising work, production work, loading work, which is a part and parcel of the production work of perennial nature, have not been so considered. So, may I ask the reason for one standard in coal-mining area, another standard in Iron-mining area? Should we presume that the Minister would assure us that this difference would go and they would consider raising and loading also as a work of a perennial nature and departmentalise them?

SHRI PRANAB MUKHERJEE: Sir, I have said on the floor of the House that whether on a particular type of work is of perennial nature of a permanent nature, has to be ascertained and recommended to us by the prescribed authorities.

SHRI A. K. ROY: One point Sir. I would like to know whether you are aware that the same work has been declared to be of a perennial nature and departmentalised in coal-mining.

SHRI PRANAB MUKHERJEE: Sir, it is difficult to say.

SHRI INDRAJIT GUPTA: Sir, centrally it is our experience that managements both in the public sector and the private sector are reluctant to implement the Central Contract Labour abolition and Regulation Act. I think he knows very well what is happening in Jamshedpur, in TISCO now on this very issue. But I would like to tell him this.

Since he says that there is some process of departmentalisation going on in the Rajhara mines, and since the Chhatisgarh Mines Shramik Sangh has been agitating for further departmentalisation as per their interpretation of the Agreement, the Management has instigated or colluded with the local Administration to get the leaders of this Union detained under the National Security Act. What has the Minister to say about that? The Act is not supposed to be used for these purposes, to suppress trade union agitation. Will you please find out what your Management is doing and how they, in collusion with the local Administration, have got the leaders of this Union detained without trial?

SHRI PRANAB MUKHERJEE: Sir, so far as the gentlemen who have been arrested by the State Government are concerned, I have nothing to comment on it. But one point I can tell the hon. Member that there is no question of having any collusion so far as the Steel Plant Management is concerned. And in regard to the process of departmentalisation, I have already indicated that the time is there till 15th of September, 1981.

SHRI A. K. ROY: You approve of this detention?

SHRI INDRAJIT GUPTA: What about the earlier question? He seems to have approved of the detention of the trade union leaders on this dispute and did not say anything about it.

SHRI PRANAB MUKHERJEE: I am not the competent authority here.

Writing off to bad debts by nationalised banks

*366. **SHRI INDRAJIT GUPTA:**
SHRI SUBHASH YADAV:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that on an average the bad debts of the fourteen nationalised banks alone totalled over Rs. 50 crores a year.

(b) if so, the names of the persons; companies whose bad debts over 5 lakhs have been written off; and

(c) what are the reasons for writing off such a huge sum every year as bad debts?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) to (c). A statement is laid on the Table of the House.

Statement

Public sector banks make an assessment of their bad and doubtful debts at the time of the preparation of their annual Balance sheets as at the end of December each year. Thereafter, they make provisions, out of their annual income, for bad and doubtful debts to the satisfaction of their statutory auditors. Banks write off all bad and doubtful debts out of the provisions thus made, but only after all possible steps to recover the dues have been exhausted. In accordance with the format of the Balance-sheet prescribed under the Third Schedule of the Banking Regulation Act, 1949, all banks are required to indicate in the Balance-sheet specifically debts considered doubtful or bad, but not provided for. As per the published Balance-sheets of the twenty-eight public sector banks for the years 1977, 1978 and 1979, none of them carried any debts considered doubtful or bad which had not been provided for.

According to the forms of Balance-sheet and Profit and Loss Account

prescribed in the Third Schedule of the Banking Regulation Act, 1949, banks are given statutory protection from disclosing the particulars of bad and doubtful debts for which provision has been made to the satisfaction of their auditors. In accordance with the statutes governing the public sector banks and in accordance with the practices and usages customary among bankers, public sector banks are also enjoined upon by law not to divulge information relating to or the affairs of their constituents.

In view of the above statutory provisions, information relating to the amounts of bad debts for which provision has been made or the names of the constituents whose loans have been written off and the reasons therefor are not to be divulged.

SHRI INDRAJIT GUPTA: I cannot challenge the Statement, because he says there are Statutory provisions which prevent information from being divulged. I am not asking information about the parties concerned. I know that those names cannot be divulged unfortunately. But I would like to know, since he said in his statement that during 1977, 1978 and 1979 none of the 28 public sector banks have carried any debts considered doubtful or bad.

SHRI MAGANBHAI BAROT: It has not been provided for.

SHRI INDRAJIT GUPTA: That means written off? Provided for means written off; is it? How are they provided for?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): May I just explain, Sir, out of the profits of the Banks, the Statutory Auditors find out what are the bad and doubtful debts. And if the bank is able to provide for the doubtful debts and bad debts, out of the profits and makes a provision for it, then it is not brought into the Balance Sheet. If they do not have profits to provide for such doubtful debts, bad debts, then it is disclosed to the public so that they may know