

of the available infrastructure thereof, to modernise and increase the capacity for ship-building and ship repairing so as to reduce the import of ships, vessels and craft and to augment the production of grey iron, non-ferrous and alloy castings by the said undertakings so as to subserve the interests of the general public by ensuring the continued supply of the said articles which are essential to the needs of the economy of the country, and for matters connected therewith and incidental thereto, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI): We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 33 and the Schedule were added to the Bill.

Clause 1, the enacting formula, the preamble and the title were added to the Bill.

THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI) : Now the Minister will move for passing the Bill.

SHRI PATTABHI RAMA RAO: Sir, I move:

"That the Bill be passed."

The question -was put and the motion was adopted.

THE BENGAL IMMUNITY COMPANY LIMITED (ACQUISITION AND TRANSFER OF UNDERTAKINGS) BILL, 1984

THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI): Now Shri Vasant Sathe will move for consideration of the Bengal Immunity Company Limited (Acquisition and Transfer of Undertakings) Bill, 1984.

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VASANT SATHE): Thank you very much, Sir. I have the privilege to move:

That the Bill to provide for the acquisition and transfer, in the public interest, of the undertakings of Messrs Bengal Immunity Company Limited, and for matters connected therewith or incidental thereto, as passed by the Lok Sabha, be taken into consideration."

Sir, fortunately, at long last, after quite some years, six years, this Bill has come. It has been passed in the Lok Sabha. It has come here, Sir.

There has been a unanimous demand from all sections in Parliament as well as outside for nationalisation of the Bengal Immunity Company Limited because it has been producing very important drugs and

vaccines. Sir, this is a company which was established in 1919 by Dr B. C. Roy and some of the eminent sons of West Bengal. The desire was to establish capacity in the country to produce drugs and become self-sufficient in drugs to meet our requirements. Because in those days as all hon. Members know practically all the modern drugs were produced by foreign companies and multi-nationals. So, Sir, this was the history- Then Bengal Immunity Company has been producing toxicides, vaccines and anti-sera drugs. It is also producing a number of synthetic drugs including chloroquin phosphate, ionate and PAS through its own process developed by Research and Development Division.

Sir, unfortunately due to labour problem with which that part of the country has been plagued for quite some time and also lack of proper resources, management and long-term planning the company went into serious financial and other difficulties, resulting in the management moving the court for the closure of the company. It was in these circumstances, that the management of the company was taken over by the Government under section 18(a) of the Industries Development and Regulation Act on the 18th May, 1978. Since then, the company has been under the management of the Central Government. Sir, after the take over of the management of the

[Shri Vasant Sathe]
 company by the Government, steps were taken to rehabilitate the company by grant of financial assistance both by Government and Industries Reconstruction Corporation of India as well as cash credit facilities by banking institutions. Since the take over the Government has invested Rs. 16.76 crores on its revival. The amount was utilised not only for meeting the cash loans and the working capital requirements of the company but also for modernising the production facilities and for the addition of new production facilities. Sir, now a stage has come when the company is continuing to incur losses because we cannot reorganise and modernise the entire management structure. The amount taken as loan they have to keep on

paying interest because this is treated as loan and we cannot convert it into equity. Hence the need for nationalisation and I am sure the hon. Members will welcome this measure that we have brought and will support it from all sides. Thank you very much.

The question was proposed.

THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI): The further consideration of the Bill will be taken up tomorrow after the Question Hour. The House stands adjourned till 11.00 A.M. tomorrow.

The House then adjourned at thirty-one minutes past six of the clock, till eleven of the clock on Friday, the 10th August, 1984.