

not bring it to your notice earlier because I was on duty elsewhere, on House duty and not private duty—we would like the Chair to extend the general consideration stage, when it comes up again at a later stage?

Mr. Deputy-Speaker: I am sorry. The hon. Member was not....

Shri Jaipal Singh: At a later stage, not now, I desire that this House should have a wider and greater opportunity to have a general discussion on this Bill.

Mr. Deputy-Speaker: It has been expanded once and then again a second time. Therefore, it would not be possible for me to extend it.

Shri Jaipal Singh: Now, I am not asking you to extend it now, but when it comes again.

Shri K. D. Malaviya: Mr. Deputy-Speaker, I am most grateful to the House for having warmly accepted the ideas and principles behind this Bill.

Mr. Deputy-Speaker: He may continue on Monday. We will now take up the other discussion.

15-16 hrs.

MOTION RE: REPORT OF NATIONAL COAL DEVELOPMENT CORPORATION

Shri Rameshwar Tandia (Sikar): Sir, I beg to move:

"That this House takes note of the Annual Report of the National Coal Development Corporation for the year 1957-58, laid on the Table of the House on the 17th February, 1959."

Mr. Deputy-Speaker, Sir, I want to congratulate the Minister of Steel, Mines and Fuel as well as the Chairman and the managing director of the National Coal Development Corporation for bringing out their report for the year 1957-58 in

which they have mentioned all the problems. They have also stated frankly about the drawbacks and difficulties in the past year. This Corporation was set up as a private limited company in September 1956 and this is its second report. The progress made in these one and a half years is not bad. In 1955-56 the coal output in these 11 collieries taken over by the Corporation was 29 lakh tons. It rose to 31.6 lakh tons in 1956-57 and 33.57 lakh tons in 1957-58. From the working of the first six months of 1958-59, it seems that the production will go up to 35 lakh tons in that year. It is not bad. Apart from this they are planning to raise up their production by investigating new coal mines for which they are working at present and when all that comes it seems that they will approach the target of 10 million tons.

But it is not very encouraging to look at the profit and loss account and the balance sheet. The total amount of gross capital is about Rs. 8 crores. Apart from that there is a reserve of about one crore of rupees. So, it all comes to Rs. 9 crores. The total profit is shown as Rs. 30 lakhs and the net profit, Rs. 11 lakhs. A development rebate of Rs. 10 lakhs has been given and so the profit remains at about a lakh of rupees. If we calculate interest at the rate of six per cent that will come to about Rs. 54 lakhs. So, actually it is a loss of about Rs. 53 lakhs. Why is the profit so low? They have given some reasons that on account of the four bad collieries—two are very bad—they could not make much profit. But for them, there would have been a profit of another Rs. 35 lakhs—that is what they say. Two collieries in Giridih have lost over Rs. 5.04 crores in about 20 years. This is a big loss to the Exchequer. A report on these collieries shows that there might be some difficult mines. But it would appear that the output per man shift is less than half of what is in the private collieries in Jharia, both good and bad colliery fields. It is about

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one-third of that when compared to another State colliery not far off, namely, Bokaro. The output per man shift in 1955 in Giridih was 17 ton as against 37 ton in Jharia or 46 ton in Bokaro. The average annual output per worker in Giridih was 46 tons as against 108 tons in Jharia and 127 tons in Bokaro. Besides the percentage of abstention was also as high as 29.30 in Giridih as against 18.13 in Jharia and 17.11 in Bokaro. That shows that there is some mismanagement or bad management in these collieries and the excuse is given that they are difficult collieries but the coal there is good and if we abandon it, the private sector would not exploit it as it would not get any profit and so it will go waste. I would ask whether the Ministry had tried to bring some foreign expert or our own expert to find out whether the losses can be reduced to some extent or they may at least be run on no-profit-no-loss basis. If it is necessary there is no harm in asking some expert coal mining managing agents to give their opinion as to whether they can be improved. For instance, take the results of some of the private coal mines. The Bengal Collieries with a capital of Rs. 120 lakhs and a hedging of 24 lakh tons—15 per cent of the capital of the Corporation—have shown a gross profit of 73 lakhs in 1955, Rs. 61 lakhs in 1954. In the same way, another colliery, Kathar-Jharia, a smaller coalmine with a production of 3 lakh tons of coal, have made a profit of Rs. 12.50 lakhs in 1956 and Rs. 11 lakhs in 1955. We can see other coalmines also. I do not want to take time. For instance, the East India coal mines are doing very well.

It is true that some collieries are bad. If a particular colliery had lost over Rs. 5 crores in 20 years, something should be done about it. There may be difficult mines. If the profit of the other collieries are put by these collieries, all the profit would be wiped out. It is not a healthy sign.

The private coal mines are the major producers. Just now out of 80 million tons, the public sector produces about 3.5 million tons and the private sector, about 36 million tons. But I do not know whether it is right or wrong. We have to achieve a target of 60 million tons at the end of the Second Plan—15 million tons from State-owned collieries and 45 million tons from the private collieries. But the private people say that they are not getting the same facilities as the State-owned collieries get regarding wagons or other things. I may point out that it is all the same for the Government whether the production is in the private sector or public sector. But if two types of facilities are given, they could not compete and they will not be in a position to play their part.

In the end, Sir, I will say that it is good to keep good relations with the labour. It is good that they are investigating new coal mines. They have arrived at an agreement with the Russians to explore the Korba coal mines and other coal mines, and we hope that we will reach our target of 10 million tons in the public sector by the end of the Second Five Year Plan.

Mr. Deputy-Speaker: Motion moved

"That this House takes note of the Annual Report of the National Coal Development Corporation for the year 1957-58, laid on the Table of the House on the 17th February, 1959"

Now, should we have some time limit for the speeches? May I just have an idea as to how many hon. Members want to participate in this debate? There are only four hon. Members who want to participate. Let us have 15 minutes for each hon. Member.

Shri T. E. Vittal Rao (Khammam):
 Mr. Deputy-Speaker, Sir, we are considering today the Second Annual Report of the National Coal Development Corporation. Actually at this time we should have taken into consideration the Third Annual Report of the National Coal Development Corporation.

I have to make a few observations about the working and functioning of this National Coal Development Corporation. The success of this Corporation will also encourage us about the extension and expansion of public sector in various industries

In the very beginning, I want to say about the Board of Directors that has been constituted. It is very unfortunate that for mining which is a highly technical subject, during the year 1957-58, the period for which the report relates, there has not been a single technical man on the Board of Directors. I recognise the fact that this mistake has been rectified in the year 1960 by appointing a technical man on the Board. But that is not enough. Even the Managing Director of the National Coal Development Corporation today happens to be an ICS official. Sir, this is purely a technical subject. Other corporations and companies in the public sector have rectified this mistake. For instance, in the Hindustan Shipyard the Managing Director today is a technical person. In the Hindustan Aircraft Factory where there used to be an ICS official the Managing Director today happens to be one technically qualified. Therefore, I would urge that on the Board of Directors there should be a preponderance of technical people, not these ICS officials who know nothing about the technical working of the mines.

The production of the National Coal Development Corporation has been rather very disappointing. We have only raised, during the period to which the report relates, 3.5 million tons. In the Second Plan period the public sector has been allocated 15

million tons and the private sector 45 million tons. During the debates here on the Demands for Grants relating to the Ministry of Steel, Mines and Fuel, we were always told that we are well set for achieving this target. But this figure of 3.5 million tons does not take us anywhere.

Sir, the very organisation of the National Coal Development Corporation reflects little of planning and little of organisation. I recognise the fact that exploration, opening of new mines and raising of coal from new mines is time-consuming. But we have got old mines also in the National Coal Development Corporation. We could have stepped up the production by accelerating the pace of work in those old collieries while preliminary work with regard to new collieries is going on. That is how we could have made up for the time-lag in raising coal from the new collieries.

But what has happened? For instance, take the case of the Korba coalfields. We are to raise 2 to 3 million tons a year by the end of the Second Five Year Plan. The target has been slashed. We were told that we are going in a very big way with regard to the starting of open-cast mining in this area. But suddenly we have given it up. And what is happening today? We are awaiting the project report from the Soviet experts with regard to the Korba coalfields. What has happened to Bistrampur-Jhilmili? That has been given up. We were expecting to raise nearly 2 to 3 million tons from this. Why has it been given up? It is because the railways are not expected to lay the new rail link by the end of 1960-1961.

Coal is an important raw material for any factory. One has to be very careful while planning for coal. We are told that this reduction in the target in respect of Korba coalfields is going to be made up by increasing the target at Bhurkunda and Saunda

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collieries. What is happening there? They say that coal has been exposed and at any time we can raise as much coal as we want, but today we are not raising because one of our sidings has not come up. Enough coal is there but we cannot raise it because a railway siding has not come up. What planning is this? Is this the way that we organise the coal industry? Is this the way that our public sector has to function? Sir, we have hardly 1½ years to go before the Plan period comes to an end. If you take some energetic steps, even now we can do it.

I find that even such simple measures like having a third shift at Bokaro has not been taken. When I was there in the month of September last year I was told that the inspector has not permitted the use of an aerial ropeway which transports coal from the Bokaro and Kargali coalfields to the washery plants. What are the grounds? They are not getting permission simply because the netting under the aerial ropeway was not done. That is a very simple thing. Whenever there is an aerial ropeway which passes through places of habitation or roads it is common that a wire netting has to be provided. But that has not been done. What does this prove? This clearly proves that the National Coal Development authorities are not serious in the task they are entrusted with.

Again, we are told that the Kargali Washery could not go into commission on the appointed date due to some difficulty. I do not know when the rated capacity of 550 tons per hour will be reached and whether we will be able to keep up our supplies to Bhilai and Rourkela steel plants when they go in for full capacity.

I shall now refer to a few points about the working conditions at these coalfields. When these collieries were under the Railways, the entire staff had the Railway service condi-

tions. When they were transferred to the Government they got the Government service conditions. Today they do not know what service conditions they have got. No rules have been framed yet. There is no proper regulation of service conditions in this National Coal Development Corporation. The National Coal Development Corporation has been in existence for nearly more than two years but yet the conditions of service have not been finalised. There are nearly 20,000 to 22,000 people working in the coal fields and the quarters are being constructed at a very slow rate. There are quarters in which these miners will have to live but they are unfit for human habitation. Look at the pace of construction of quarters for the miners. Only 740 were constructed during the year 1957-58 and 1,400 during the year 1958-59. I do not know when our miners will get proper housing which they richly deserve because their nature of work is arduous and hazardous.

Then, by shifting of the Coal Board and other staff from Calcutta to Ranchi, though they have taken up to some extent the construction of quarters, the staff are without housing and the staff who are working in Ranchi are undergoing considerable difficulties with regard to housing. Therefore, I would request the hon. Minister to draw the attention of the Corporation to the need for speedy construction of the quarters.

With regard to promotions, I am told there are no proper rules regulating promotions. A supervisor, a graduate from the Jadhavpur University, was appointed in a washery. He was sent to Japan for training in the washing of coal, and suddenly a raw graduate from the university has been brought and made the assistant engineer, whereas this person who is more qualified than the young engineer still continues to be a supervisor. Similarly, with regard to promotions in the Corporation, there are some cases which I think should be seriously

looked into either by the Ministry or the National Coal Development Corporation.

Regarding water supply, the question of water supply for the workers at Bokaro and Kargali coal fields has been hanging for a very long time. A Bombay engineer was brought in. He was asked to give a plan and he submitted a plan. Two years or more have elapsed since he submitted the plan but the water supply programme has not yet been taken up. I do not know when this is going to be taken up. Water is very essential for human beings and for these workers as well. I do not know when the whole programme would come through.

Looking into the financial aspect of the whole thing, we see that production does not bear any relation to the total money spent on the coal fields. The books show that the capital invested along with other things comes to nearly Rs. 17 crores. The experts on coal industry have always stated that for raising a ton of coal in a virgin coal field, Rs 30 to Rs. 40 are required for being invested as capital. Calculating in this way, at least on a very conservative estimate, we should have raised about a little over four million tons in these coal fields, but what are our raisings? It is just three million tons odd. That means we have raised one million tons less than what we have invested for. That again means we have spent nearly Rs. 4 crores extra on raising coal. I understand and I quite realise there are old collieries like Giridih where we have been incurring losses. The question whether the Giridih coal fields could be worked or not was gone into by a technical committee and the committee said that those coal mines have got very good resources of coking coal and that efforts should be made to continue the work in those coal fields. They have also suggested various methods for increasing the output in those fields. The Government took considerable time for arriving at a decision on the recommendations made by that

technical committee. On that committee there was a technical man from the Corporation, one engineer, another from the Singareni collieries and a third from the private sector, the Shaw Wallace Company. These three people have unanimously recommended that these coal fields should be worked and they have suggested various methods by which the losses incurred at the coal mines could be reduced. They have suggested one simple thing like having a larger tub there instead of having the small tub. They said that larger tubs should be used for transporting coal from under ground to the surface. They said that tubs of 45 c. ft. should be used. But what happened to the recommendation? When I met the superintendent of the coal mines last year I asked him what happened to that recommendation. He said, "we have ordered in a private firm for the manufacture of this bigger tub." Then, what happened? The quota of iron and steel that was given to the Corporation was asked to be delivered to the private firm. The Controller of Iron and Steel refused to do so. Firstly, it is a mistake for those people to have placed orders on a private firm when there is a very nice workshop at Giridih where they could have manufactured these things. I asked whether it was not possible for them to manufacture them—these larger tubs—at the workshop there. He said it could be manufactured. Then I asked who placed the orders with the private firm. He said, "I do not know. Perhaps it was done by somebody sitting in the National Coal Development Corporation".

There are three Chief Mining Engineers in this Corporation sitting in Darbhanga House at Ranchi. A mining engineer should be on the field. One is said to be in charge of Korba and another in charge of the old collieries and the third is said to be doing some matters relating to staff and other things. These people should go to the coal fields, and their place of work should be there. Here, there are managing directors and a

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host of others—Deputy General Manager and others—who could look after this work. Therefore, I fail to understand this state of affairs.

Then, the National Coal Development Corporation has been receiving greater help from the Government agencies like the Indian Bureau of Mines with regard to exploration and proving of deposits, and also from the Geological Survey of India. The Corporation has received so much help whereas the results that have been shown are not commensurate with the amount of assistance that has been given to it.

We were urging on the Government that with a view to conserve coal and with a view to properly utilise the coal reserves in our country, the coal mines as a whole should be nationalised. Therefore, it was very essential for the Government, who are going to extend the public sector, to show a very good result while working this Corporation. But unfortunately they have failed to do so. Cannot these mistakes be rectified? They could be easily rectified. In coal, I am all for experts' help from various parts of the country, but I cannot understand one thing. In coal mining our engineers have been doing work for the last 40 to 50 years. Coal has been raised from our coal fields since the past 60 years. But even to this day, we have to go in for the help of foreign experts for raising coal. I do not mind it, you are getting help from the Soviet experts and I welcome it. It is very good. But you should have planned your programme in such a way that you could have kept up yearly targets. In the various consultative committee meetings since 1956 we have been urging upon the Government to give the targets coal field-wise and that the report should give the targets coal field-wise from year to year. But then finally, it is seen that not a single recommendation has been adhered to. I say that there should not be a slashing down or a downward revi-

sion of our targets in the public sector. Even to-day, if proper assistance is given to Singareni collieries, we can raise the output from 5 lakhs to 7 lakhs tons, over and above the target laid for the second Five Year Plan. But I do not know why the Government is hesitant, because we have got vast coal fields in that area. The Singareni Collieries Company have got technical staff and they would be able to increase the coal output. The only thing they want is release of foreign exchange and some financial assistance from the Central Government.

So, I would urge upon the hon. Minister to consider the observations that we have made and see that we raise whatever has been allotted for the public sector for the second Plan period, without revising the target, downwards.

Shri A. C. Guha (Barasat): Mr. Deputy-Speaker, Sir, this is the second annual report of the National Coal Development Corporation. Its performance during the last two years has not been very satisfactory. Of course, it has been able to improve the production as also the financial aspect of the old collieries which were owned by the Railway Board and which were incurring losses year after year. Still they are running at a loss, but the loss has come down.

I think the Government should take some definite decision on the Giridih collieries. As far as my recollection goes, the coal in these two collieries is of very good quality and so the last bit of coal should be extracted. The Railway Board was incurring an annual loss of Rs. 50 lakhs; the loss has now come down to Rs 35 lakhs. If, considering the quality of this coal, this has to be extracted, this loss should somehow be made good by the Government and it should not be put on the accounts of this Corporation. (Interruption). If in the ultimate national interest, the Giridih collieries are still to be worked then the Government should devise some means as to how this loss

could be otherwise made good, either by increasing the price or by subsidising. This Corporation should not be made to bear this loss

Some years ago this matter was discussed and I collect apart from the collieries being very old, there were some other aspects contributing to the loss. There were some surplus labour and there was also something about the ration that was being distributed to this labour. Now that the Coal Development Corporation is expanding its work, I think the surplus labour can easily be provided work in some other colliery. The Giridih collieries should no longer be saddled with the surplus labour and the consequent loss.

The performance of this corporation should be judged primarily from the point of view of its production. The target for the public sector in the Second Plan was extra 12 million tons, out of which this corporation was to produce 10 million tons or so. But during these three years, it has been able to produce over its original 3 million tons only about 3.5 million tons or something like that. So, naturally there will be some suspicion and misgiving about the capacity of the public sector to fulfil the target of 12 million tons.

Repeatedly the hon. Minister gave the assurance to this House that the public sector would be able to reach that target. I do not know whether he is still so optimistic about the future performance of this corporation and also the other undertakings in the public sector in collaboration with the Andhra Government. The position should be made quite clear. If it is not possible, then at least to meet the requirements of coal for the industrial and other development of the country, the private sector should be given permission to increase their production. Though the private sector was doing quite well in the first two years of the Plan, their performance in the third year was not as good as in the first two years. The hon. Minister should check

up with the public and private sectors whether the target of 60 million tons would be achieved in this Plan period. Also, more important than this is the factor whether both the public and private sectors would be in a position to produce 100 million tons during the Third Plan period. That is perhaps the most important factor that has to be decided by the Government in collaboration with the two sectors.

Coming to this Corporation, I think Government should not confuse nationalisation with bureaucratisation. Repeatedly mention has been made in this House about the composition of this Corporation or of any other corporation. On several occasions, I have also mentioned this aspect, but still this Corporation continues to be managed by Government officials with only two non-officials, I think. In this connection, I would like to draw the attention of the hon. Minister to the composition of the UK National Coal Board. The Act was passed in 1946 and the relevant section says

"The Chairman and other members of the Board shall be appointed by the Minister of Fuel and Power from amongst persons appearing to him to be qualified as having had experience of and having shown capacity in industrial or financial matters, applied science and administration and organisation of workers."

I think a similar criterion should be adopted by our Government also while selecting the members for the board of any corporation or any industrial undertaking in the public sector.

Just a few minutes ago, we were discussing another Undertaking, the Oil and Natural Gas Commission. The Bill was before us, but there also no mention was made about the qualifications of the members of that Commission. I think this is a very important factor. There is no Bill behind this Coal Development Corporation, but I think the Minister should make a drastic change in the composition of the board of this Corporation. It

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should be definitely manned by persons who have knowledge of this industry. I have nothing personal against any of these gentlemen in this board or the managing director. But still, I cannot forget the fact that the present managing director was engaged in the Home Department for about 8 years, tackling law and order and personnel matters, but suddenly he has been put in charge of coal production. By the time he gets some knowledge about this, he will be transferred as was the case with his predecessor and somebody else will be put there. So, we cannot expect that the Corporation will function efficiently so far as the technical side is concerned. From page 7 of the annual report we find "a system of cost accounting on the commercial pattern is being introduced". Now, in the third year of a commercial enterprise they are just thinking of introducing the commercial accounting system. Then it is stated:

"mining engineers have been relieved of a great deal of extraneous works, civilian construction and management of stores so that they will be able to give more attention to the mining operations."

The previous speaker has just now mentioned the same thing. Mining engineers have been appointed but they are wasting their time in office work, in management of stores and in the administrative works and their work in the mines have been neglected. No commercial undertaking would have allowed this sort of thing except one working under the set up of things as in this Corporation.

Another criterion for judging the achievements of this Corporation will be the cost of production and the per capita production. I think the cost of production in this Corporation is higher than in the private sector. It has got more mechanised devices than in the private sector. The collieries that are now being opened up are equipped with up-to-date machinery. So the cost of production

should rather be less than in the old collieries where manual labour is the main factor in producing coal. Then, because of the mechanised devices of producing coal the per capita production should also be higher. But there also I think this Corporation has not as yet shown any achievement.

I wish again to refer to the composition of the Board and mention some other matters in this connection. I think quite a number of meetings of the board are being held in New Delhi and not in Ranchi. Will the hon. Minister just tell the House how many of the meetings of the board have been held in Delhi? I am sure, the members of the boards who are all busy officers, cannot get the necessary time to go through the agenda, or pay due attention to the agenda, that was placed before them in those meetings. That also would indicate that this board should be composed of persons who would always be available. So, some of the members of the board should be whole-time members and not part-time members as at present. Now only the Managing Director is the whole-time man. I think there should be some technical directors who will be whole-time members along with the Managing Director. At least two or three of them should be whole-time men.

In the articles of association I find certain clauses to authorise the undertaking of work of a capital nature subject to the condition that all cases involving a capital expenditure exceeding Rs. 20 lakhs shall be referred to the President for this approval before authorisation. I would like the hon. Minister to tell us how many such cases were referred to the President, that is to say, to the Central Government and how long each case took for disposal by the Central Government. I am sure there would not have been expeditious disposal in any of these cases. In many other matters also the board has not the necessary autonomy to function as an autonomous body.

Then another curious article in the memorandum says that the board has the power, subject to approval by the President, to give to any person employed by the Corporation a commission on profits on any particular business transaction. So, it appears without the permission of the President, this Corporation cannot employ anybody as selling agent or purchase agent on the basis of some commission. For every such small thing the Corporation has to approach the President for his permission. In that case, I am sure every case will be delayed by a few months.

When we are thinking of having an autonomous body we should allow it to function as an autonomous body. First of all, the board of this Corporation is composed, practically fully, by officials. Even then these officials have not been given proper authority to take certain decisions in any important matters. They have to refer them to the Government. The Secretary of the Ministry, sitting as the Chairman of the Board, has to refer some decisions of the Board to the Ministry and then he, as Secretary to the Ministry, will decide the matter. This is an absurd position and no autonomous body can function in this way. We entrust a corporate body with certain functions, that corporate body should be allowed to function properly with full autonomy.

I would say that one or two members of the board—at least one member—should be given financial authority. And he will approach the Minister direct only in cases where he has any point of disagreement with the board. Financial scrutiny can also be done by audit and by the Auditor-General. But there should be administrative autonomy and flexibility in the Corporation. Otherwise, I am sure the Corporation will not be able to fulfil the target that has been set before it.

Then I come to the Korba fields. Admittedly, the progress there is slow. It has been mentioned in the Report that "the progress has been compara-

tively slow". What has been mentioned later on on page 12, second column, is still more disquieting. It is stated there:

"The Russian teams have been in the country and have made necessary investigations after examining the data supplied to them. The next stage, after they have further examined the material supplied to them is for an Indian team of Technical Officers to proceed to the USSR to collaborate with them in drawing up the final plans. The necessary equipment for the schemes is to be supplied by the USSR later."

I think this Korba field is to produce 1.6 million tons of coal during the Second Plan period. But by the time this field will be in a position to produce any coal I think Second Plan period will be over. Similarly, in other fields also I find there is much scope for improvement in the working of this Corporation

As regards Korba field it has been mentioned that the railway sidings for the quarry and inclines were expected to be completed by December 1958. I do not know whether these have been completed. In other fields at least in 7 or 8 fields also the production has been delayed in view of the railway siding not being put up. This has been mentioned by my friend also who preceded me. This only shows the lack of coordination between the different departments of this Corporation. If the field is going to be ready for producing coal, I think simultaneously the railway siding should be available for removing the coal.

In this Annual Report I find a number of audit objections, some of which are of a serious nature. I would like to draw the attention of the hon. Minister to item Nos. 6 and 8. Audit objection No. 6 is about sundry debtors. It says:

"In the absence of necessary details, we have not been able to

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verify the classification of the figures for Sundry Debtors into:

Secured	.. Rs. 9,14,412/-
Unsecured but considered good	.. Rs. 1,46,05,606/-."

16 hrs.

Then audit objection No. 8 is regarding Book Debts as taken over from the State Collieries—Rs. 46,99,161. An Audit objection in the Annual Report of any company is not a rare thing or an unusual thing, but the Audit objections given here, I think, are in number magnitude and nature are unusual for any good company working on a commercial basis

Then, certain profit has been shown, but I do not know whether full provision for depreciation has been made. It has been mentioned here that Rs. 18,97,548 have been provided for depreciation, but I am not sure—I have my own doubts—whether this is the full amount of depreciation as should have been shown on the fixed assets of the Corporation. I think this matter also should be looked into

I think, I have nothing more to say. The only thing that I like to say is that I hope this Corporation will improve and the position and the nature of the Corporation will also improve. If necessary, requisite amendment in the articles of association should also be made so that the Corporation can function properly as an autonomous body. When we create an autonomous body, it should be allowed to function as an autonomous body. It should not have the worst of both the worlds. It has the defects of a Government Department and also it has not the benefit of an autonomous body. So, that position should be changed. I think the hon. Minister will make sure that the public sector will be able to produce the additional 12 million tons of coal that was fixed for the public sector and that it will be possible for the public sector and this Corporation to undertake the

responsibility for the necessary quantity of coal for the Third Plan period.

I can admit that during the first two years a colliery cannot show much achievement. The performance of the Corporation in the first two years should not be taken so rigidly as an indication of the performance in the ensuing years. But still during these two years it should have shown better results as regards performance and as regards co-ordination and planning. If the colliery is ready to produce coal the siding is not there; if the siding is there the colliery is not ready to produce coal. That position should not have been there. Lack of co-ordination should be removed. It should be better managed so that the necessary target may be achieved by this Corporation

Shri Surendranath Dwivedy (Kendrapara): Mr. Deputy-Speaker, Sir, I very much wish that I could join my hon friend, Shri Tantis, in congratulating the National Coal Development Corporation for its work, but in its report there is nothing which encourages me to congratulate it. We want that all these undertakings should work more efficiently so that we have more production in relation to the private enterprise and more and more undertakings are taken up by the public sector for the good of the country. At the same time, when we are in the midst of discussing the Third Plan, we should also be able through these public undertakings to let the country achieve economic ends, that is, that these undertakings should also be able to give us profits for the capital formation in this country

From the first and second reports that are before us, we find that during this period that this Corporation has been working, it has not fulfilled the purpose for which it was established. The Planning Commission stated that these collieries which are being managed departmentally, should be under a corporation, for the obvious purpose of more efficient production

As has been pointed out by the previous speakers, it would be seen that the present composition of the Corporation is nothing but a change in name. The same departmental personnel are there dominating this Corporation all through. I do not know whether it is not time for the Minister to consider replacing of these I-Can-Serve officers—I.C.S. I can serve anywhere you put me, any post. Wherever they may be working, these persons are considered suitable to carry on any type of work, whether it is technical or otherwise. This is what is happening here. For that reason, this Corporation has failed to fulfil the purpose for which it was established. Because, out of nine, I find there are five I.C.S. people in this Board.

From the production point of view also, it would be seen that out of 12 million tons that are expected from the public sector organised on behalf of this Corporation, so far, only 5.8 million tons have been achieved, that is, including the private colliery which has been taken over. This is not an encouraging figure. Because, it will be found that 3.5 million tons out of this come from the old State collieries. There, the target was for an increase of 0.5 million tons. They seem to be satisfied that during these 3½ years, they have been able to reach 0.44 million tons. I do not know whether this figure could not have been increased, and whether any effort was made to step up this production.

Then, again, if you take up the new mines that they have taken during this period, only 0.2 million tons have been achieved. Whereas they expect to get 10 million tons by the end of the Second Plan period, I do not know how they are going to achieve this. Only 1½ years are left and I do not think it will at all be possible. Anticipating that, they have indicated in the report some of the difficulties. One of the difficulties is railway lines and railway sidings as also power availability. It has been indicated in this report that they are expecting greater power difficulties in

the year 1959-60—current year—from the D.V.C, so far as the Bihar coal fields are concerned. I want to know what steps were taken previously. Was this taken into consideration at that time? They also say as regards the Central India coal fields that there is likely to be serious difficulties in power supply as it seems doubtful whether the projects for the supply of power to this area would materialise during the current Plan period. Now, they are giving us warnings; because they have failed to reach the target of production, they have so managed to give us a report as to put the blame on others rather than on themselves. When this target was fixed, certainly, these other factors were also taken into consideration, such as the railway facilities, the availability of power etc. If we compare the position here with the performance of private collieries, we find that they also are experiencing the same difficulties, they also complain of transport, they also complain of insufficiency of power and so on, but according to the report itself, the private sector has been able, during these years, not only to reach the target, but probably will be able to over-reach the target of 10 million tons. In the year 1958, they have been able to achieve 39.50 million tons. So, it does seem that either the people who are on this board are inefficient, or they do not know anything, or they do not have the time to go into the details and secure the efficient running of these mines, or that there is no co-ordination at all between the railways and the other Ministries and the Steel, Mines and Fuel Ministry

It cannot certainly be argued that the private collieries have got more facilities in the matter of railways, power etc. than the State-owned collieries. That is not so. I do not think anybody would be convinced by what the hon. Minister says in this House that the tempo of production has increased, and that the share of production by the Coal Development Corporation has increased, and that during the Plan period, they would be

[Shri Surendranath Dwivedy]

able to achieve the target. That is not so.

I do not want to mention the case of any particular collieries, but even in regard to whatever production has been achieved in the State collieries, I would have very much liked that the report had given us in detail in respect of each individual colliery what the production was before, how much it has achieved, and what the potential production in that mine is. The report has said that there has been an overall increase, but so far as I know, there are two collieries in Talcher which are run by the National Coal Development Corporation, where the conditions are such that neither the conditions of the labour have improved nor has there been an increased production.

Then, again we find that this Corporation had not taken into account those factors which would serve to increase production. For example, there is a proposal to work the Balanda mines in Orissa. This is a new mine that they want to take up. There has been some investigation done in these mines. The first investigation report showed that thick seam drilling had revealed disappointing quality. Then, there is another investigation, and they feel that probably there is a reserve of 10 million tons, and the work may be undertaken, but the lay-out and other things have to be settled before production starts. In this connection, I want to emphasise that here is a mine whose possibilities we do not know as yet, or which, we do not know, whether it would be possible for us to take up during the Second Plan period, along with the other collieries that are being run by the National Coal Development Corporation. But, there is the case of the Villiers Colliery which was grossly mismanaged. The private proprietors saw to it that the labourers did not get their salaries and wages; they violated the rules and regulations in regard to hours

of work etc. That matter was brought up in this House so many times. There was a demand that the National Coal Development Corporation should take over the management of that colliery as it could be done without much investment and without much difficulty; also it would add to the production and would assure labour working there a fair wage. But that has not been done. That means that Government are not clear in which way they should proceed to fulfil the target before them. I do not think they have made any serious attempt to do that.

The other thing to which I would like to draw attention and seek information from the Minister is about the labour amenities and labour conditions. It is no good saying merely in the Report that relations between labour and management during the period under report and subsequently, uptill now, have, on the whole, been good. Of course, in a national undertaking, one expects that labour-management relations should be good. But I want to know what more facilities have Government been able to give to labour, how many more houses have they constructed, what maternity and other facilities have they been able to give what were the conditions before and what are they now, how much money we spent in the year under report in relation to what was spent before. All these details should be given. The Corporation is very enthusiastic to say that they have increased production. It would have been good for the Corporation if in the Report, it had been stated in what respects more amenities and more facilities, in respect of housing and other things, had been provided for labour. So far as I know, the conditions of the labourers are very miserable. This relates specially to housing.

My hon. friend, Shri A. C. Guha, was referring in the Audit Report to the item of sundry debtors in the

Second Report. It has been stated—and he has pointed it out rightly—that no accounts have been given. In the absence of necessary details, audit could not verify the classification. This is mentioned in the Second Report. You will find this in the First Report also—Audit Report No. 8. The same thing as was mentioned in the First Report was repeated in the Second Report. Whereas in the First Report, it was stated that the Chief Accounts Officer would take up the preparation of the breakdown 'as soon as possible'—I do not know what is the meaning of this phrase 'as soon as possible'—in the Second Report, the same objections are repeated.

Regarding the new collieries, the Audit Report has drawn attention to something very objectionable. It says:

"The accounts of the new collieries under development have not been kept in sufficient detail to facilitate the correlation of the project estimates with the actual expenditure incurred on each project under development, and as such, we are unable to observe thereon."

There is no explanation offered by the board to this. The report also says:

"We have also come across instances where the Corporation's records indicate that some wagons and other items of plants and equipments have become scrap, obsolete and unserviceable, the details of which have been submitted to the management. As the capital expenditure records have not been maintained in detail in the past, it has not been possible for us to ascertain the amount involved in this respect."

There is another serious thing to which I would draw attention. That is in regard to contracts for purchase of heavy earth removing machinery. If you refer to item (4), you will find that they have mentioned in the Audit

Report that contracts for purchase of heavy earth removing machinery were placed under deferred payment system.

"The original offer submitted by the prospective suppliers against tender notice issued in December, 1956 and against revised tender invitation in April, 1957 have not been produced to us, and, in the circumstances, we have relied for our purposes, on the summarized statement outlining the special features of each offer, as prepared by the Purchase Section."

These are things which are very unsatisfactory and are very serious in nature. In the public undertakings, we should think that at least the financial accounts would be above-board. Is it because that high officials connected with the Ministry are directly in charge of this Corporation that these things are being ignored and no serious step is taken in this matter? In order to allay the fears of the people that public undertakings are not working satisfactorily, the Ministry should take into account all these matters and try to reconstitute the Board, at the same time, look to the better organisation and efficient functioning of the Coal Corporation.

सेठ बबल सिंह (प्रागरा) उपाध्यक्ष
महोदय, आज हम कोल कारपोरेशन की सन् ५७-५८ की रिपोर्ट पर विचार कर रहे हैं। कोयला का हमारे देश के लिये बहुत महत्व है। कोयले की प्लानिंग के सम्बन्ध में, रेलवेज के वास्ते, स्टील के वास्ते और पावर के वास्ते सस्ता जरूरत होती है। इसलिये प्लानिंग कमिशन ने यह जरूरी समझा कि कोल की प्राथिक पैदावार की जाय और गवर्न-मेंट इस कोल के काम को अपने हाथ में ले। इसलिये सन् १९५५ में यह कारपोरेशन बनाया गया। उस वकत कोल का प्रोडक्शन ३८ मिलियन टन था। उस वकत यह तय किया गया था कि दूसरे फाईव ईयर प्लाग में करीब ६० मिलियन टन कोयले का उत्पादन होना चाहिये। २२ मिलियन टन में १२

[सिठ अचल सिंह]

मिलियन टन कोयला तो प्राइवेट सैक्टर निकाले और १० मिलियन टन कोयला पब्लिक सैक्टर निकाले ।

जब हम इस रिपोर्ट को देखते हैं तो मालूम होता है कि जो फायदा होना चाहिये था वह फायदा नहीं हुआ और जितना कोयला निकालना चाहिए था उतना कोयला नहीं निकला । इसका खास कारण यह है कि नवर्नमेंट कारपोरेशन कायम करके जो काम पब्लिक सैक्टर से करवाती है उस में उतना काम भी नहीं होता, उत्पादन भी कम होता है और प्राइवेट सैक्टर की अपेक्षा लाभ भी कम होता है बल्कि अक्सर पब्लिक सैक्टर द्वारा कारपोरेशन कायम करके सरकार जो काम धके करती है उन में लाभ के बदले नुकसान हो जाया करता है । अभी हमारे पूर्व वक्ताओं ने बतलाया कि एक प्राइवेट सैक्टर की कंपनी जिसका कि कैपिटल १ करोड़ २० लाख है उसने ७० लाख का प्रॉफिट किया और इसी तरीके से दूसरी कंपनीया हैं जिनका कि २० लाख कैपिटल है और जिन्होंने कि ३० लाख का फायदा किया । इसके विपरीत यदि हम इस कोल कारपोरेशन को देखें तो पायेंगे कि इस कारपोरेशन में करीब ६ करोड़ रुपये लगा हुआ है और इस रिपोर्ट के मुताबिक १२ लाख का फायदा दिसलाया गया है । जितनी भी पब्लिक सैक्टर में इन पिछले पांच, सात वर्षों में कारपोरेशन बनी हैं सब को यही हालत है चाहे व एयर कारपोरेशन हो चाहे स्माल स्केल इंडस्ट्रीज की कारपोरेशन हो, चाहे वह लाइफ इश्योरेंस कारपोरेशन हो अथवा और भी कोई कारपोरेशन हो । उन में प्राइवेट सैक्टर की कंपनीज की अपेक्षा बहुत कम मुनाफा होता है । पब्लिक सैक्टर में न तो उतना मुनाफा होता है और न उतना उत्पादन ही होता है । और देखा तो यह गया है कि पब्लिक सैक्टर में खोपी जाने वाली कारपोरेशन में बज्जय फायदे के उसटा नुकसान होता है ।

अभी जो रेलवे बचट थाया था उसमें हम ने देखा था कि १२०० करोड़ रुपये तो सरकार का लगाया हुआ है और सिर्फ ४५ लाख रुपये केन्द्रीय सरकार को दिया गया है । मैं आपको बतलाऊ कि अभी हमारे अध्यक्ष महोदय ने पार्लियामेंटरी कमेटी के सामने जो स्पीच दी थी उस में उन्होंने बतलाया था कि बलगेरिया, हंगरी और रूमानिया में पब्लिक सैक्टर में जितना प्रॉफिट होता है उससे स्टेट इंडस्ट्रीज का काम चलता है और वहाँ पर लोगों पर कम से कम टैक्स लगता है जब कि हमारे देश में हालत बिल्कुल उलटी है और जनता पर ज्यादा से ज्यादा टैक्स लगाये जाते हैं और सरकार द्वारा जो काम धके किये जाते हैं, कारपोरेशन कायम करके काम किया जाता है उन में बज्जय फायदे के काफी नुकसान होता है जब कि वही काम प्राइवेट सैक्टर में यदि कराया जाता है तो लाभ होता है और उत्पादन भी अधिक होता है । आज इस चीज को लेकर लोगों में जो टीका टिप्पणी होती है सरकारी काम में सदा घाटा रहता है और प्राइवेट सैक्टर द्वारा काम करवाये जाने में फायदा होना है, इसके लिए मेरा सुझाव यह है कि पब्लिक सैक्टर में प्रोव्हरहेड चार्ज के तहत काफी अधिक खर्च होता है, रैड टेपिज्ज और दूसरी लिखा पढी की चीजों के मारे काफी पैसा खर्च हो जाता है और जिस काम पर पब्लिक सैक्टर में ४, ५ हजार रुपये खर्च होते हैं वही काम प्राइवेट सैक्टर में १००० या १५०० रुपये में निकल जाता है । उत्पादन भी वहाँ पर गिथिल रहता है और इसका एक बड़ा कारण यह है कि जो पब्लिक सैक्टर में सरकारी अफसरान और कर्मचारी होते हैं मैं दो, चार अपवादों की तो कहता नहीं लेकिन ज्यादातर लोग केवल अपने पद का अधिक से अधिक लाभ उठाना चाहते हैं, ज्यादा से ज्यादा पैसा खींचने का मत्न करते हैं और उनका अपने कर्तव्य की ओर जितना ध्यान जाना चाहिए वह नहीं जाता है और उन में यह

जावना काम करती है कि हमें जो यह मीका मिला है उसका अधिक से अधिक फायदा उठा लें, सरकारी काम भाड में जाय और जिसका कि परिणाम यह होता है कि पबलिक सैक्टर में उत्पादन भी कम होता है और चूँकि वहाँ भनापधनाप लक्ष्य होता है इसलिए फायदा भी नहीं होता बल्कि अक्सर नुकसान ही होता है ।

भाज हम देखते हैं कि देश में चारों ओर भ्रष्टाचार व्याप्त है । फूडग्रेस इंस्पेक्टर, और दूसरे अन्य सरकारी अफसरगन स्पगलिंग प्रादि होने देते हैं और मैं जानता हूँ कि एक एक पैटी अफिशिएल नाजायज तौर पर हजारों रुपये महाभार कमा लेता है, इंस्पेक्टर घूस बगैरह खाते हैं और एक एक इंस्पेक्टर पांच पांच हजार और दस दस हजार रुपये एक साल में कमा लेता है ।

छोटे छोटे सरकारी मुलाजिम इस तरह भ्रष्टाचार को बढ़ावा देते हैं और नाजायज तौर पर पैसा कमाते हैं लेकिन इससे गवर्नमेंट को नुकसान पहुंचता है, प्रोडक्शन सफर करता है और पबलिक सैक्टर में गवर्नमेंट को घाटा पहुंचता है ।

मैं तो चाहता हूँ कि गवर्नमेंट इस सम्बन्ध में गम्भीरतापूर्वक विचार करे और होना तो यह चाहिए कि जो भी काम गवर्नमेंट पबलिक सैक्टर में करायें, वह ठीक बेसिस पर किया जाय, ठीक तरीके से किया जाय और इस बात का ध्यान रक्खा जाय कि वहाँ पर रुपये की फिजूलखर्ची न हो क्योंकि जिस तरह से आज सरकार द्वारा काम करायें जा रहे हैं उनसे देश को नुकसान होता है और इसके परिणामस्वरूप जनता पर टैक्सों का बोझ भी दिन प्रतिदिन बढ़ता जाता है । इसलिए मैं अपने मिनिस्टर साहब से यह कहूँगा कि वे इसकी काफी देखावाल रक्खें ताकि कोयले का उत्पादन अधिक हो और जो हमारा १० मिलियन टन कोयला निकालने का लक्ष्य है वह हम पूरा कर सकें । उत्पादन क्षमता

बढ़ाने के साथ ही साथ यदि लक्ष्य में भी कमी हो तो मैं समझता हूँ कि कारपोरेशन अच्छी तरह से कामयाबी के साथ चलता हुआ माना जा सकता है अन्यथा नहीं । इन शब्दों के साथ मैं इस रिपोर्ट का समर्थन करता हूँ ।

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): Mr. Deputy-Speaker, I must start by expressing my gratefulness to the hon. Members who have given so much thought to this rather technical subject of coal production and for putting forward some very useful suggestions for the improvement of the working of this vital public sector undertaking, namely, the National Coal Development Corporation. Very rightly, some of the hon. Members have expressed concern about the performance during the period covered by the present report and from that they have been somewhat critical of the possibilities of achieving production targets by the end of the Second plan period. This subject and the various arguments are quite familiar and even at the risk of repeating some of the arguments which I ventured to put forward at the time of the Budget discussion, I would like to say that in the matter of coal production, we cannot work by this over-simplified formula of linear equations. We cannot say that merely because during this period, there was an increase of production from the new coal mines to the tune of 0.2 million tons, as was pointed out by my hon. friend from Orissa in his speech, therefore, 0.2 multiplied by 5 should be the total production. That, I would very strongly submit, would be very bad arithmetic, and would certainly not take note of the vital things which are essential and inherent in the matter of coal production.

Shri Surendranath Dwivedy: I only pointed out whether by this performance, it is possible to reach the target within the period.

[Sardar Swaran Singh]

is concerned, it is comparatively a tainly, if it is so simple as that—by multiplying by 5—it cannot be reached. What I am trying to say is that it is not so simple; it is not, at any rate, so bad, and that production targets at the end of the Plan have to be viewed in a somewhat different context. We have to see to the tempo of development, and when the development reaches a particular stage then the actual production is of a much higher order. Although the analogy is not quite there, in all these big industrial plants, whether it is a steel plant or a fertiliser plant or even the development of a coal mine, there is definitely a very marked increase in production at the time when the stage of production is reached.

Now, a steel plant, obviously, even after spending hundreds of crores of rupees will not yield even an ounce of iron or steel for three years or so, but when it starts producing, and it starts producing in a big way, the actual production cannot at all be compared with the initial stages which are stages of development. Similarly, in the case of these coal fields, a good deal of preparatory work, not only preparatory work on paper in the matter of finalising designs and making arrangements for the physical means to raise coal but also the actual physical things that have to be done at the spot, take a pretty long time.

In fact, when these new plans were formulated some of the people connected with coal industry, both Indians as well as foreign, had been coming to Government and expressing very grave doubts as to whether it would at all be possible to step up the production potential to the targets which have been set out in the Second Plan period, because it was pointed out that normally a mine should take anywhere from five to seven years for development and coming up to that stage when it starts actually producing on a commercial

or reasonable scale. And I would say that with the steps that have been taken by the National Coal Development Corporation, some of which I may have occasion to refer, although I do not want to go into minor details, there is a reasonable prospect of achieving the target, in the sense that by the end of the plan period, there will be definitely an arrangement on the ground and a stage of development would have been reached by utilising which it would be possible to raise the annual production which is targetted for the Second Plan period. On that ground, there have been occasional checks, re-checks and sometimes even revision of targets so far as new coal fields are concerned, so that the ultimate target which is laid down in the Second Plan period should be achieved.

In this connection, Sir, the analogy, which is superficially somewhat tempting, is generally raised to compare the increase in the private sector as compared to increase in the public sector. In the first place, I have no hesitation in saying that having allocated a particular field for development in the private sector we should be happy when we see that the targetted increase is being achieved by that private sector, and on that score we should not have any mental reservation of a critical nature when these targets are achieved because they are in the overall national interests of the country.

The particular point which I want to refer in this connection is slightly different. So far as the private sector is concerned the increase in their production depends only or at any rate mainly on the stepping up of production from the existing coal fields. It is true that in a very marginal way in an adjoining field they might open even a new mine, but the essential basis of their expansion is the development of the existing mines' capacity. It does not require any elaborate agreement to convince anybody that so far as the stepping up of production from working mines

quicker process, and an easier process as compared to the development of entirely new and virgin areas. That is the essential difference which I would expect that the hon. Members should always have in mind while comparing the two.

Shri Surendranath Dwivedy: What about the old State collieries?

Sardar Swaran Singh: So far as they are concerned, if the figures are analysed, not in the form of bulk increases but in the form of percentage increases, which should be taken as the base, that is, the production level at the time of the commencement of the Second Plan period, the increase in expansion in the public sector, in the old collieries, is also proportionately of the same order as the expansion from the existing private sector collieries. The percentage more or less is comparable and that has long been achieved. Whereas the stepping up of production from the private sector collieries is not yet up to the level which it should reach by the end of the Second Plan period, so far as the increase in the old collieries is concerned, as laid down in our second Plan, it has already been realised and over-fulfilled and there is a reasonable chance of its being fulfilled even more. Therefore, if we analyse it in a realistic and cool manner, then the conclusion becomes irresistible, namely, so far as the stepping up of production from the existing working mines is concerned, the private sector has achieved certain increases in the expansion programme. In total million tons it would be large because they started from a larger base, but expressed in terms of percentages, the public sector collieries have done very much better, if I may be permitted to say so, compared to the percentage of increase in the private sector. I do not over emphasise that, because, really from the small base in the public sector we had to increase it several times. Therefore, the percentage increase in the public sector must definitely be much higher to

achieve,—the targets which were taken up by the planners so far as the public sector expansion is concerned.

Comparing, therefore, those sectors which are comparable that is taking the existing mines in the public sector and the private sector, the percentages of increase are quite complementary. So far as the public sector is concerned, any criticism which, I may venture to point out, is not based on a correct appreciation is likely unnecessarily to place a debating point in the hands of the private sector who are always keen to clutch at any such point and in the process the temptation of running down the public sector can be very easily exploited. I am sure that that is not the intention of the hon. Member.

Shri Surendranath Dwivedy: That was never my intention, and I made it very clear.

Sardar Swaran Singh: I am grateful to the hon. Member. I know it could not be his intention because I know his views about the public sector and the private sector and his criticisms or observations were directed mainly because he was keen that the public sector undertakings should achieve their targets and should function in a better and more efficient manner.

So far as the new collieries are concerned, I have spent some time in going round them and I have been some of the collieries which have been newly opened. It is very easy, when we are arguing something on paper, to raise these points of complete co-ordination between the actual completion of a railway siding or railway facility or loading arrangement and the actual development of the coal mines. Those expectations are natural and I do not complain against hon. Members who raised this point that on account of this lack of complete co-ordination in the matter of completing various aspects according to the synchronised programme, the ultimate production has received a

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set-back. To that extent I accept the criticism, but we have to realise that in a matter like this, a good deal of work has to be undertaken in the form of developing new mines which in actual physical terms means complete drilling data of a very intensive nature—actual removal of the over-burden if it is an open cast mine or sinking a shaft if it is an underground mine, construction or opening of inclines, etc. For making all these arrangements, mechanical and the like, unfortunately we are dependent to a very large extent on imports of machinery of various types and sometimes even from various sources. Of course in a planned economy, we can expect that we have to ensure that all these things actually go step by step with the actual construction of a railway siding or a bridge or things of that nature in an ideal atmosphere.

But having regard to these various facets of the problem, I think it is not unreasonable or unexpected that there can be always a difference of a few months, either the mine getting ready for production a little earlier or the siding getting ready a little earlier. These are, I submit, parts of the risk that is involved in this and whether in the private sector or in the public sector, there can always be this slight difference. We should view it in the proper perspective and not try to over-exaggerate these differences, and it would be unfair to argue in a general manner that there is something seriously wrong.

Shri A. C. Gaha: In many collieries, production is practically ready, but for want of siding, coal could not be moved.

Bihar State:

Kathara	1.5 million tons
Gidi	105 "
Saunds	1.2 "
Bachra6 "
Chordhara5 "
Bhurkunda II7 "
Sayal A & D5 "

*(through a new working adjacent to the existing colliery)

Sardar Swaran Singh: So far as that part of the report is concerned, even though after two or three months the siding would be ready, still in the report it will have to be mentioned in that form that the mine is ready for production, but for want of siding, coal could not be moved. It is not customary, although it is tempting, to give any later date in that report. Perhaps the Company law and the correct rigorous approach would come in the way of giving an up-to-date picture. It is for this reason that this debate becomes useful because we always permit the spilling over of this debate to a period later than the period that is covered by the report and no objections of a technical nature are generally raised on the floor of the House.

For instance, hon Members have been pleased to argue that production has not been up to their expectations even during the later period. But so far as the Report itself is concerned, we have to be content with the presentation of the position as it obtains at that point of time with regard to which the report is framed. But I would take this opportunity of mentioning the latest position with regard to the field-wise targets. These things have been mentioned from time to time but this is the latest position as it emerges now. The National Coal Development Corporation, after taking into account the latest drilling data, the railway transport facilities and general resources, have now laid down the following colliery-wise targets. The figures that I will give with regard to production would be the extra production now envisaged with regard to the various fields.

2355 Motion re: **SRAYANA 22, 1961 (SAKA) Report of National 2356
Coal Development
Corporation**

Madhya Pradesh :

Korba	1.6 million tons	
Kurasia.5 "	*(through a new working adjacent to the existing colliery).
Korea5 "	
Kotma5 "	
Orissa State:		
Balanda (Talcher) :	.5 "	

Shri T. B. Vittal Rao: It comes to 10.6 million tons.

16.49 hrs.

Sardar Swaran Singh: You would have taken .5 million twice.

[MR SPEAKER in the Chair]

Shri T. B. Vittal Rao: This is the same as what you have given one year before.

That will be a sort of continuing effort where, apart from this 1.6 million tons additional production that I have given here by the end of the Second Plan period, a large number of physical steps would have been taken which would enable us straightaway to step up production in Korba in a very large quantity. That matter has been discussed on a number of occasions before.

Sardar Swaran Singh: Not one year yet, at the time of the last budget! It is not yet a year.

Shri T. B. Vittal Rao: These are the same figures which you have given during the first annual report. At that time you circulated a note. It is the same as in that note.

Sardar Swaran Singh: I think there are some differences, particularly in Korba areas. These are the figures which I have at the time of the last budget discussion. If they are the same, then also that should not be an objection against me.

Shrimati Benu Chakravartty: Nothing new.

Sardar Swaran Singh: I owe an explanation if there is a change. But I cannot be put on the mat because there is no change. What I am saying is these are the latest targets with regard to various collieries.

Some points have been raised by some hon. Members by saying that in Korba the targetted production is going to be less. It has to be remembered that so far as Korba is concerned there is going to be development in a fairly big way and a large number of steps would have been taken, physical and the like, in the course of the present Plan period so that additional production would be available in the very early stages of the Third Five Year Plan. We cannot say that is an effort which has been wasted.

I am glad that my hon. friend, Shri Vittal Rao, is quite impartial in his criticism of foreign experts whether they are from the Soviet Union or from any other country. He said that though the Soviet experts are here for a number of months their reports are not coming out. I think they are careful in preparing their report and we should not hastily criticise merely because it takes some time as very long data and all those things have to be fully gone into before the actual detailed drawings and detailed project report is prepared. Steps are being taken to keep a constant watch to ensure that no undue delay is there. In these matters a little caution at the commencement, at the time of planning and at the time of detailed drawing is something which we should not grudge because that in the long run actually produces better results. It decreases chances of infructuous expenditure which might be otherwise incurred in opening up areas in a haphazard manner as sometimes happens, particularly in areas which are not fully investigated and about which detailed planning and drawing is not undertaken in that thorough manner.

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So far as the actual production in these various fields is concerned, the House would be interested to know that with regard to the new collieries, the Corporation has in many cases reached the point of production though the railway sidings are available only in some of them. Others are to come up shortly. Production has already commenced in Bhurkunda, Kurasia, Saunda, Gidi, Bachra, Kathara, Korba and Sayal D. But production and despatches on a commercial scale will start only after all these railway sidings are completed. Even with regard to the railway sidings considerable progress.....

Shri A. C. Guha: What is the production in the first six months of this year of the new collieries?

Sardar Swaran Singh: Some of them have not yet completed their first six months.

So far as the railway sidings are concerned, I must say that the Railway Board and the Railway Administration have been extremely helpful and they have expedited the construction in a number of areas. In this context I would also like to add that by the shift from Korba to Karanpura area there is a little greater pressure on the Railways but they have willingly undertaken that extra pressure and the railway bridge near Gidi is nearing completion. So far as other areas are concerned, significant progress has already been made with regard to the railway sidings.

Shri Surendranath Dwivedy: What about Kathara?

Sardar Swaran Singh: I am mentioning that. The progress of railway sidings is as follows:

Kathara	Temporary siding since completed and coal started moving with effect from the 2nd June 1959. Yard is expected to be completed by March, 1960.
Gidi	Bridge over the Damodar is nearing completion. The siding will be ready by the end of 1959. Saunda temporary siding to be used for the time being
Saunda	Temporary siding already completed and coal traffic started. Yard to be ready by March, 1960.
Bachra	Temporary loading facilities being arranged at Railway station. The siding will be ready shortly.
Bhurkunda Yard alteration	Sub-grade work being completed by NCDC.
Sayal D	Temporary siding arrangements to be ready by March, 1960. Work progressing well
Korbe siding	No 2 siding handed over to NCDC in March 1959. No. 2A siding likely to be completed by end of August 1959.
BTK Line (Bijouri-Karonji)	Progressing satisfactorily. To be ready upto Baikunthpur by March 1960 and the balance to Karonji by end of 1960. The two spurs off Karonji are to be treated as railway sidings and so also the branch line to link Korea block.

This indicates that the Railways have done a good job and that too within a short time although they were greatly pressed for their other expansion programme, particularly in relation to the steel plants and the like. They have taken steps to increase their tempo of construction and a significant progress has been made.

Normally, I would not have bothered this hon House with these details. But, I thought it would be better if I were to give this physical picture from which hon Members can derive some satisfaction and some confidence that there is a reasonable chance of the target being achieved. In these highly mechanised mines, if all these arrangements are there, then, so far as actual production is concerned, that is not very difficult. In this connection, whereas I fully share the natural desire of the various sections of the House to see that the targetted production of 60 million tons is reached, there is one aspect which I would like to place before this hon House

I can say with a certain measure of satisfaction that for the last year or so, there have not been any complaints of short-supply of coal in any industrial sector whatsoever. In making that statement, I am taking full responsibility. When I say that all the industrial requirements all over the country have not starved for want of coal anywhere, that means, that so far as the production of coal is concerned, that is keeping good pace with the industrial expansion in the country. For various reasons, into the details of which I need not go, but notably on account of our foreign exchange difficulties, we had to rephase our Second Plan quite a bit and those expressions like core of the Plan and the like are quite familiar to this hon House. The matter has been discussed in great detail from time to time. That has had the effect of keeping under a certain check the overall consumption of coal. Actually cases are known where accumulations at pit-heads are not inconsiderable. In certain cases, they are ex-

plained by the shortage of wagon supply. But, I think, so far as the overall availability of wagons is concerned, the position has considerably improved over the last several months. Wagon supplies have been quite considerable. Movements above Moghalsara have been somewhat difficult because of the bottle-neck at the Ganga Bridge. That affects our export programme, to Pakistan and movement of coal to North India, particularly UP and Punjab. So far as industrial consumption even in these areas is concerned, there has not been any short-supply which indicates that in the matter of the actual servicing of the various industrial sectors, the coal industry, both in the public and the private sector has been able to deliver the goods and has been able to produce the requisite quantities of coal which are required for consumption.

Shrimati Renu Chakravarty (Basirhat): What is the position of washed coal? Does it keep pace with the demands of the new steel plants?

Sardar Swaran Singh: So far as washed coal is concerned, we have got two private sector washeries and one public sector washery. The public sector washery at Kargali has been supplying the requirements of our public sector steel plants. There have not been any difficulties on the operational side with regard to the working of the steel plants for want of supply of washed coal. It is true that so far as the better quality coal is concerned, so far as good quality coking coal is concerned, so far as washed coal is concerned, the period that is ahead of us is likely to be a period of difficulty. But, I would like this hon House to always keep in mind that merely going up to 60 million tons will not provide an answer for that. So far as our better quality coals are concerned, the mere physical attainment of the 60 million target will not alone solve the problem. We will have to do a lot of other switching over from one to the other and also to overcome a certain volume of consumer resistance in order to find a satisfactory solution. Washing is one. But, that is not the only answer and this matter is engaging

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our constant attention and receiving our earnest consideration.

17 hrs.

श. बिभूति जेठ (बगहा) मैं यह जानना चाहता हू कि गंगा सिज के बनने से उत्तर बिहार में किस मात्रा में कोल का एक्सपोर्ट ज्यादा बढ़ा है ।

श. र. स्वर्ण सिंह अभी तो उस को बने बहुत थोडा मर्ता हुआ है । अभी उस का इन्तजार करना पड़ेगा ।

There are some other points which had been raised, and I think I owe an explanation to the House with regard to some of those points. Mention has been made about the constitution of the board of directors. The criticism has been on the usual lines, namely that there are mostly Government officials, and that efforts should be made to strengthen it by the addition of those people who could be grouped under two heads, namely those who are familiar with the coal business, and technical people. Those who are familiar with the coal business generally are in the private sector. Our general approach in these matters has been that in an industry where both the public and private sectors are functioning, we do not generally draw upon for manning our directorate, men who are actively engaged in industry. For a variety of reasons into which I need not enter, this has been a sound practice. And without trying to criticise those who are in private industry, we have adopted a rule of caution by not drawing, at any rate for manning the directorate, men who are intimately and actively connected with industry in the private sector, they are generally kept out. If that sector is kept out, then the only thing that is left is this; you may call it by any name, you may call it bureaucratisation or nationalisation. I was unable to understand the generalisation of my hon friend Shri A. C. Guha for whom I have great

respect, when he said that nationalisation should not mean bureaucratisation. I think this is bound to result in an increasing number from the bureaucracy, that is, the number of people who are engaged in any national sector. 'Bureaucrat' is a bad word in the sense that there is a history behind it, so, if I may say, there will be an increase in the number of people who are employees of Government either directly or through these State undertakings or some sort of public functionaries—you may call them bureaucrats or employees or public servants, or give them any name; but nationalisation does mean an increase in the number of people who are in Government service either directly or through these State undertakings. So, merely to pick up a phrase of that nature perhaps does not do justice to the organisational aspect.

Shrimati Renu Chakravarty: The point is that engineers and technicians can also be taken over on the directorate, without having actually the private sector people. Of course, those who have direct interest in the private sector certainly should not be taken in, we entirely agree with the hon. Minister on that point. But can the engineers and other technical people not be taken over on the board of directors?

Sardar Swaran Singh: I do not join issue on that score, I am one with the lady Member when she says that we should have as large a number of technical people as we can. But technical people need not necessarily be technically qualified in mining, although we have taken care to include now in the board of directors a mining engineer who is connected with another public undertaking, namely the Singareni collieries. He is now a member of the board of directors. There are also other people who can be said to be technically qualified, for instance, people connected with the railways, such as members of the railway board. As you know, the railways are consumers to the tune of one-third of our total

production. People who are connected with the railways in a very intimate way can also be termed technical people. The general principle is acceptable, but it is not always possible to find technical people to man the directorate. But effort in that direction is always continuing. So far as the principle is concerned, as I said, it is unexceptionable. The only difficulty is a real one, of finding appropriate men from the technical fields who could be put in these positions.

We have to remember that so much has to be done on the technical side itself that it is not always a very safe proposition to urge that by taking a mining engineer who is doing the actual mining and by bringing him on to the managerial side we could make a greater use of that limited technical manpower. In all these cases, an arrangement has to be struck by which the best use is made of the limited number of highly qualified people in the technical field. I do not dispute the principle; the main question is the availability of suitable type of men.

We should also remember that so far as the board of directors is concerned, apart from the technical side, namely, the development of the mine, there is such a thing as the non-mine side, if I may use that rather loose expression, namely, organisation of sale, purchases, the personnel side and labour matters. For dealing with these, effort has to be made to take people. For instance, on the board of directors we have got a well-known labour leader, whose presence on the board has been a source of great strength.

Shri S. M. Banerjee (Kanpur): Who is that?

Sardar Swaran Singh: His name is Shri Kanti Mehta. He is a well-known trade union worker in the coal fields. (Interruptions). Is he *persona non grata* with my hon. friends opposite? I hope not.

Shri T. B. Vittal Rao: Certainly not, though he does not belong to us.

Sardar Swaran Singh: Then something was mentioned with regard to the profits that had been made by the National Coal Development Corporation. I must concede that hon. Members have been somewhat charitable. They have themselves given the reason why it has not shown the profits that it normally should. There is the well-known case of the Giridih colliery. It is, I should say, a matter of annual recurrence, arguments on the other side being the same and the reply of my Ministry also being the same. So we are not advancing except that Giridih is a typical case which, I think, is the biggest justification for having mining as much in the public sector as possible. Any private colliery company working a colliery like Giridih must have abandoned it long ago and must have written off the good quality coal that is there. I think it was Shri Rameshwar Tanta who was comparing the cost of production in Bokaro and Giridih. I would not give any arguments in reply; I would request the hon. Member to go to Giridih and Bokaro. Then he will see the difference. I think Bokaro has a very fine seam. Some of the foreign visitors to this country say that if India can have a seam like Bokaro seam, we should really be thankful to Nature for giving us such a nice seam. It is a very very thick seam and the over-burden is very little. You remove a little over-burden and by mechanised means you go on mining. The cost will be very little. But in Giridih, working conditions are so difficult; you have to go very deep. When mined in very difficult conditions, the cost of production cannot at all compare. I can compare those things which are comparable, where the conditions are comparable, but I cannot compare one with the other in the matter of cost of production because the working conditions are entirely different.

It is true that so far as the Giridih colliery is concerned, it has brought us to the brink of impatience, if I may use that expression, because we are incurring very heavy loss. We are running it because of two reasons:

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one is that the quality of coal is good, and the second is that it employs a fairly large number of workers, and in any context in our present thinking—which, I think, is in the right direction—we cannot think of taking a step which throws out of employment thousands of workers

Shri A. C. Guha: They can be shifted to other collieries

Sardar Swaran Singh: They can be shifted. One method is that we might perhaps increase the price of coal. I have no reason to think that there will not be buyers even at a higher price. But we have been resisting that temptation because of a variety of reasons. We thought that, perhaps, the losses of one might be met by the profits in the other and in that way we have been attempting to raise coal from this colliery.

A point was made about the Technical Committee that was appointed. I think some of the recommendations of that committee were actually followed. It has been mentioned that by increasing the size of the tubs we could increase the productivity. I am not sure if there was any controversy between labour and the employers on that score. If there was none, then, this at least is something which can be implemented straightway. I will look into that aspect.

Shri T. B. Vittal Rao: The Union has agreed to that.

Sardar Swaran Singh: That will be a step in the right direction and we can do really something to minimise the losses.

Then, the usual type of points about the autonomy of these undertakings have been raised. A balance has to be struck between autonomy and the desire of Parliament to retain its control. If Parliament expects to retain its control then it will have to function through the headquarters. But the intention of Government has always been to decentralise as much as

possible and to delegate as large a measure of responsibility to these State undertakings as is consistent with the discharge of Parliamentary responsibility. If Parliament, in their generosity, are less inquisitive about certain aspects which are matters of detail, then, I think, a healthy convention will grow from year to year and a larger measure of delegation would be possible. And if they are a little ungenerous and if we are always on the mat and we are expected to explain things over which we are not expected to exercise control, then, it is not easy to execute and perform. Always some balance has to be struck.

I do not deny the desirability of adequate parliamentary control on broader matters of policy. But, so far as the actual administration and execution of work is concerned, that has to be left with the undertakings. And, I would like to assure the hon. House that it is not the intention of Government to retain any powers with them which would in any way come in the way of the expeditious disposal of the work of the National Coal Development Corporation or for the matter of that of any other State undertaking.

I have ventured to cover some of the salient points that have been raised by hon. Members. There are many others and I should like to assure the House that we will benefit by the observations that have been made by the hon. Members with regard to the working of the Corporation.

श्री ए. सी. गुहा . . . प्रध्यक्ष महोदय, श्री सुरेन्द्रनाथ टिबंदी ने कहा है कि मैं ने शुरू में रिपोर्ट के लिये मंत्री महोदय को मुबारकबाद दी, परन्तु जो बातें मैं ने कही, उन में बहुत कुछ मुबारकबाद की बातें नहीं थी। मैं फिर से मंत्री महोदय को मुबारकबाद देता हूँ कि मैं ने और दूसरे माननीय सदस्यों ने जो बातें कही, उन के सम्बन्ध में उन्होने बहुत विस्तारपूर्वक विवरण दिया। कुछ बातों में मेरा और उन का मत नहीं मिलता है।

एक लाख बात में ने यह देखा है कि नौ करोड़ रुपये सरकार के एन० सी० डी० सी० में लगे हुए हैं। उस का एक लाख रुपया मुनाफ़ा हुआ है। अगर छः परसेंट ब्याज हम लियें, तो ५४ लाख बाली ब्याज ही हो जाता है। एकबुधकी वह घाटा हुआ ५४ लाख रुपये का—वह मुनाफ़ा नहीं हुआ एक लाख रुपये का। जैसाकि सेठ भचल सिंह ने कहा है, प्राइवेट सैक्टर की बालीस लाख, प्रव्सी लाख की कम्पनियां हैं, जोकि बीस, तीस लाख रुपये साल का मुनाफ़ा करती हैं, जिस में से घाटा गवर्नमेंट के पास टैक्स के रूप में जाता है और बाकी शेयरहोल्डर्स को जाता है। इसलिये हम बाली गिरिडी कालियरी का ही नाम ले कर यह चीज चालू नहीं रख सकते कि क्योंकि उस में घाटा हो जाता है, इसलिये दूसरी कालियरी का नफ़ा उस में चला जाता है। अगर उस में घाटा होता है और अगर इन बीस बरसों में पचास करोड़ रुपये का घाटा हम दे चुके हैं, तो बाली प्रच्छा कोयला है, दूसरा उस को नहीं चलायेगा, यह उस का कारण नहीं हो सकता कि उस में बग़ाबर घाटा होना जाये। इसलिये फिर मेरी यह धारणा है कि उन कालियरी की प्रच्छी तरह से जांच कराई जाये और जिस तरह से भी हो, उस घाटे को बन्द किया जाये।

मंत्री महोदय ने कहा कि प्राइवेट सैक्टर के उन प्रादमियों को, जोकि उसी कारोबार में लगे हुए हैं, वह लेना पसन्द नहीं करेंगे। जैसाकि श्रीमती रेणु चक्रवर्ती ने कहा, यह जरूरी नहीं है कि उसी कारोबार में लगे हुए प्रादमियों को प्राइवेट सैक्टर से लिया जाये। दूसरे कारोबार में ऐसे प्रादमी मिलेंगे, जोकि बिजनेस में हुष्यार हैं, या टैक्निकली हुष्यार हैं, उन को लिया जा सकता है। जिन की कोल-माइन्ड नहीं है, उन को लिया जा सकता है। लेकिन जिन की कोल-माइन्ड है, सिर्फ इसलिये ही उन को न लेना और लगातार पच्चीस तीस, बालीस लाख रुपये का घाटा करते जाना मेरी समझ में नहीं आया।

मैं ने बोकारो से कन्वेंर किया और भरिया कोल-माइन्ड को गिरिडी से कन्वेंर किया था। दूसरी बात मैं ने यह कही थी कि वहां गैर-हाबिरी होती है—तीस परसेंट गैरहाबिरी होती है। कालियरी लराब है, उस में घाटा हो जाता है, लेकिन गैर-हाबिरी होने का कोई कारण नहीं है। उस की जांच होनी चाहिये। मैं फिर से निवेदन कर्ना कि गिरिडी कालियरी में जो बराबर घाटा होता है, उस के लिये एक जांच कमेटी बिठाई जानी चाहिये, जो तरीके बताये कि किस तरह से यह घाटा कम हो या बन्द हो, क्योंकि उन कालियरी में एन० सी० डी० सी० का सारा नफा चला जाये, यह कोई वांछनीय बात नहीं है। गुहा साहब ने यह कहा कि आप सबमिडी दीजिये। सरकार सबसिडी नहीं दे सकती है। अगर सरकार इन कालियरी को सबमिडी देती है, तो प्राइवेट सैक्टर को दूसरी घाटे की कालियरी भी सबसिडी मांगेंगी। वे भी कहेंगी कि हमारी डिफिकल्ट कालियरी है, हम को सबसिडी दीजिये। सरकार दाम बढ़ा सकती है, कोई और तरीका अपना सकती है। सरकार ने यह जो एक सिस्टम मोल ले लिया और एन० सी० डी० सी० की एक लिमिटेड कम्पनी बनाई और दो कालियरी को ले लिया और उन में बराबर घाटा होता रहे और नौ करोड़ रुपये का कोई फायदा नहीं मिले, यह बान समझ में नहीं आती। अगर उन कालियरी में घाटा है, तो मैं फिर कहूंगा कि उन कालियरी की पूरी तरह जांच की जाये। उस में बाहर के प्रादमी लिये जायें और उस जांच रिपोर्ट पर कार्यवाही की जाये। पहले जांच कराई भी गई है। जांच की कुछ चीजें गवर्नमेंट ने मंजूर की और एक माननीय सदस्य ने कहा कि कुछ नहीं की। उस का मुझे पूरा मान्य नहीं है। परन्तु पचास लाख, बालीस लाख रुपये का जो घाटा लगातार बरसों से हो रहा है, उस को हर हालत में बन्द करना चाहिये, या कम करना चाहिये। उस के लिये जो भी कदम हो, वह उठाया जाना चाहिये।

Mr. Speaker: I will now put the question to the vote of the House.

of the House on the 17th February, 1959."

The question is:

The motion was adopted.

17.30 hrs.

"That this House takes note of the Annual Report of the National Coal Development Corporation for the year 1957-58, laid on the Table

The Lok Sabha then adjourned till Eleven of the Clock on Friday, August 14, 1959/Sravana 23, 1881 (Saka).