

acumen to bear on the question and give their judgment. He may clarify as to what will happen if there is divergence of opinion between the two members of the board. He can say that the views of the chairman will prevail, in which case he would be the final authority and there should be one man Tribunal alone.

With these words I support the Bill, and hope the Minister will take into consideration the points I have made.

Mr. Chairman: Some more hon. Members wanted to speak, but I think they can avail of the opportunity at the time of the clause by clause discussion. The hon. Minister.

Dr. Keskar: I am grateful to the hon. Members who have made very learned, thoughtful and thought-provoking speeches about what they consider to be defects in this Bill. Some of them have welcomed certain provisions, some have expressed grave apprehensions about the loss of liberty of the press etc., on the passing of this innocuous and procedural measure.

14.59 hrs.

[SHRI JAGANATHA RAO in the Chair]

I might say at the very outset, and I had mentioned it originally, that this Bill, which mainly concerns the proprietors and the publishers of newspapers, has been brought before the House after taking the precaution of having thorough discussions with the most important bodies of publishers and proprietors in the country. They comprise the overwhelming majority of newspapers in the country, including the biggest and the smallest, and they have to deal with these matters every day. I would like to inform Shri Achar, who is so solicitous about the freedom of the press and the owner also, that it is precisely the owners of the language press who have most vehemently welcomed this Bill. The Indian Language Newspapers Association and the Kerala Newspapers Association have, by public resolution, welcomed this Bill and all

its provisions. This is regarding the general precautions that we took, because, as I said, this is meant to make the working of the Press and Registration of Books Act better and more effective. It has no other end in view, and, therefore, we wanted that the publishers and those who have something to do with it every day might tell us whether they find that this or that provision is objectionable or is likely to lead to unnecessary delay or affect the continuity of papers or otherwise, in which case, we could change it; and we did change the Bill in respect of many provisions, on suggestions that they made.

I shall now take up some of the important points which have been raised in the course of the discussion here.

Mr. Chairman: The hon. Minister may continue his speech on the next day. Now, we shall take up the next item.

15 hrs.

MOTION RE: REPORT OF NATIONAL COAL DEVELOPMENT CORPORATION LIMITED

Shri S. A. Mehdi (Rampur): I beg to move:

"That this House takes note of the Annual Report of the National Coal Development Corporation Limited for the year 1958-59 along with the Audited Accounts and comments of the Comptroller and Auditor-General thereon, laid on the Table of the House on the 11th March, 1960".

Mr. Chairman, Sir, I thank you for giving me this opportunity for initiating this discussion. We are now here to discuss a very important industry in our national life, namely the coal industry. It is very vital for most of our major industries, basic industries and other industries. In many countries, coal is, of course, the most vital

[Shri S. A. Mehdi]

industry on which their entire structure of industrialisation is based. We are lucky that we have got such vast stocks of coal with us. The only thing that we require is proper utilisation of the best method and the proper utilisation of our resources.

From the report, we find that when this corporation was formed in 1956, it started with 11 collieries, but during the last three years, it has made fairly good improvement. Its production is also rising, and it has got a fine programme for the future. It is opening new coal-fields and it is also improving the old ones that previously belonged to the railways. It has a very large target for the Second Five Year Plan, and it is still expanding further in the Third Five Year Plan, and I am sure that it will slowly now in its activities and its developments.

I would not take much of the time of the House in going into very great details, but I would certainly like to draw the attention of the Minister and the House to a few things. Firstly, in a programme of this kind, although the production is not so large at present, and most of our coal today is produced in the private sector, yet, obviously, after some time, it will grow more, and with the expansion of our public sector industries and the industries worked by Government in the public sector, it will become essential to enlarge the activities of the corporation, and much would depend on the work done by this corporation.

It was started to organise and carry on the production of coal and its associated activities. Some of the mines that belonged to the railways and were previously run by them were taken up by this corporation, and many new mines were also opened during the last three years. Since then, the corporation has expanded.

But, if we see the report, we find that the training programme that it has is rather slow, and the rate at which the corporation is increasing the training facilities is not very fast. From the report, we find:

"240 trainees who underwent training of various types have now come out of this school."

That is a very small number, considering the large work involved and the number of collieries that it has got. Unless we have sufficiently trained people in the best and modern methods in these collieries, it would be very difficult for them to work up to the standard that is expected of them in order to fulfil the targets that we expect in the Second Five Year Plan and also in the Third Five Year Plan.

Another matter that is of vital importance is that we are not in the nineteenth century. Of course, that is good for us. But coal-mining is, of course, full of hazards and dangers. Although, looking at the man-power that we have, we should try to utilise it to the maximum extent, the best modern facilities also should be provided to improve the working condition of these people, and we should try to have the best facilities for working these mines. I am quite sure that the Ministry and the corporation would look into this matter.

From the paragraph relating to civil construction, mentioned in this report, I find that there are about 2500 miners' quarters, and about 500 other quarters and buildings which have been built. But, I think that in these eleven collieries, the number of workers has increased to quite a large number during the last two or three years, and I hope there would certainly be an effort to develop the amenities further and also to improve the condition of the workers in the coal mines.

If we compare the production of this corporation, it is interesting to see that during the last few years, it has been making a very steady and gradual progress. In 1955, according to the

figures given, in the public sector, only 4 million tons of coal were produced, and most of it was produced by this Corporation. Now it has expanded up to 6 million tons. But the most alarming thing is that if we compare these figures with the coal produced in the private sector, we find it was 33 million tons in 1955 and 40 million tons today. An analysis of the figures of production as compared with the private sector shows that while production increased by about 7 million tons in 1956 and by about 3 million tons in 1957, it has gone down alarmingly in 1958. I do not know why. The Report does not give the reasons why this decrease has taken place. But my point is that coal being a vital thing for industry and we are now expanding the basic industries like steel and other things in the public sector and in other sectors, the Government should take full precaution to produce all the requirements of coal for these industries. It should be done through this Corporation and through the private sector in such a way that production is in no way jeopardised or there is any risk of its going down to a quantity which would hinder the progress of these industries.

Whatever the programme of the Corporation, I wonder if it is thinking of taking over the marginal collieries which are not working efficiently or to their full capacity due to lack of finance or resources, and trying to develop them to have the maximum production of coal by giving them the best facilities. I would say that in spite of these efforts of the Corporation and the private sector, in the context of the enormous expansion that we are undertaking in industrialisation in the country, coal will be a very vital thing, and the growth of these industries will certainly necessitate certain steps and certain measures to produce coal of the finest quality.

To a previous question of mine, I did not get sufficient answer from the Ministry; but I gather that arrangements are being made also to establish washeries to produce the best qualities of coal for the steel plants

and other industries which will be required in the Third Five Year Plan.

Now, in spite of this production, we face a great shortage of coal at times. It is said that that is due mostly to the lack of transport facilities; since the movement of coal is at times not possible, it gets blocked and coal is not available. At the same time, along with the development of the coal mines and other things, the development of facilities for the transport of coal from these mines should also be taken up. Provision of equipment, proper modernisation of these mines and proper training of personnel would further help to increase coal production as well as efficiency in marketing it.

The Ministry should also take full advantage of the private sector coal mines. I would request them to look into the affairs of these private sector coal mines. They should not only depend on the assurance of these people but also take sufficient steps to ensure the production and availability of coal.

Mr. Chairman: Motion moved:

"That this House takes note of the Annual Report of the National Coal Development Corporation Limited for the year 1958-59 along with the Audited Accounts and comments of the Comptroller and Auditor-General thereon, laid on the Table of the House on the 11th March, 1960".

I have four names before me. Are there any other hon. Members who want to take part in the discussion?

Some Hon. Members rose—

Mr. Chairman: What time does the hon. Minister want to take?

The Minister of Steel, Mines and Fuel (Sardar Swaran Singh): It all depends on the trend of the discussion. I think half an hour should do.

Shri Tangamani (Madurai): I shall be very brief in my observations and address some half a dozen points to the hon. Minister and expect that he will be able to give satisfactory answers.

Shri D. C. Sharma (Gurdaspur): No answer will satisfy the hon. Member.

Shri Tangamani We are now going towards the Third Plan. In the Report itself, it is suggested that the additional production target appears to be an ambitious one and probably the contribution of the NCDC itself will be about 30 million tons. In any case, I would like to know from the hon. Minister how the NCDC has progressed since 5th September 1956, when the organisation was registered for organising and carrying on production of coal and associated activities. As the previous speaker has already mentioned, the 11 existing State collieries were transferred to the Corporation. The Corporation is also to devise and put into operation schemes for the production of coal from new coal fields and mines.

I will briefly mention the targets which we want to reach before the end of the Second Plan. I may submit at the outset that we have not gone anywhere near the target, although the private sector has advanced quite considerably. In the Industrial Policy Resolution of 1956, coal mining is mentioned in Schedule A, that is, it is regarded as an industry which has to be developed exclusively in the public sector. But we find that while the private sector has been expanding considerably so far as coal mining is concerned, the public sector has not advanced to the extent it should have. I shall also mention the reasons, according to me, which have prevented a rapid growth. A few figures which were given to us on the floor of the House would also support my case. In reply to Starred Question No. 624 on 25-2-1959, we were told that against the target of 22 million tons of additional production, 7 million tons were achieved by the end of December 1958; the public

sector target of additional production of coal in the Second Plan was 12 million tons,—1·5 million tons from Singareni and 10·57 million tons from NCDC including the 11 old State collieries. Briefly, these were the targets. A month later, on the 13th March 1959, in reply to Starred Question No. 1220, we were told that the total production of coal in 1958 was 45·340 million tons, out of which 5·793 was in the public sector and 39·547 in the private sector. To put it roughly, we were expecting to reach the target of 15 million tons in the public sector, including the 3 million tons which we expected in the Singareni and 45 million tons in the private sector. Now, it appears to me that the private sector will be able to achieve this target whereas the public sector will be considerably lagging behind.

What are the reasons? Is it because we have not gone with zeal and enthusiasm? I do not want to decry the work of the NCDC. But, according to me, there are certain reasons for not achieving this target. I will mention only a few instances. The original purpose was to exploit virgin lands and quarry them and take those big coal mines in the Madhya Pradesh like Kurasia. We find that although large quantities of coal are available we were not able to increase production due to the fact that the screening plant is old and rickety. If the screening plant which might cost about Rs. 20 lakhs could have been installed, I venture to submit, the production would have doubled. This is what is stated about Kurasia mines in the report on page 12:

“Like Bhurkunda in Bihar, Kurasia colliery in Madhya Pradesh consists of an old Railway colliery which is being developed and also a new colliery in the same neighbourhood. The old and the new collieries at Kurasia are together expected to produce 1·15 million tons of coal a year; 0·9 million tons from opencast and 0·25 million tons from underground.

This colliery is progressing satisfactorily. It has already reached a rate of production of over 50,000 tons a month. A Dragline with a 15 cu. yds. bucket, the largest of its kind so far in India, has been ordered for this colliery and is expected to start functioning by the end of June, 1960. With the help of this Dragline and with the expanded Railway Siding facilities becoming available in time, the target for this colliery is likely to be achieved."

I would like to know from the hon. Minister how far we have advanced in fully exploiting the resources in Kurasia.

Take the case of the Korba mines. For expanding this, the project report by the Soviet experts had been submitted. I would like to know whether it has been examined and at what stage it is today. About Korba we hear a lot of controversy going on between the Government of Madhya Pradesh and the NCDC over the rates; and the coal appears to be of inferior variety. Controversy arises over the supply of coal to the power stations. I would like to know what is the trouble and what are the present rates. About Korba I would also like to mention how we have not made the profits which are due to us. In some place—I am not able to lay my finger at it just now—it is said that the loss we have been put to is about a million or so. I would like to know from the hon. Minister what this is due to.

My next point would be about the way we are utilising the Kargali Washery. I want to know whether the full rated capacity of 550 tons per hour, or, as mentioned in the report, the rated capacity of 135,000 tons of washed coal per month has been reached or not. I find that 50 per cent has been reached and we expect to reach the full rated capacity by November, 1960.

It is stated:

"The Washery at Kargali went into production in November, 1958. It has, however, not formally been taken over yet from the firm who supplied and erected the plant. Such formal take-over awaits completion of certain technical tests, the details of which have been indicated by the Technical Committee appointed for this purpose by the Management. The Washery has, however, been progressively increasing its out-turn of washed coal. The highest figure for a month so far reached was in November, 1959, when the total out-turn was 87,890 tons."

I have already mentioned that the full rated capacity will be 135,000 tons and that it is expected to be reached by November, 1960. I would like to know from the hon. Minister whether the expectation of reaching the full rated capacity by the end of November, 1960 will fructify because a lot of things will depend upon how far we are able to utilise this. Although this has been put to good use for the steel plants, the fact remains that still the rated capacity has not been utilised.

We find the headquarters of this Coal Board which was all the time in Calcutta has been shifted to Ranchi and the staff are finding difficulties about quarters. The previous speaker referred to the lack of quarters for the ordinary workers. What facilities have been extended in the private sector coal mines to the workers employed there are not extended to the workers in this public sector industry. Greater attention must be given to this also.

The next point will be this. So far complaints have been received that there are no proper regulations or standing orders governing the conditions of work or service of the employees. Although the conditions that are prevalent in the private sector need to be improved a lot, even those

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are not being extended to these people in the public sector. I am not going into details; I will give only a very small instance.

These miners are given free quarters in the private sector. Here also quarters are given; but they are still charged about Rs. 2 per quarter or so. Much has been said about the Code of Discipline which was adopted in the 15th Indian Labour Conference and subsequently in the 16th Indian Labour Conference. More often we hear from government quarters that the Code of Discipline does not apply to the public sector. I would like to know how far this Code of Discipline is being extended to the employer-employee relationship in the public collieries and whether any grievance procedure has been introduced.

Lastly, to sum up, I would like to recall how the targets were fixed when the NCDC was set up. I remember when the first report was published in 1956, we were told that the target of additional coal production in the public sector would be as follows.

"0.5 million tons from the existing collieries, 1.5 million tons from the Singareni collieries and 10 million tons from the new coal mines—making a total of 12 million tons. The break-up of the ten million tons was: in Madhya Pradesh, Korba—4 million tons, Central India Coalfields (Korba and Bisrampur)—3 million tons and in Bihar, Karampura 2.5 million tons and Kathara 0.5 million tons".

Many facilities were given. The Coal Bearing Areas (Acquisition and Development) Act came into force in June 1957 and several areas were acquired. The estimates of production of the new mining projects, namely, Kathara, Sounda, Gidi, Bhurkunda, Kurasia, Korea, Bachra, Korba etc. were again recast as under:

	million tons
Existing State Collieries	0.5
Korba	1.6
Kathara	1.5
Central India Coalfields	1.5
Karampura, Gidi, Sounda, Bachra, Bhurkunda, etc.	5.0
Orissa—Barlanda	0.5

Thus, they make a total of 10.6 million tons. I would like to know why there has been a shortfall and also whether by the end of this Plan period we would have reached the target of 10.5 million tons from these new mines or the 12 million tons from all the mines, including the Singareni and the existing mines. I would also ask whether there will be a shortfall in this and if so by how much. The Kargali Washery is likely to go into full rated capacity when it is put into operation. Certain questions arise in this connection. What will be our target for the Third Plan period? What would be the target which we would have reached in the private sector? Would we have reached our target of 60 million tons by the end of this Plan period?

Having said this, I would say that I am one of those who wants that more emphasis should be laid and help rendered to the National Coal Development Corporation and I thank them for the work done. Early steps should be taken to see that the difficulties and lacuna that hinder the increased production are resolved.

Shri Morarka (Jhunjhunu): I am very grateful to the hon. Members who initiated this discussion on the development of coal resources in this country this afternoon.

I wish to begin first of all by saying something about the production targets, allotted to the public sector and the likely attainment of those targets and then I would like to say a few words about the profit and loss accounts of this Corporation and then

about a few comparatively small points.

As the previous speakers have mentioned, the target of 12 million tons was allotted to the public sector during the Second Plan period. Present indications are that not more than 30 per cent of this target would be achieved by the end of the Second Plan. When I make this criticism, I am quite aware that the Corporation had a comparatively more difficult task than the private miners because it had to develop many new mines and the opening and the development of the new mines take much more time initially than the working or extension of the existing mines. But even so, one cannot get away from the feeling that the progress made by this Corporation was slightly disappointing. As I said on a previous occasion, when targets are laid down for the industries in the Plan, the industrial targets are all more or less inter-linked and inter-dependent and that applies more particularly to industries like coal, power or railways. For any reason, if the coal targets are not achieved, it has its repercussions on the entire industrial sector of the country.

I would here like to draw the attention of the hon. Minister to the production of many industries that have recently suffered for want of sufficient supply of coal in the country. Take for instance, the Sindri Fertiliser Factory where alone production has suffered to the extent of 50,000 tons of fertilisers for want of proper grade coal. Recently, there was a question put in this House by Dr. Ram Subhag Singh and other—Starred Question No. 257—and it was answered on the 9th of August, 1960. The hon. Minister of Commerce and Industry revealed that production has fallen and the main reasons were the failure to get right type of coal and wear and tear of machinery. I did express my apprehensions at the time when the Demands of this Ministry were debated last session and I said that Sindri was

likely to suffer a great set-back in its production and in its profits for want of proper type of coal. I now believe that there was a shortfall in production to the extent of 50,000 tons—Rs. 1.5 crores in terms of money value.

But Sindri is not the only industry that has suffered for want of coal. The next in importance are our steel plants. We are told that the smooth working of the steel plants is threatened for want of proper quality of coal. On the last occasion also, I read out a para from their report and this is what the Hindustan Steel Company say:

“The supply of coal did not present many difficulties during the year. When all the coke ovens in the three plants go into production, adequate coal supplies would be difficult to maintain until the three washeries proposed at Dugdao, Bhojudih and Patherdih come into operation.”

We read from the publications of this Ministry that these three washeries would not come into existence—all of them at least—till 1962. Some of the washeries are in very initial stages of negotiations and tenders have only recently been invited and in other cases orders have been recently placed. Even the one washery—Kargali Washery—for which work was completed as early as November, 1958 has not reached its target production yet. It has now reached about 60—65 per cent of its rated capacity. Now, the Kargali washery or any coal washery for the matter of that has not got much complicated mechanism and one does not understand why the rated capacity in the Kargali washery could not be obtained.

What surprises me more is some of the remarks made by the Directors of this Corporation in the report. The Auditors of this Corporation have commented adversely on the Kargali washery saying that there are some technical defects and some committee

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has been appointed and so on. There is an answer given to this criticism by the Directors. With your permission, Sir, I would like to read it. Here it is said:

"Since the submission of the Auditors Report on the 30th of November, information about quantity of coal washed during November, 1959, has become available. This shows that in November, the output achieved was 65 per cent of the rated capacity."

The Auditors said that it was 55 per cent. Further the Directors say:

"It may also be mentioned that since the Kargali Washery was set up with the sole purpose of supplying washed coal to Messrs. Hindustan Steel Ltd., the output was regulated with an eye to their requirements which have been fully met so far."

Sir, they are indicating as if the output was deliberately kept low only to serve the requirements of Hindustan Steel (Private) Limited. That is not so, I may submit with great respect. The Hindustan Steel Limited require a very large quantity of coal. Their Directors themselves have said that though they did not have many difficulties during the last year they are afraid that there will be serious difficulties when all the coke even plants go into production. If you read the explanation given by the Directors of the N.C.D.C. in reply to the criticism of their own Auditors, it gives the impression as if the production was kept deliberately low because the requirements of the Hindustan Steel Limited were fully met. This, I feel, makes rather a sad reading of the situation.

I would also invite your attention to the Third Five Year Plan. The main heading for Chapter XI there is "Industries and Minerals", and there is a sub-heading "Objectives and Priorities". The heading given to paragraph 4 of this Chapter on page

205 is: "Experience and lessons of the Second Plan". Let us see what they say about the experience and lessons of the Second Plan. It is said:

"In the case of iron and steel, the shortfall has deprived the economy of benefits reckoned upon for the start of the Third Plan. The shortfall is not so much due to delays in installation—except in the case of coal washeries which have fallen considerably behind the plan schedules—as in securing smooth and continuous operation of new capacity."

This is the lesson that the Third Five Year Plan wants us to take into consideration, a lesson which we learned from the Second Five Year Plan, namely, that because of the delay in the coal washeries being put up in time the country has been deprived of the main source of industrial development—steel. Under these circumstances, this Corporation at least should have taken more vigilant steps to see that the current requirements at least of the three steel plants do not in any way suffer.

The Kargali Washery, as I said, completed in November 1958 has not yet come to its rated capacity. Steps should be taken to see that it comes to its rated capacity. The foreign collaborators to whom we pay very heavy fees should be called upon to make good this thing. After all, two years is not a small period during which even after a washery having been completed has not reached its rated capacity.

Then, Sir, the other industries which have suffered for want of coal are glass, soda ash and, to some extent, cement. Cement, again, is a basic industry and our planners have said that more attention will have to be paid to steel, coal and cement. Production of cement has suffered for want of sufficient quantity of coal. I do hope that the hon. Minister would give his personal attention to the deve-

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development of coal resources, and I am sure if he does give his personal attention something would definitely be done not only in the expedition of installation of new coal washeries but also in completing and getting the one that is already installed to its efficient functioning.

Now I come to my next point, and that is about the profit and loss account of this Corporation. From the profit and loss account we understand that this year the profit is about Rs. 20 lakhs as compared to Rs. 11 lakhs last year. This is what Directors have said:

"With the increase of production, the profit-earning capacity of the Corporation has also improved. This is indicated by the fact that during the year under review the Corporation had as a whole made a profit of Rs. 20,04,136 as against Rs. 11,28,032 in the previous year 1957-58."

Now, Sir, kindly remember this. They say that this year they made a profit of Rs. 20 lakhs as against a profit of Rs. 11 lakhs last year. But when they go a little further they say that the collieries which were losing collieries have made less loss this year and the collieries which were earning collieries have made a much bigger profit this year. They say that the losing collieries this year made a loss of Rs. 61,97,365 as against Rs. 69,36,988 during the previous year. Similarly, the profits this year are now greater—Rs. 1,16,27,694 as against Rs. 85,51,616 in the previous year. The losses are less and the profits are more. If you add up these two you get a difference of about Rs. 38 lakhs. That means this year the Corporation should have made a profit of Rs. 38 lakhs more than what it made in the previous year. As against that they say that the Corporation has made an increased profit of Rs. 8.72 lakhs only. This is given on page 10 of the *de luxe* edition of the report. I do hope the hon. Minister is getting explanation about these figures, as to how this difference is accounted for, how when the losses

were less and profits were more the overall profit is only increased by 8.72 instead of Rs. 38 lakhs.

Even this profit which they show, according to me, is not quite realistic and is subject to certain other adjustments. For example Rs. 18,79,690 are not at all provided for in the profit and loss account for the services rendered by the Central Government, by some department of the Central Government. Whether the Central Government charges that amount to the Corporation or not, whether the Central Government gives that as a subsidy or not, the fact remains that for the purpose of determining the profit and loss of this company that amount should have been taken into consideration. The amount is Rs. 18,79,690, and that fact has been commented upon by the Auditors of this Corporation on page 34 of the report. The Directors of the Corporation also admit that it is not decided whether the Central Government is going to charge for the services rendered or not. Whatever it may be, whether the Central Government charges or not, when you determine the profit or loss of a commercial concern like this you must make provision for such an item of expenditure i.e. for actual services rendered to the Corporation for which if the Government had charged the Corporation would have been obliged to pay.

Similarly, there are two other items which also go to affect the profit and loss account. One is an amount of Rs. 7.23 lakhs, a certain revenue expenditure. It should have been debited to the profit and loss account but it has been shown as capital expenditure incurred in the administrative office at headquarters. That has been taken as developmental expenditure and has been thus treated as of a capital nature as if that is going to enhance the value of the assets. It has not, therefore, been taken as a revenue expenditure which should have been the right course according to the Auditors. Another one is, there are interest charges paid. They happen to be for the deferred terms of payments

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for the purchase of machinery. The Directors have considered it wise to debit it to the capital account and not to the revenue account. According to the Auditors, here again they should have been debited to the profit and loss account.

If you were to make allowances for all these three or four items which I have mentioned here the picture would have been slightly different. There would be no profit left in this Corporation. The Corporation would show a net loss. I again say, in a Government Corporation, in a way, all these things are only to facilitate book-keeping, and make no real difference. Whether it be from this pocket or that pocket, it is all the same. But, when you have an autonomous corporation, when you want to have the finances separate and independent, and when you have a certain system of accounting and when you want to judge the performance of any corporation by results, it is imperative for you to keep the proper system of accounting which would show all the expenses incurred, and all the receipts gained.

Then I come to a small point but a point for which it is worth congratulating the management of the Corporation. That is, some of its officers went to the U.S.A. and they bought some equipment necessary for the Corporation, worth about 32,88,827 dollars, for 1,05,522 dollars. That, I must say, is a substantial saving and I must congratulate the officers and the Minister who took the decision to buy the equipment.

I next come to the third Plan. In the third Five Year Plan, the target for coal is 97 million tons. That means an addition of 37 million tons as compared to the target of the second Five Year Plan. As I said, against the second Plan target of 60 million tons, our achievement would be about 53 to 54 million tons, i.e. the new effort would be to the extent of 43 million tons, with a back log of additional

six million tons. Out of the 37 million tons, it is expected that 21 million tons would go to the public sector and 16 million tons to the private sector. I think that it would not be very difficult for the public sector to achieve this 21 million tons once the new mines which they want to open have been opened and the various machinery which they have ordered are received. It is, however, surprising to note that while machinery worth Rs. 20 crores have been ordered, the machinery received so far is only about Rs. 11 crores worth though it was meant only for the second Plan. If by the fourth year of the second Plan, even half of the machinery required have not yet arrived, how can you ever expect the Corporation or anybody for that matter to fulfil the target? I hope that there would be a little more advance planning in this matter and that the hon. Minister will take steps to ensure that the target which he fixes for the third Plan is not only for the final year of the Plan but that every year there is a gradual increase in the production of coal.

I next refer to the Auditor-General's comments which require the attention of the hon. Minister. They say that the property of this Corporation is not insured. It is said: "No decision has so far been taken regarding the insurance of the assets of the corporation. The matter requires early action." It is a dangerous thing. If the corporation is an independent one, and a statutory corporation, how can the assets of the corporation be left uninsured? They cannot be left uninsured even for a day, and it is now more than three years since the corporation has come into existence, but still, none of the properties of this corporation is insured. I think it is a big risk that the corporation is carrying on its head and so the directors of the corporation should take an early decision on the matter.

Another point I would like to make is about the realisation of the past

arrears. The Auditors of the company have made rather an uncharitable remark in the report. Their remark is as follows:

"Except in a few cases, no effort appears to have been made by the corporation to realise the outstanding balances standing to the debit of this account."

I can understand if the amount is not realised but for the Auditors to say that no effort seems to have been made is really a sad commentary on the efforts of the management. The reply given by the Directors is not also very categorical. They say that efforts are now being made to realise the outstanding balances. During the year ending 31st March, 1959, a sum of Rs. 3 lakhs was in fact realised. I earnestly appeal to the hon. Minister to attend to this matter. When a sum of Rs. 44 lakhs is outstanding since a long time—for more than three years

Shri C. R. Pattabhi Raman (Kumbakonam): From whom are they outstanding?

Shri Morarka: From the persons who purchased coal. Certainly, the Auditors were constrained to make this remark that except in a few cases no effort has been made to realise the amount. I do hope that in future, proper efforts will be made and that the corporation would avoid inviting such comments from the Auditors.

Then there is another remark of the Auditors which is to the effect that no provision for wealth-tax has been made. I can understand this. From the accounts and the balance-sheet of this corporation, one cannot determine what is the wealth of the corporation and when the wealth cannot be determined the wealth-tax also cannot be determined. Why the wealth cannot be determined? Because the value of the assets taken over by the corporation has not yet been determined. Year after year, Auditors have commented that due to some procedural difficulty or the other the Government and the corporation have not come to an agreement about the valua-

tion of the assets, though on a certain basis, shares have been issued to the Government, to the President, for the value of those assets. When the attention of the Directors is drawn to that fact, the answer is that they would adjust the shares also when the value of the assets is determined. I do not know how they can play with the company law like this. How can they adjust the capital amount and adjust the value of the assets when they have been shown in the balance-sheet year after year? These are the things which the Government must decide in advance before they are transferred to the corporation. If for any reason whatever must be kept in suspense or at least they must be treated as a loan. They cannot be treated as capital and the value of the assets cannot be converted into the share capital of the corporation. This is my humble submission, and I do hope that regarding the procedural point which I have mentioned the hon. Minister will draw the attention of the chairman and the board of directors of the corporation and prevail upon them to correct the position. But the Minister himself has to do a lot in this respect; he has to fix up the value of the assets so that they can be properly shown in the balance-sheet.

Finally, I come to the transport difficulty. If one reads about the development of the various mines and the slow progress which is made by them, there is one point which always stares in the eyes: and that is, lack of proper siding facilities for wagons, loading facilities for wagons, and so on. This is the position today. If this is so, then the position in the third Plan is going to be slightly worse, because, in the third Plan the total increased capacity for the railways is 73 million tons. That is, it has increased from 162 million tons to 235 million tons. If we are to reach our target, out of the 73 million tons, coal alone would be 43 million tons in addition. Leaving aside steel, cement and various other industrial products including the movement of foodgrains,

[Shri Morarka]

coal alone would require more than 50 per cent. of the increased capacity. I do hope that the Government, when they fix the target for railways and also for the development of coal, will synchronise these two things and make both the things realistic and would not provide for a disproportionate increase in the coal target without creating corresponding capacity for the railways to transport the coal.

I earnestly hope that the Minister will take these few suggestions which I have made, in the proper spirit, and that he will see that in any case our steel plants which we have put up, after spending more than Rs. 600 crores to Rs. 700 crores, would not remain idle for want of proper supply of coal.

16 hrs.

Shri Aurobindo Ghosal (Uluberia):

Sir, while in western countries, specially in Common Market countries, the production of coal is being cut down from 5 per cent to 12 per cent, our country is still facing this shortage of coal. But it is not due to the fact that we are wanting in coal deposits; it is because we are lacking in the machinery to raise the coal from the coal-fields. As we have been just told, in Bengal area alone, there is so much coal that it can provide the needs of the whole of India for the coming 500 years, if raised. Therefore, it is true that we are not in shortage of coal. This is due to the deficiency in our raising capacity and transport capacity. Because we lack in this capacity, we are not able to raise the necessary quantity of coal that we require for our plants and for development of our industries. This can be proved from the body of this report.

In the report, we find that we are lagging behind the target in raising coal in all mines—both old and new—of the NCDC. The target of coal production at the end of the second Five Year Plan, i.e. at the end of 1960-61, is at the rate of 60 million tons per year. Out of this total estimate, 44

million tons were allocated to the private sector and 16 million tons to the public sector, including Singareni colliery. Out of the target allocated to the public sector, 2.6 million tons of production was allocated to the Singareni colliery and the task of NCDC was to produce the remaining 13.5 million tons. Out of the target fixed for the NCDC, it was to increase production of its old collieries from 2.9 million tons to 3.4 million tons and the remaining 10 million tons to be raised from the new mines. In the report, we find that the production of all the mines is falling short of the target.

Out of the 11 old mines, 5 old mines are running at a huge loss which has been estimated at Rs. 61,97,365. Regarding the new collieries, we find the production is almost half of the target in almost all the mines. The position is as follows:

Name of colliery	Target	Actual production
	per month	
Bhurkunda	1 lakh	50,000 tons per month.
Kurasia (old and new)	1.15 million	50,000 tons per month
Kathara	1.15 million tons	No production shown in the report.
Saunda	1 lakh tons	20,000 tons.
Korba	More than 1 lakh tons	33,000 tons.
Gidi 'A'	More than 1 lakh tons	7,000 tons
Sayal 'D'	45,000 tons	5,500 tons
Bachra	50,000 tons.	No raising shown
Gidi 'C'	34,000 tons.	No raising shown

From these figures, we come to the conclusion that the NCDC mines

have not been able to reach the targets of production fixed for them.

The explanations that have been shown for low production are: (i) want of railway transport facilities, (ii) want of power supply, (iii) want of mining machinery, and (iv) want of mining personnel. We will deal with these one after the other. Regarding the first, the railways should be asked to provide the coal areas with railway sidings immediately. Otherwise, we come to know from the report, that due to want of transport facilities, in the case of Bhurkun, Kurasia and Gidi 'A' collieries, production has been held up. Naturally, the railways must be asked to develop the railway sidings, so that coal can be raised and transported from these mines.

Regarding power supply, we have seen from the report that Korba is suffering for want of power. Therefore, the Madhya Pradesh Electricity Board should be asked to supply sufficient quantity of power to Korba Coal-fields or a new avenue should be explored to see that power is being carried from any other power station to this coal area.

Regarding want of mining machinery, we are told that the mining machinery that we require in the second Five Year Plan is estimated at Rs. 20 crores, but up till now, only machinery worth Rs. 11 crores have so far been supplied. So, it is less by almost 50 per cent. Naturally, it is very difficult to work out new mines without the machinery. So, I would request the Minister to see that the machinery which is essentially required for working out the mines is immediately supplied to the NCDC. I would also request the Minister to see that the machine tool factory which is being set up at Durgapur with Russian help is started at the earliest moment. I would ask the Minister whether there will be any difficulty for the machinery that will be manufactured in this

factory, which will be quite naturally on the Russian model, to fit in with the machinery now existing in the collieries, because the existing machinery is mostly of British make. Naturally, that is a point which should also be considered.

Regarding the difficulty about mining personnel, our additional requirements of mining personnel for the third Plan have been assessed at 40,950—mine managers 3,000, surveyors 950, overseers 7,000, sirdirs 12,500 and shortfirers 17,500. But the training that has been arranged by the Government is quite inadequate compared to the requirements of personnel in the third Plan. At the Dhanbad Mining School, the take-off of students has been increased from 45 to 90 students. In the Banaras University, it has been increased from 20 to 40. Seven more institutions have started mining courses with an annual intake of 23 students each. Four schools are being run by NCDC. In the last three years, they have given training only to 240 trainees. All these taken together, we cannot train more than 30 to 35 per cent of the personnel required to man the tasks coming in the third Five Year Plan. Naturally, I would request the Minister to see that the training facilities are extended and a large number of trainees are trained to meet the demands of the third Plan.

Lastly, I come to the washeries. We have got huge deposits of coal. We require coking coal for our steel factories and some of our industries. But only one washery at Kargali has been set up. We do not know the fate of washeries at Dugda, Bhojudih and Patherdih. We hope that some of these washeries will come up on a later date. We would request the hon. Minister to see that washeries are set up. At least if the Korba Washery is set up with Russian help it would be a good thing. I find that they have already granted 500 million roubles for the development of the Korba collieries. So, I would like to draw the attention of the Government to the

[Shri Aurobindo Ghosal]

production targets of the mines of the N.C.D.C. as the private sector, who have really exceeded their targets, are very critical about the public sector undertakings.

Then I would like to refer to the fall in production in Sindri Fertilizers. As has been pointed out by Shri Moraka, so far as we know, it is not due to non-availability of the right type of coal; it is due to the dispute on the grading of coal between the Coal Board and the chemist of the Sindri Fertilizers. That could have been settled earlier. In spite of so many defects and lapses in the N.C.D.C. I welcome the progress it has made, though small, as a public sector undertaking.

Shri A. C. Guha (Barasat): Any assessment of the National Coal Development Corporation has to be made only on the background of the target for the Second Plan—how far it has been able to achieve the target. In this respect, the question of making some profit or not is not of so vital importance. It has been recognized that coal is the most important mineral and, in fact, it is the key to our industrial development. Development of coal according to the Plan is of vital importance for the fulfilment of the Plan target in other respects. Some difficulties are being reported now in this regard; that has to be examined.

From 38 million tons at the end of the First Plan, the target for the Second Plan was 60 million tons. Of this, the private sector was to raise, I think, 10 million tons more and the public sector was to raise 12 million tons more. I am not sure how the private sector also will be able to achieve its target. I am afraid, they may just reach it or even there may be some shortfall in their production also. Their performance in the first two or three years is all right but, I think, later on, their performance was not quite as good as before. But, I am sorry to say, the target fixed for the public sector has not yet been fulfilled

even by 25 per cent. The increased production that was to be achieved by the public sector has not been fulfilled even by 25 per cent.

I find from the Report for the year 1958-59 that it is stated on page 8:

“The total production during the first six weeks of 1959-60” (this report is only about 1958-59 and so this statement refers to the next year) “from all collieries existing” (the collieries which are taken from the railways and the new ones mentioned above) “was only 22,064,450 tons.”

I also find from the report that the coal raised from the old collieries in the public sector was only about 3.5 million tons. Taking that the raising from the old collieries during the first six months of 1959-60 remaining the same or stationary, we can only calculate that the raising of coal during the first six months of 1959-60 from the new collieries that are being worked by the N.C.D.C. is only .5 million tons. Out of 12 million tons of increased production only .5 million tons were raised from the old collieries and one million tons from Singareni and the remaining was to be raised from the new collieries that are to be opened and worked by the N.C.D.C. But by this calculation, if in the first six months of 1959-60, the raising of coal from the new collieries stands only at .5 million tons then you can understand how far the N.C.D.C. has been able to achieve its target.

In this respect, I should say the Government or the Ministry made some optimistic calculation. Repeatedly on the floor of this House, I mentioned that the public sector would not be able to achieve even a considerable portion of the target fixed for it. The Minister may recollect that he assured us on several occasions that it might be possible for the public sector to achieve the target. Collieries can be opened up in a short time but it would take at least three or four years to make them ready to produce coal in

sufficient quantities. That time is yet to come but may come very soon. I think the initial mistake was making a too optimistic estimate about the possibilities of raising coal from the new collieries. May we expect these to reach their targets soon?

While referring to the failure of the N.C.D.C. in achieving their target, I should mention one commendable thing about the Corporation. Some of the old collieries were running chronically at a loss for years. I find from the report that the losses from these collieries have gone down and certain of the old collieries which had been giving meagre profits have now been giving higher profits. That should be considered as a considerable achievement on the part of the Corporation.

But, at the same time, it should now be decided whether some of the collieries which had practically run their life of utility, which had been working for about 80 years, where there is no prospect of making a profit, should yet be run or should be closed. Some of these collieries may be giving us very good coal. If any loss is to be incurred on them because of the quality of the coal, it should be borne by the Government and the nation. But it should be decided whether similar coal from other collieries can be available and whether it should be more economical from the ultimate point of view of national interest to close down those collieries or to work those collieries. That policy decision should be taken without further delay.

I find from this report that some of the new collieries, about 4 or 5 of them, have gone into commercial production and have been taken in revenue account for the last two years. It is so since 1958 and 1959.

One of them is Bhurkunda which has been taken into revenue accounting in April 1958. It is a very big colliery with the prospect of a good yield of coal. But even from April, 1958 up to the end of the year, production of coal from Bhurkunda colliery is not

quite adequate. It is only 50,000 tons a month. Taking one colliery into commercial production stage means that the capital expenditure is more or less over and the colliery can now be treated as a commercial enterprise. We should, therefore, expect that those collieries which had been taken to revenue accounting should give us more coal than only 50,000 tons or something like that per month. In some cases, it is less than 50,000 tons, I think.

Now, I should also mention another thing. What is the target for each colliery? Can the hon. Minister assure this House that each colliery has at least been approximately approaching the target as regards production of coal? I think he will not be in a position to say that. If so, why has the production target for each colliery not been maintained? The real performance is considerably less than the production target.

My hon. friend, Shri Morarka, mentioned about the profit and loss account. Really it is somewhat astonishing that after proper analysis, it will be found that the new collieries have been running at a huge loss. The profit from the old collieries would come to about Rs. 32 lakhs whereas the total profit from the Corporation would be only about Rs. 22 lakhs. So it can be assumed that the new collieries have given us this loss of about Rs. 10 lakhs. Why should it have been so? That is also a point for the hon. Minister to look into and take satisfactory steps so that similar losses may not recur next year.

I shall now refer to some of the audit objections. Year after year there have been a number of audit objections. I think a major portion of this Report consists of the audit objections. They cover a fairly good number of pages. If so many audit objections had been there in the case of a private company, the Board of Directors surely would have felt sorry and ashamed. Some of these audit objections may be of a formal nature but some of them are of a substantive

[Shri A. C. Guha]

nature and are not just of a formal nature.

The first item—this has been referred to by my hon. friend, Shri Morarka also—says that the assets and liabilities of the old collieries which have been taken over by the N.C.D.C. have not yet been properly valued. It is just a book transfer from one Ministry to another Ministry of the same Government. Why should this irregularity continue year after year? I think it can be settled just within a few days if the hon. Minister takes some personal interest in this matter and clear this irregularity. The first item is being mentioned year after year. I cannot understand how the depreciation and reserve fund are also being calculated when the total capital or assets of the company have not yet been properly valued.

Then, about the Kargali Washery, the audit report says that only 55 per cent. of the rated capacity was being done by this Washery. The reply of the Board of Directors is that this Washery is intended to supply coal only to Hindustan Steel. Is there any contract that this Washery will not supply washed coal to any other party? If not, why should its production have been kept down deliberately as is suggested by this reply? I have my own suspicion that this reply of the Directors to the audit objection is a clever reply and does not reveal the real position. What is wrong with the Kargali Washery? Why has it not gone into its normal production and why for the last two years has Government not taken it over? I think even now it has not been taken over. Why? I think the Washery was erected and put into operation some time in early 1959. I am open to correction about the exact time; but I think it was some time in early 1959. So for near about two years why has Government not taken over the Washery? Is there anything wrong in the erection or what is it?

Then about the other three washeries, when are they coming into exist-

ence? Is there any time fixed for that? The time that was fixed previously has already lapsed. What is the next time limit? Have the Government got any idea as to when the other three washeries will be erected and put into operation?

Another audit objection is about some papers lying with the DGS & D. It is stated:

“... the Bank Guarantee given by the Construction Engineers amounting to Rs. 17,24,000 has not been verified by us, as the same, we are informed, is in the custody of D.G.S. & D.....”.

Is it that this Corporation is still making purchases through the DGS & D? When were these purchases made and why have these papers not yet been brought from the DGS & D and put before the auditors for proper verification?

I would again draw the hon. Minister's attention to audit objection (e) on page 33. I do not like to take the time of the House in mentioning all these things but some of these are of a serious nature. Then, on page 45, it says:

“With the exception of item No. (c) which has been verified by us only by reference to the cash receipt counterfoil, we have been unable to verify the other adjustments effected and the reasons therefor due to the non-availability of relevant documents and corresponding references to the Subsidiary Registers.”

Why were these documents not available for the auditors? Had it been so in the case of a private company, I think the Company Law Department would have—and rightly, should have—taken some steps?

Then the Director of Commercial Audit has also made some adverse remarks. He says:

"A large number of discrepancies, including misclassification, were noticed between the accounts maintained by the Colliery authorities and the accounts maintained in the Central Office...."

Then,

"...interest charges on investment prior to the Washery going into production."

It is paragraph 3 of the Report of the Director of Commercial Audit. The Corporation has debited Rs. 15,19,995 to "Kargali Washery Suspense" account and about the interest on that there has been some discrepancy according to the Government auditor.

Lastly—this is a serious item, and it has also been referred to by Shri Morarka—I think the Minister should see about the insurance of the assets of the Corporation which are worth several crores of rupees. Why should all this valuable machinery be kept without insurance even for a single day? I think some administrative decision on this matter should be taken immediately. I do not know if there is any procedure of insurance by the Government, and if there is that should have been done; otherwise there should be commercial insurance with some private concern.

With these remarks, I think I should conclude my comments on this National Coal Development Corporation. I can only expect that the preparatory stage being over, it will be possible for the Corporation to achieve its target for the Third Five Year Plan. What is the target for the Third Five Year Plan? It has been stated in the report that it is proceeding on the basis of producing 30 million tons. But from the draft of the Third Five Year Plan, we find that this target may not exceed 25 or 26 million tons, taking into consideration the shortfall in the production of 60 million tons, being the target of the Second Five Year Plan.

16.31 hrs.

[MR. SPEAKER in the Chair.]

I think the Minister also should take us into confidence as to what will be the achievement of the sixty million tons target and how much we would be able to achieve at the end of the Second Five Year Plan period and what is the programme for the Third Plan.

Mr. Speaker: I will give five minutes each to Shri Sinhasan Singh and Shri Rajendra Singh. Shri Sinhasan Singh.

श्री सिंहासन सिंह (गोरखपुर) : अध्यक्ष महोदय, यद्यपि उत्तर प्रदेश में इसका कोई खास सम्बन्ध नहीं है लेकिन फिर भी वहाँ की जो लेबर कोल माइन्स में लगी हुई है उससे इसका सीधा सम्बन्ध है। गोरखपुर से तथा पूर्वी क्षेत्र से काफी मजदूर इस कोल के प्राडक्शन में लगे हुए हैं और जहाँ तक मुझे पता है, उनकी दक्षता बहुत अधिक है। मैंने अभी इस रिपोर्ट को देखा है और देखने के बाद मुझे आश्चर्य हुआ है कि जहाँ पर गवर्नमेंट का, सरकार का करीब १६ करोड़ रुपया लगा हुआ है, जो कि कर्ज के रूप में दिया गया है और करीब ९ करोड़ रुपया शेयर कैपिटल में लगा हुआ है और इस तरह से करीब २५ करोड़ रुपया लगा हुआ है वहाँ पर भी घाटा पड़ रहा है। जो प्राफिट एंड लास एकाऊंट है उसको देखा जाए तो पता चलेगा कि ६,४९,५६४ रुपया घाटा ही है। हम देश में सोशलिस्टिक पैटर्न आफ सोसाइटी की स्थापना करना चाहते हैं और शनैः शनैः शायद वह यह गवर्नमेंट का विचार भी है कि अधिक से अधिक इस तरह के काम सरकारी क्षेत्र में लिए जायें।

मैंने बोर्ड आफ डाइरेक्टर्स को देखा है। १९५६ में उनकी कुल सदस्य संख्या आठ थी। उनमें से पांच आई० सी० एस्० थे और तीन बाहरी थे। उनमें से लेबर

[श्री सिंहासन सिंह]

रिप्रेजेंटेटिव भी था जिनका नाम श्री कान्दी प्रसाद मेहता है। यह भी नहीं कहा जा सकता है कि बोर्ड आफ डाइरेक्टर्स ऐसे आदमियों का है जो दक्ष नहीं है। हर काम में हम आई० सी० एस० को लेते हैं चाहे कोल का क्षेत्र हो, चाहे कचहरी हो और चाहे एडमिनिस्ट्रेशन हो और चाहे और कोई काम हो। यहां तक कि छागला साहब को भी एक बार यह रिपोर्ट करना पड़ा था कि जिनको उस काम का अनुभव भी नहीं होता है उनको भी उसके लिये रख लिया जाता है। जो भी हो, इतने विशिष्ट व्यक्तियों का बोर्ड आफ डाइरेक्टर्स होते हुए भी, हमारा काम कुछ आगे नहीं बढ़ा है। इतना ही नहीं बल्कि जो टारगेट सेकिंड फाइव ईयर प्लान का था ६० मिलियन टन हम हर साल प्रोड्यूस करेंगे उसमें इस सेक्टर को १६ मिलियन टन मिला है और जो आपकी रिपोर्ट है उसको देखने से पता चलता है कि १९५९-६० में अपने केवल २२ लाख ६४ हजार टन पैदा किया। यदि प्रगति की यही रफ्तार रही तो यह सेक्टर अपने १६ मिलियन टन के टारगेट को पूरा कर लेगा, इस पर आपको ध्यान देना है।

दूसरी बात जो मैं कहना चाहता हूं वह लेबर के बारे में है। गोरखपुर लेबर इनक्वायरी कमेटी के सिलसिले में मुझे भी कुछ खानों को देखने का मौका मिला है। मैंने देखा है कि सी० आर० ओ० की लेबर आपके यहां बहुत कम है, नगण्य रूप में ही है। दो चार दस आदमी कहीं हो सकते हैं। वहां पर दो तीन कोल माइंस को मैंने देखा है और पाया है कि वे सब मैकेनाइज्ड हैं। काफी बड़ी बड़ी हैवी मशीनें वहां पर लगी हुई हैं और लेबर की संख्या हाथों की संख्या बहुत ही कम है। इस चीज को को देख कर मुझे बहुत दुःख हुआ है। हमारे देश में इतनी बेकारी है, इतने आदमी भूखों मर रहे हैं, और कभी कभी टेस्ट वर्क्स शुरू करने

तक की नौबत आ जाती है और उनको खिलाना पड़ जाता है, कि कुछ ठिकाना ही नहीं। और इतनी बेकारी होते हुए भी जब सरकार करोड़ों रुपया खर्च करके बाहर से मशीनें मंगाली है और यहां के लोगों को बेकार करती है, तो आश्चर्य होता है और यह कोई हमारे लिये सुन्दर बात प्रतीत नहीं होती है। मैं चाहता हूं कि सरकार इस पर ध्यान दे।

मैंने देखा है कि प्राइवेट सेक्टर की जो कम्पनियां हैं वे भी भीतर से खोद करके सीधे कोयला निकालती हैं लेकिन सरकार द्वारा जो कोयला निकाला जाता है वह सीमा बना करके निकाला जाता है। सरकार द्वारा निजतना निकाला जाता है वह पहाड़ को साफ करके, तोड़ करके, मिट्टी को एक जगह से दूसरी जगह फेंक कर के कोल को सीधा सतह पर लाया जाता है। फिर उखाड़ते हैं और पहाड़ को इकट्ठा करके उस गड्ढे को भरते हैं। इस तरह से डबल खर्चा पड़ता है। मशीन के द्वारा पहाड़ तोड़ा, ट्रक्स से ऊपर ले गये और फिर भी कोयला निकला वह गड्ढे को भर के और बराबर करके निकाला। इस तरह से डबल खर्चा होता है। इसलिये हो सकता है कि मुनाफा भी न होता हो।

मैं प्राइवेट कम्पनीज में गया हूं और उनसे मैंने मैकेनाइजेशन के बारे में बात की है। उनके मनेजर्स ने मुझे बताया है कि उन्होंने ट्रांसपोर्ट को तो मैकेनाइज किया है मगर कोल रोजिंग को मैकेनाइज नहीं किया है। इस का कारण उन्होंने यह बताया कि आदमियों की सहायता से हम उतना ही काम कर सकते हैं जितनी कि मशीन की सहायता से कर सकते हैं और ज्यादा इकोनॉमिकली कर सकते हैं। चूंकि ट्रांसपोर्ट के मामले में आदमी उतना ला और ने जा नहीं सकता है इस वास्ते इसको मैकेनाइज

किया है, और रेल से या ट्रकों से या बसों से जब इसको ले जाया जाता है और स्टेशन पर पहुंचाया जाता है तो यह ज्यादा अच्छा रहता है। इस वास्ते इसको मन्नेनाइज किया है। लेकिन जहां तक कोल रेजिंग का काम है वह ह्यूमन हैंड कर सकता है और चूँकि लाखों और करोड़ों की संख्या में लोग इस काम के लिये मिल जाते हैं, इस लवास्ते इसमें कोई दिक्कत की बात नहीं है। हमने भी ऐसा ही न करके एक मसला खड़ा कर लिया है और हमें बहुत दिक्कत उठानी पड़ रही है।

अभी कुछ दिन पहले यहां सदन में बताया गया था कि नेशनल इनकम ४२ प्रतिशत बढ़ा है। वह कहा गया हमको और आपको इसका कुछ पता नहीं है। अगर इन लोगों को काम दिया जाए तो ये दूर दूर तक जाकर भी काम करने के लिए तैयार हैं और उनकी आमदनी इस तरह से बढ़ भी सकती है। इसलिए मैं मंत्री महोदय से अपील करूंगा कि अधिक से अधिक ह्यूमन हैंड्स को लगाया जाए और मशीन का आसरा न लिया जाए। एक बार अगर मशीन खराब हो जाती है तो लाखों रुपये का नुकसान हो जाता है। अगर आदमी बीमार भी पड़ जाए तो बहुत ही कम नुकसान होता है। तो मैं चाहता हूँ कि इस काम को दो हिस्सों में बांटा जाए मशीन से भी काम लिया जाए और ह्यूमन हैंड्स से भी काम लिया जाए। आपने कहा है कि आप १८ करोड़ की मशीनें मंगा रहे हैं। इनमें जो आ गई हैं वे तो काम में लगाई जा सकती हैं लेकिन जो नहीं आई हैं, उनको आप न मंगारें। जो मशीनें आ गई हैं उनको उनसे जितना काम लिया जा सकता है लिया जाए और बाकी काम ह्यूमन हैंड्स से लिया जाए।

मैं एक और चीज की तरफ माननीय मंत्री जी का ध्यान दिलाना चाहता हूँ। आपको मालूम ही है कि सी० आर० ओ० द्वारा लेबर का रिक्लूटमेंट होता है। वह लेबर काफी एफिशेंटली काम करती है

और उसका जो आउटपुट है वह दूसरी लेबर से अच्छा होता है। जितने भी कोल माइन्स के प्रोप्राइटर्स हैं उन सभी ने मुझे बताया है कि यह लेबर बहुत अच्छा काम करती है। मुझे ये देख कर बड़ा आश्चर्य हुआ कि सरकारी विभागों में वे आदमी बहुत ही कम संख्या में हैं। उनको सरकार क्यों नहीं रखती है? ये लोग बहुत एफिशेंटली काम करते हैं और मैं चाहता हूँ कि गोरखपुर रिक्लूटिंग डिपू से आदमी लिए जायें। यदि आपने ऐसा किया तो जो परकपिता प्रोडक्शन है वह दूसरी स्थानीय लेबर से अच्छा हो सकता है। यह लेबर कठिन से कठिन सीम में, छोटी छोटी सीम में भी काम कर सकती है और करने की आदी है। इस वास्ते यह आपके हित में होगा कि अगर आपने सी० आर० ओ० लेबर को अधिक से अधिक संख्या में लिया और इसके साथ ही इसका एक यह लाभ भी होगा कि हमारे यहां जो लोग बेकार हैं उनको काम मिल सकता है।

अन्त में मैं इतना ही कहना चाहता हूँ कि सरकार द्वारा जो कार्य किया जाए वह आदश कार्य होना चाहिये। अगर कोई इसकी तरफ उंगली उठा कर देखता है तो यह बहुत दुःख की बात होगी। आज जो प्राइवेट सेक्टर हैं वह इनकम टैक्स भी देता है, सुपर-टेक्स भी देता है और यह सब कुछ देने के बाद भी मुनाफा करता है। लेकिन सरकारी सेक्टर जो यह सब कुछ नहीं देता और फिर भी घाटा उठाता है तो यह बात समझ में नहीं आती है।

अगर हमने सोशलिस्टिक पेटर्न आपण सोसाइटी की स्थापना करनी है तो बहुत सा कारोबार हमें अपने हाथ में लेना होगा। रशिया में आपने देखा है कि श्री झुस्चेव ने एनाउंस किया है कि वहां पर टैक्स नहीं लगेंगे, इन्डस्ट्रीज को टैक्स फ्री कर दिया है, यानी इंडिविजुअल टेक्स नहीं रह गया है। वहां पर खुद स्टेट इंडस्ट्री से आमदनी कर

[श्री सिंहासन सिंह]

रही है। हमारे यां भी किसी न किसी दिन ऐसा ही हो सकता है और यह डेमोक्रेटिक तरीके से सम्भव भी हो सकता है। हो सकता है कि स्टेट व्यवसाय में पड़ कर उससे होने वाली आमदनी से अपना काम चला लें। लेकिन अगर स्टेट किसी व्यवसाय में पड़ कर घाटा उठाती है तो यह ठीक नहीं है। हमें चाहिये कि जो भी काम हम करे वह एफिशिएंटली करें और जो भी इंडस्ट्री चलायें एफिशिएंटली चलायें और प्रॉफिट में चलायें, इकोनॉमिकली चलायें ताकि प्राइवेट सेक्टर भी वेसा ही करने की प्रेरणा हासिल कर सके।

Mr. Speaker: Shri Rajendra Singh:

Shri Rajendra Singh (Chapra): With your kind permission, may I know how much time is at my disposal?

Mr. Speaker: Five minutes to seven minutes.

Shri Rajendra Singh: Other Members have got 20 minutes. How could I place my points within five minutes?

Mr. Speaker: Let him reserve them for some other occasion.

Shri Rajendra Singh: That could be possible. But, so far as this discussion is concerned, what can I do? My party is deprived of a chance to participate in this discussion.

Mr. Speaker: That is true. We have only two hours. Every one cannot have his time. However, let him have ten minutes. The House is thin already.

Shri Rajendra Singh: I shall finish in ten minutes, Sir.

Before I proceed to deal with the matter under discussion, I would like to make a brief reference to some very important matters which concern us and cause deep anxiety in our minds. The formation of State com-

panies has given not the results which we anticipated of them. While they have all the demerits of private companies, they have not got a single virtue of a State enterprise. In one of the very important discussions in a U.N. seminar, it was said that the Indian State companies are in fact a fraud on the Indian electorate. I do not go so far; but, nonetheless, I feel that there must be some financial accountability of the State companies to this House. When I say this, I do not mean even for a minute that the State companies should be something like a Government department. Nonetheless, some form, some media, some sort of a device should be found out which could meet the situation. After all, the national exchequer is entitled, and for that matter, this House is entitled, to understand how every farthing of the money which belongs to the people is expended.

Here is the annual report of the National Coal Development Corporation. If one goes through it, one can have some idea of the physical targets which have been achieved by the Corporation and how some defects, mistakes, shortcomings have occurred in this Corporation. But, there is no mention of how the financial estimates were made, how the outlay was made, and how the moneys have been expended. With the result that, here, we can only discuss things in terms of the targets and not in terms of the fact whether the outlay was proper, whether the estimates were made in accordance with business principles, with the greatest economy that we should have in the present context. I am not opposed to these bodies. I would like all these bodies to be kept separate entities with adequate financial power. All scope for elasticity and manoeuvre should be there. Nonetheless, to tear this House from total responsibility even for even-lookng into or assessing the financial part and its execution would be going too far. It would be in a vital sense a negation of parliamentary democracy itself. This is a very vital matter. Of course, it

does not absolutely concern the Ministry of Steel, Mines and Fuel. In fact, it is related to the basic policy of this Government. Through the forum of this House, I may request the hon. Minister of Steel, Mines and Fuel that he should try to see to it that some method is devised so that this Parliament can have access to the financial working of such companies. Otherwise, there would be unnecessary misunderstanding and confusion in the minds of the people, and ultimately,—of course, I do not want to visualise that day, God forbid—public confidence in State enterprises shaken.

I am not one of those who feel that there is much to be disappointed so far as the achievement of the targets laid down by the Planning Commission is concerned. I had the opportunity that was made available to me by the kindness of the hon. Minister, of coming in close contact with the officers of the N.C.D.C. I saw them, I talked to them, I moved in many of the mines. I could say that so far as the administration is concerned, they are much alive to their responsibilities and are anxious to see that all the targets laid down by the Planning Commission are achieved. Nonetheless, difficulties were there, teething troubles. When one has to start something new, so many problems are there. The questions of resources, availability of the things that one requires in time, etc., are there. Even within the limitations circumscribing difficulties, the achievement of the National Coal Development Corporation remains quite commendable.

Some of the Audit comments should have been taken much more seriously than the Corporation has done. I do not want to go into the details because I do not have the time. Therefore, I am leaving it there. Only one thing that I am suggesting to this Corporation through you is that, instead of now going in for fresh fields in the Third Five Year Plan, let us concentrate as much as we can on the mines which have already been

worked, where capacities have been created and where we are simply waiting for the yield. Let us exploit the present mines to the utmost, and then if we find that it is not enough and new mines have to be opened up, we can, of course, do so. Otherwise, it is always preferable to have intensive exploitation of present mines than go in for new fields, because the same difficulties would again be there and most of the time would be taken up in creating capacity.

One of the reasons for our not achieving the target laid down is non-availability of the requisite type of technical personnel. I had this from the top officers of the N.C.D.C. We must see to it that at no stage during the next five years, when our target would go up to about 100 million tons, there is lack of trained personnel. If we have enough capacity, we must utilise it to the fullest extent; if not, let us start with training centres as quickly as we can.

At the cost of being misunderstood that I am parochial, I would humbly submit that people from Bihar have not been treated fairly, because in most of the mines they are very seldom to be seen above the lowest formation. I appeal to the hon. Minister to see that they have no grievance on this score.

Shri Sinhasan Singh pointed out one thing, and I also feel very strongly about it. Howsoever talented and distinguished our ICS and IAS men may be,—I do not cast any aspersion on them. they are very good assets of the country—to imagine that they are the only repository of integrity, intelligence, imagination and capacity to do all these things is very erroneous. I feel there should be proper representation for the administrators, people from public life, not necessarily Members of Parliament, and for the technical men on the board, because, after all, a huge amount of public money is involved and there must be a measure of accountability by this organisation to the people.

Sardar Swaran Singh: The debate, quite naturally, was not confined to the report of the N.C.D.C. for the year in question, but other important matters were also touched upon, which shows the great amount of interest which hon. Members are taking in this important subject of coal. It will not be possible for me to deal with all the points, but I would like to say something about the general matters that have been raised and point out certain important specific points about the working of the N.C.D.C.

The question of attainment of physical targets has been commented upon by more than one hon. Member. Concern has been expressed about the slow progress of production increase, and very naturally, Members are anxious to know what is likely to be the picture at the end of the current Plan period. I would, therefore, like to say something on this aspect first.

As the House is no doubt aware, the total increase of production in the public sector envisaged in the Second Plan period is 12 million tons. Out of that 1.5 million tons had been allocated to Singareni and 10.5 million tons to N.C.D.C. The expectation now is that Singareni will, by and large, achieve the additional production allocated to it. With regard to N.C.D.C., although the requisite capacity for additional production would be achieved by the end of the Plan period, achievement of the full target is likely to be delayed by a few months. According to the latest assessment, it is anticipated that the full target of additional production, both from the old and new collieries, would be achieved by the end of 1961, that is about eight or nine months after the end of the Second Plan period. As has been pointed out by Members familiar with the difficulties that face the development of new mines, this delay of about eight or nine months in the realisation of the

full target is not a very disquieting feature, and I would request hon. Members to view it in that light.

I think I also owe it to the House to give a little clearer picture of the production envisaged from the various collieries, because that will show with some definiteness the physical targets expected from them. I would like to say here that if we take a very strict view, according to present estimates, in March, 1961, which is the last month of the present Plan period, there is likely to be a shortfall in production of the order of about six million tons in the total target of 60 million tons. That is, the level of production in March, 1961 is likely to be of the order of 54 million tons. I visualise that there will be a shortfall in the private sector of about 1.5 million tons, and about 4.5 million tons in the public sector if we take into consideration the level of production in March, 1961. But the important thing to be kept in view with regard to the public sector collieries is that all the physical activities necessary to push up production or to make up that shortfall in production would have been established by the end of March, 1961, and no sizable fresh capital expenditure would be required to achieve the additional production of 4.5 million tons. That is why I said that, having in view the various difficulties that might be experienced, there might be a time-lag of about eight to nine months in achieving full production.

Shri Chintamani Panigrahi (Puri): It will be made up in 1962?

17 hrs.

Sardar Swaran Singh: By the end of 1961.

So far as the ultimate monthly targets, as have now been allotted, are concerned, I would like to share this information with the House. I am given the monthly targets as allotted. For the old collieries, the figure is 2,82,000 tons. Then, I come

to old and new collieries, that is, where there are existing old collieries and where new collieries also have been opened up. In this category, there are two important collieries, namely Bhurkunda and Kurasia. So far as Bhurkunda is concerned, the monthly target is 1 lakh tons. So far as Kurasia is concerned, it is 1 lakh tons.

Then, there is a third category, namely new collieries, that is, those which are entirely new. The monthly targets for them are as follows:

	Tons
Kathara	1,25,000
Gidi A	1,27,000
Saunda	1,01,000
Sayal	45,000
Bachra	50,000
Sayal A	25,000
Gidi C	33,000
Korea	20,000
Korba	1,16,000
Bisrampur	16,000

Shri A. C. Guha: These are targets for the present year, that is, 1959-60?

Sardar Swaran Singh: This is the total monthly target that has been allotted to the various collieries, which, I visualise, will be achieved by the end of 1961.

Dr. Samantsinbar (Bhubaneshwar): These are public sector or private sector collieries?

Sardar Swaran Singh: These are all public sector collieries.

Now, I would like to give also the monthly target in tons, as expected by the end of March, 1961.

The figures as reported by the Board are as follows:

Old collieries—2,82,000 tons.

That is, the entire target allocated to them will be achieved.

	Tons
Bhurkunda, new and old	80,000
Kurasia, new and old	1,00,000
Kathara	1,00,000
Gidi A	75,000
Saunda	1,00,000
Sayal D	45,000
Bachra	40,000
Gidi C	33,000
Korba	55,000
Korea, Block I	20,000

This gives a total of 9,30,000 tons. But there might be some difficulty in the case of Bachra where there are difficulties in the roofing and of a few other mines, and, therefore, I have scaled it down still further and have indicated that by March, 1961, the total level of production may be of the order of about 8 lakh tons a month. These are the figures which have been supplied to us, and they are based on the latest assessment by the Corporation, and this has been further scrutinised by technical experts. This is so far as the Second Plan period is concerned.

Another matter which was referred to was about the target for the Third Plan period. That is an important matter of general interest, and, therefore, I would like to mention that also at this very stage, so that this point also may be cleared not only for the House but also for the country at large.

As has been mentioned in the *Draft Outline of the Third Five Year Plan*, the target has been tentatively fixed at 95 million tons.

Shri A. C. Guha: 97 million tons.

Sardar Swaran Singh: This does not include 2 million tons meant for Bokaro. So, the total really is 97 million tons, as has been pointed out by Shri A. C. Guha. Even if we keep the Bokaro requirement separate, because that will be entirely metallurgical coal, the remaining 95 million tons would mean an additional production of 35 million tons,

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because I presume that the target of 60 million tons will be realised within a few months after the commencement of the Third Five Year Plan period. This additional 35 million tons in tentatively allocated in this manner. We feel that an allocation of about 15 million or 16 million tons to the private sector and about 19 million or 20 million tons to the public sector will be a fair allocation, and we are at the moment proceeding on that basis.

Out of this allocation to the public sector, we anticipate that Singareni will be able to do 3 million or 4 million tons. I am mentioning this figure in not very exact terms, because the exact potentiality has still to be worked out actually in detail.

Mr. Speaker: What is the allocation for the public sector?

Sardar Swaran Singh: 19 million or 20 million tons.

Mr. Speaker: Out of 35 million tons?

Sardar Swaran Singh: Yes, out of 35 million tons additional production.

Out of these 35 million tons, 3 or 4 million tons will be for Singareni, and about 15 million or 16 million tons will be for the National Coal Development Corporation. This is the basis upon which we are proceeding.

I want to point out that this by no means is an ambitious target because the additional coal that we could produce in the country cannot be judged merely in isolation, but it is really linked up with the industrial picture that unfolds itself as the country marches forward. There are certain requirements which are inescapable; for instance, we are thinking of expanding our steel capacity; we are thinking of putting up new fertiliser plants. There is already a merchant cokery in the private sector, and in West Bengal there is the

Durgapur coke oven plant, and for all these, metallurgical coal would be required. Whereas the total figure of 95 million tons or 97 million tons is just a target figure, a great deal of thought has to be given to the matter in order to work out what actually are going to be the requirements of various categories and various qualities of coal, and that is a matter of very great importance. Concern has been expressed on this point by Shri Morarka and Shri A. C. Guha and some other Members, that we have to ensure that the huge metallurgical plants that are being set up or are proposed to be expanded in the next Plan period are properly fed; in other words, whatever fertiliser plants are set up, or whatever other coking plants are set up should be supplied the type of coal that is required to keep them going and to ensure good results from those investments, so that the economy of the country might be strengthened as a result of good production from those units. It is for that reason that separate assessment has to be made with regard to the coking coal requirements.

At this stage, I would like to touch upon another point which has been mentioned by more than one hon. Member, and that is about the coking coal requirements. I am sorry to say that I was a little upset when I read the press report of what was stated about Sindri by one of my colleagues here. It has to be said in clarification that what he said was that this shortfall was due to a number of reasons; and he listed two, namely short supply of coal, and secondly, the plant getting old and so on. So, it will be an absolutely wrong idea to be conveyed that shortfall in production in Sindri is due only to defective supply of coal. I would like to clarify this matter further. The requirements of Sindri are about 30,000 tons a month. Out of these 30,000 tons, when the new steel plants went into production, certain re-allocations were made. In that reallocation picture, 24,000 tons per month were allocated

for Sindri from the sources which were acceptable to them. With regard to the remaining 6,000 tons, these were allocated from a source which the technical experts said is quite good and could serve their purpose. But Sindri insisted that these 6,000 tons also should come to them from Lodna Washery. The experts said that this was not necessary, but then the Sindri chemists and others.....

Shri A. C. Guha: Are they the experts of Sindri factory?

Sardar Swaran Singh: Experts of Government who have the interest of Sindri and other plants equally before them. The Government as such is indivisible and if there are experts who are impersonal, they should be regarded as experts who give advice in an impersonal manner. I do not want to enter into a controversy on that.

Shri Tangamani: Did Sindri ultimately get the 6,000 tons?

Sardar Swaran Singh: I am coming to that. The Sindri chemists and others pointed out that for the gases to be formed of the requisite composition, it was necessary that they should get the 6,000 tons also from Lodna. There was an interruption of about two months when they did not get these 6,000 tons from Lodna. But later on, from as far back as, I think, March or April, they are getting those 6,000 tons addition from Lodna also. Therefore, the only thing about which they can have a complaint so far as coal supply is concerned is in respect of those two months when out of their monthly requirements of 30,000 tons, only 6,000 tons were not allocated to them from the source they wanted but from another source. Government are looking into that aspect and I myself intend to go into that matter after ascertaining the views of the technical experts of Sindri to find out if they are suffering in their production on account of any defective sup-

ply of coal. If there is any defect which is revealed, we will certainly ensure that Sindri's production does not suffer. Sindri is as much a project in which the Steel Ministry is interested as any other Ministry, and any attempt to show that Government are not taking an overall view will not be a correct approach with regard to a matter of this type.

Then again, a great deal has appeared in the Press—part of it was voiced in the House also—and an impression is sought to be created as if there is any great difficulty or, in fact, any difficulty with regard to the supply of coking coal to the steel plants. Now, this matter has been engaging our very constant attention. This is a matter about which no risk can be taken, because these are continuous plants which require coal, iron ore and other raw materials round the clock. Therefore, any mistake or any shortfall in these can really be very serious. Hence the coking coal requirements of the country have been receiving very careful consideration. As this is a matter which has been dealt with in a sketchy manner in various reports appearing in sections of the Press which have special interests before them, I owe it to the House to give that picture with some clarity.

Coking coal requirements today are for three sectors mainly, (1) the steel plants, (2) Sindri and (3) merchant cokery. They have all been assessed and totalled up. The House is, no doubt, aware that the last blast furnace, according to the Second Plan, will go into production before the current Plan is out. That is, by March 1961, all the expansion and the new parts of the steel plants will be completed and there is no difficulty in assessing the requirements. Those requirements have been assessed from month to month, taking into consideration the precise date when a new blast furnace is going to be commissioned. All that has been totalled up and it has been ensured that the steel plants do not suffer in the matter of supply of coking coal.

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As some anxiety has been expressed, I would like to give concrete figures with regard to coking coal requirements for all these three purposes which I listed a moment ago. The total monthly requirements between August and October, 1960 are likely to be, selected grades, 4,58,000 tons; grade I 4,47,000 tons. The total availability after allowing 5 per cent as colliery consumption is likely to be, selected grades, 5,79,000 tons and grade I, 4,42,700 tons; and there is likely to be a surplus of about 1,15,000 tons approximately in coking coal which will be actually produced.

Then, from November, 1960 to January 1961, this requirement will increase because some more blast furnaces would have gone into production. Still, there will be a surplus of a little over 85,000 tons, which will be over and above the requirements of all these three categories which I mentioned earlier. From February, 1961 to March, 1961, that is the last two months of the Plan period, again, there is likely to be a surplus of about 75,000 tons of coking coal; and, after March, 1961, this will continue to be a constant demand unless some added cokery comes up about which also we have a full track because it cannot come up overnight. From April 1961 to March 1963, the requirements are likely to be almost constant and they are estimated to range between 1.02 million tons to 1.11 million tons per month.

There will be sufficient production and we have also ensured that there will be a cushion of an extra 1 lakh tons a month so that any shortfalls that might occur here and there will be made good on all these counts. This is the picture so far as the general question about physical targets and the like is concerned.

Coming to the NCDC things which have been referred to by the hon. Members, I would mention some of the salient points. A great deal has

been said about the Kargali washery. In this report, the picture is not up to date because this relates to a period which is far behind. Actually, the hon. Member should not have taken that as a grouse that we have not formally taken over the washery. That should not be the line of criticism. If anything, that caution should be appreciated. We are ensuring that it comes up to the requisite standard before we actually formally take it over; and, unless we take over, the responsibility is that of the supplier to see that it comes up to the requisite performance.

Shri Tangamani: How long are we to wait?

Sardar Swaran Singh: So far as the washery is concerned, I am sorry I have not got the latest figures; but in January, 1960 the production of washed coal was 96,962 tons per month.

Shri A. C. Guha: What percentage of its capacity?

Sardar Swaran Singh: I am coming to that.

The maximum rated capacity is 135,000 tons per month.

Shri Tangamani: Are we likely to reach that rated capacity before the end of this year?

Sardar Swaran Singh: It is very difficult for me to make a categorical statement particularly when a dispute is going on between the supplier and the NCDC. And, I do not want to give a certificate unless one is sure of this because this is a matter which is being gone into by the DGS&D who had placed the order. I do not really want to pre-judge the issue or pre-judge one against the other. What I want to make clear is that there were certain defects, certain shortcomings; but they were rectified—most of them—and the performance has not been too bad. The hon. Members were keen to know as to what

the prospects with regard to the three washeries proposed to be set up for supplying washed coal to the steel plants were. The target with regard to these washeries is like this. According to the present schedule, the Dugda washery will be commissioned in 1961, the Bhojudih in 1962 and the Patherdih in 1963. In conjunction with the dates that I have given and the additional requirements—which cannot be earlier than 1963—I think these washeries and maybe other washeries that we propose to establish will take care of the additional requirements of the coking coal for the steel plants.

Now, some points have been raised based upon audit. Audit, as the House is already aware, is a very desirable corrective and I am sure the Corporation would be very wise and would benefit greatly by these objections. It is not for me to defend all actions of theirs. They are an autonomous body and it is for them to explain all these audit objections and to satisfy the audit about the various comments. These points are thrown up and whether they are substantive or procedural it should be the endeavour of the Corporation, in fact of all the State undertakings, to go into these objections very carefully and meet them successfully. They provide a proper yardstick. Whatever are the shortcomings that are thrown up with regard to the working or matters of substance, they have to be carefully looked into and it will be for the Corporation to satisfy that these audit objections are carefully met. I have nothing further to add with regard to these points which have been mentioned by more than one hon. Member.

A point was raised about the financial picture as is emerging from its working—naturally, a very important aspect. So far as the general price policy with regard to coal is concerned and also the general policy of exploitation, it is true that it is not essentially a profit making activity. I am one of those who firmly believe that State undertakings should work

and add to the Exchequer. It is a matter of overall judgment as to what are the various points at which you load a particular industry by way of price, tax and the like. Coal being the basic requirement for industrial development, it is important.

Mr. Speaker: If income-tax is charged, what would be the result? Apart from any dividend, are they liable to pay income-tax?

Sardar Swaran Singh: It is just like any other Corporation.

Mr. Speaker: Does it pay Income-tax, It sets apart some amount for depreciation. Is there not a depreciation reserve?

Sardar Swaran Singh: That is the normal thing which any company does. If there are enough of profits and it can be saved from income-tax by transferring it to the depreciation account, that is the normal thing which all Corporations do.

Mr. Speaker: No dividend has been paid on the share capital?

Sardar Swaran Singh: Not for the current year.

Mr. Speaker: Is it proposed to allot something by way of dividend?

Sardar Swaran Singh: It will be too premature to make such a commitment.

Mr. Speaker: In the present year's report, there is no dividend?

Sardar Swaran Singh: No, Sir. There is no dividend. Whatever the profits are, they are supposed to be ploughed back and they add to the general reserves. This Corporation has inherited certain collieries which were started for supplying coal to the railways and the general loss or gains were part of the railway accounting. Therefore, they never bothered much about the individual profits coming from the various individual collieries.

There is one colliery about which questions and debates have been raised on the floor of this House more

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than once, namely, Giridih Colliery. It is a colliery which has existed, as Shri Guha pointed out, for 70 or 80 years. That is on its last legs and the existing reserves are likely to last only for four or five years. There are a number of factors which have sustained so far the continuance of this. The quality of coal is good. There is a human aspect also. About 6,000 employees are there. There is a township and all those people are there. It is a question of judgment as to whether we should forego that coal, whether we should throw all of them in that state of unemployment or transfer them to other places. These matters have been engaging our very careful consideration. On this Giridih Colliery alone the loss runs to several lakhs of rupees—I think it is of the order of Rs. 40 lakhs to Rs. 50 lakhs a year. But the quality of coal is good. It is true, if they are permitted to charge a higher price for their coal there are buyers for that, but being a controlled commodity we have not permitted them to charge any higher price. It has also to be remembered that when good quality coal, for instance, goes into steel manufacture of which, again, the price is controlled, any increase in the price here will make them get the credit and they will push up the price there. So it is really a matter more of accounting, as Shri Guha pointed out, as to whether you show a particular loss in this account or in another account, whether ultimately this should be reflected in the Steel Equalisation Fund from which the outgoing would be more or whether it should be shown here.

The point of substance is that the working conditions are different, but so far we have been working these mines for two reasons, as I have said, partly on account of the good quality coal being available and partly on account of the human factor. But some thinking will have to be devoted

to this. If this big chunk is taken out then the financial picture that emerges is quite reasonable. I do not want to go into minute details here, but that is a big chunk that is taken out of the profits. That depresses their accounts and makes them rather unrealistic, and the Corporation themselves are feeling greatly worried. They say that either the Government should reimburse them if the Government want them to continue the working of coal from this mine or, they say, they should be permitted to charge a higher price. Those points are receiving the careful consideration of the Government and it is hoped that some decision one way or the other will be taken in the overall national interest and not from the narrow angle of showing a profit share, because in the case of mineral development that narrow approach at each point is not a very sound yardstick to judge these various projects.

Mr. Speaker: Anyhow, the problem has to be tackled. The problem will solve itself at the end of four years.

Sardar Swaran Singh: We may be able to decide it even before that. Anyway we should prepare ourselves for the ultimate solution of it because even at the end of that period the human problem will be there, the problem of those 6,000 workers.

Another important point has been touched upon relating to the training of personnel. That is a matter which has been engaging the attention of Government, not only of the N.C.D.C. but the Government as a whole, and at all levels—engineers level, technicians level, foremen level and even workers level—a great deal has already been done. The overall requirements have been assessed and steps have been already initiated or are proposed to be initiated to ensure that trained personnel in requisite numbers are available not only for the current requirements but also for the requirements of the expanded capacity which is proposed to

be set up during the Third Plan period.

It has been rightly stressed that there should be advance planning because these mining projects take long to fructify and steps are therefore being taken by them, by the Geological Survey of India and also by the Indian Bureau of Mines to undertake advance drilling, and the advance action that is taken, I think, will provide a better basis for undertaking the expansion with greater confidence. I must say that the difficulties experienced during the current plan period will be a very good pointer and will create greater confidence to face these difficulties when we embark upon the bigger expansion programme envisaged by the third Plan period.

Another important point has been touched upon, namely, the question of transport. That is a matter which comes before the House again and again. As I mentioned a moment ago, there are certain inescapable requirements like those of steel plants, Sindri, and other coking coals. So far as that movement is concerned, that has to be maintained at a certain level. Therefore, whenever there are shortages, the impact of it is felt at places which are a little far away from the coal-producing centres, whether it is a movement above Mogul Sarai, namely, Uttar Pradesh, Punjab or Rajasthan, or even sometimes in the South. That is inevitable, because all this has to be dovetailed in the overall requirements of the wagons, and it is not only the number but the places at which they are made available, that ultimately determine the actual availability at various points of consumption.

It has to be remembered that out of the total traffic handled by the railways, a very huge percentage is for coal alone. I think it is about one-third or so. The requirements of steel plants alone—iron ore and coal—constitute about one-fifth of the total handling capacity of the railways. It is likely to become one-

fourth before long when our expansion programmes take place. This means a concentrated movement to and from certain focal points. These points are always before the railway and with the complete liaison that exists between the railways, that is the Railway Ministry, and the various plants, together with the liaison among my Ministry, the Ministry of Railways and the Ministry of Commerce and Industry, it is hoped that the requirements at the various points of the country would be satisfactorily met.

We have to remember that we are not very fortunately placed in our country with regard to the location of coal. In other countries coal is interspersed all over, but here, it is concentrated over certain areas, and it involves long movement from the areas of production. It is for this reason that transport generally presents difficult problems.

In the short time at my disposal, I have touched upon the important aspects that have been raised in the debate, but other matters which have been mentioned are also important and I am sure that both the Government and the National Coal Development Corporation will derive great benefit by the points that have been raised, and necessary correctives will be undertaken to ensure better working of the corporation.

Mr. Speaker: The question is:

"That this House takes note of the Annual Report of the National Coal Development Corporation Limited for the year 1958-59 along with the Audited Accounts and comments of the Comptroller and Auditor General thereon, laid on the Table of the House on the 11th March, 1960."

The motion was adopted.

17:35 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, August 18, 1960|Sravana 27, 1882 (Saka).