

**PAPERS LAID ON THE TABLE—**  
contd.**Increase in the export duty on coffee**

**THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI):** Now papers to be laid on the Table. Shri S. M. Krishna.

**SHRI S. M. KRISHNA:** Sir, I beg to lay on the Table of the House, a copy each (in English and Hindi) Ministry of Finance (Department of Revenue) Notification No. 122/84-Customs, dated 7th May, 1984 regarding increase in the export duty on coffee from Rs. 530 per quintal to Rs. 640 per quintal. [Placed in library. See No. LT-8328/84]

**THE MOGUL LINE LIMITED (ACQUISITION OF SHARES) BILL, 1984**

**THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI):** Now Minister for Shipping and Transport.

**THE MINISTER OF SHIPPING AND TRANSPORT (SHRI K. VIJAYA BHASKARA REDDY):** Sir, with your permission, I move:

"That the Bill to provide, in public interest, for the acquisition of certain shares of the Mogul Line Limited in order to serve better the shipping needs of the nation and for matters connected therewith of incidental thereto, as passed by the Lok Sabha, be taken into consideration."

Sir, the Mogul Line Limited is one of the two public sector shipping companies. Originally, the Mogul Line Limited was established on 2nd August, 1877 under the name of Bombay Persia Steam Navigation Company. It assumed its present name 'The Mogul Line Limited' on 15.12.1938. In 1958, 80 per cent of the shares the M.L.L. were purchased by the erst-while Western Shipping

Corporation Limited a Government company. In 1962, these shares were transferred to the President of India. In July, 1974, another 12 per cent shares were acquired by the President. In May, 1982, the authorised capital of the company was increased from Rs. 2 crores to Rs. 25 crores, and the paid-up capital was increased from Rs. 101.19 lakhs to Rs. 1901.19 lakhs. The additional equity capital was fully subscribed by the Government. The Government now owns 99.65 per cent of the shares of the Mogul Line Limited, and the balance, 0.35 per cent (6707 shares) are held by private individuals and institutions, both Indian and foreign, numbering 120. The total value of these 6707 shares is Rs. 6,70,700 at a face value of Rs. 100 per share.

At present the company is operating certain important services such as Haj Service, Konkan Service, coastal cargo service, Bombay-Red Sea Cargo Service and the overseas tramp service. The company owns a fleet of 19 ships with a total d.w.t of 3.65 lakhs consisting of 3 passenger ships, 14 bulk carriers, one liner cargo vessel and one product carrier. Besides, five bulk carriers with a total d.w.t. of 1.35 lakhs are on order.

The Mogul Line Ltd. has been incurring losses in its overall operations for the last many years except in the years 1980-81 and 1981-82 when it earned marginal profits. The losses of the company are mainly due to the recession in the shipping industry, as a result of which freight rates have crashed to most uneconomic levels. The value of net assets of the company at present, that is investment and working capital, is much less than the amount of its loan liabilities. The net worth of the company as on 31-3-1983 was negative, that is, minus Rs. 20.74 crores.

A decision has been taken by the Government to merge the Mogul Line Limited with the Shipping Corporation of India Limited. The proposed merger would enable better management of public sector tonnage by avoiding overlapping, developing uniform specifications, improving

ing the quality of services and reorganisation of managerial set-up and thereby enable to serve better the shipping needs of the nation. Before effecting such a merger, it is necessary to acquire the private share-holdings of the Mogul Line Limited in the name of the President of India so as to make the Mogul Line Limited a fully-owned Government company. The necessity to acquire the private shares through a legislation has arisen due to the fact that efforts made, from time to time, to acquire these by negotiations have, for various reasons not borne fruit. It is proposed to acquire the shares on payment of nominal compensation of Rs. 10 each as against the face value of Rs. 100 as they do not command any price due to huge accumulated losses and poor performance of the company.

The Bill has been passed in Lok Sabha on 24-4-1984. So, I request that this may be taken up for consideration.

*The question was proposed.*

THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI): Yes, Shri Sukomal Sen.

SHRI SUKOMAL SEN (West Bengal): Mr. Vice-Chairman, Sir, at the very outset, I would like to welcome the Bill. But I wonder why there was so much delay and why the Government did not come with the Bill earlier. Although the share holdings of some private hands is very insignificant in comparison with the total holdings of the company. I do not think it was good for the Government to retain shares for such a long time. Anyway, better late than never. But I am given to understand that the Mogul Line Limited after the enactment of this Bill is going to be merged with the Shipping Corporation of India. Now after this merger some problems are definitely bound to arise in regard to the employees seniority, pay-scales etc. As such the Bill is welcome but how the Government will deal with the employees problem, that is a moot

question. Because the pay scales, seniority list and other benefits in the Mogul Line Limited and that of the employees of the Shipping Corporation of India are totally different. After merging together these two shipping companies, if there be any discontentment, among the employees of both the Mogul Line Ltd., and the Shipping Corporation of India regarding their pay scales and seniority, I apprehend that the smooth working of the shipping companies may be hampered if these are not properly dealt with. If these matters are left in the hands of the bureaucracy, I apprehend that the bureaucratic attitude will be shown towards the employees grievances and they will not be set right properly. I think the operation of the Shipping Corporation will be in great jeopardy in future after the merger. I would like to point out in this case that not only there are different pay scales in the companies but there is also one common thing in both the organisations, that is, a number of employees were recruited on an ad hoc basis. These employees are working at par with the regular employees and their services have not been regularised so far. Moreover, the ad hoc employees are given one-third of the total pay that is given to regular employees. For the last few years the employees of the Shipping Corporation of India and the Mogul Line Limited have been agitating for regularisation of the ad hoc employees. I wonder when the workers of Mogul Line Ltd. in Andaman and Nicobar Islands after failing to settle the dispute across the table went to the court and got the injunction The Government went to the Division Bench of the High Court and got a stay against the workers. So, it is not like that the employees fought a case against a monopoly house and the monopoly house went against the workers in the court and got the stay. It is Government that has behaved like that and has got a stay. If this is the behaviour of the Government towards the workers. I apprehend that after the merger many

[Shri Sukomal Sen]

problems will arise. Then, the Government may not like to solve these problems amicably. There will be a great discontentment among the workers, thereby hampering the smooth functioning of the shipping lines. Not only in Andaman and Nicobar Islands but in Bombay also the ad hoc employees' case has gone to a Tribunal. In Calcutta it is under consideration between the employees' union and the authorities. I would like the Government to look into this matter and take certain steps at the ministerial level, so that the things are got left in the hands of the bureaucracy. I would like the hon. Minister himself to take the initiative to settle the grievances of the employees of both the Mogul Line and the Indian Shipping Corporation.

Now, Sir, the Government has come up with this Bill for the Mogul Line only. But there are other Shipping lines which are in private hands and amongst them the Scindia Steam Navigation Company is the biggest. But what is actually the condition of the private shipping industry? If we take the case of the Scindia Steam Navigation Company, the biggest of them, we find that even this big company is in doldrums. What is happening there? The Scindia Steam Navigation company wants to show that they are suffering losses for the last five or six years and showing losses in their accounts, they are issuing retrenchment notices to the workers and employees. And it is reported that the Scindia Steam Navigation Company and certain other shipping companies in private hands are even auctioning Indian ships at throw away prices to international shipping lines. I feel it is a great loss to our exchequer and a great loss to our national shipping industry. So if these things go on in the private shipping industry, labour trouble is bound to arise in this industry. The Minister has said that the shipping industry is suffering from recession. If there is recession on the

one hand and, on the other, if these companies behave in this way and the workers and employees are made discontent and they are made to agitate, then I am afraid that in the face of staff international competition, our shipping industry will ultimately suffer. So, in the greater interest of the nation and in the interest of our shipping industry. I feel that not only the Mogul Line but other private shipping lines like the Scindia Steam Navigation Company should also be nationalised. I demand of the Government that the entire shipping industry of the country should be nationalised at the earliest. Otherwise our shipping industry will suffer a lot in the near future.

Then there is another point that I would like to add about losses and recession. The Minister has also referred to it. But what are the port charges in our country? I find that the port charges in our country are at the maximum level, and at whose cost? I find that it is at the cost of our shipping industry. And whenever the workers and employees come up with some demands for a wage increase the Government pleads paucity of funds. Simultaneously they have kept the port charges at our major ports at the minimum level. In fact, the commissioners of the major ports had also recommended that the port charges on cargo handling can be hiked up to 3 per cent of the value of cargo. Now it is only one-hundredth of one per cent of the value of cargo passing through the port. This policy of the Government is actually helping the foreign shipping lines, the monopolies, who are reaping the benefit of this very meagre and low port charge in our country. So I would like the Government to consider this aspect also. I would like the Minister to clarify why this recommendation of the commissioners of the major ports is not being implemented. If the port charges are kept at a moderate level, the losses which the industry is suffering can, to a certain extent, be made up. With these suggestions, I

welcome the Bill. I hope that the suggestions that we have put forward will be duly considered by the hon. Minister. Thank you.

SHRI SANTOSH KUMAR SAHU (Orissa): Mr. Vice-Chairman, Sir, I stand to support this Bill. The hon. Minister, while speaking, has clarified that this Bill is only for a limited purpose. Though it is a public limited company, only to acquire 0.55 per cent of the shares which are held by private persons, this Bill has come. The other point which is more important is that by changing it from a private limited company into a public limited company, the Government probably thought that the working of the Mogul Line would improve. But unfortunately, except for two years, as he has mentioned, this line incurred very huge losses and the assets-liabilities position is negative, or minus Rs. 20.75 crores. So, the fundamental point is that unfortunately this line has not been running on an economic footing. And the management needs revamping without which probably it will be very difficult to fulfil our objectives which have been mentioned in the beginning—to provide in public interest for the acquisition of certain shares of the Mogul Line Limited in order to serve better the shipping needs of the country. So it is very fundamental and we welcome this Bill. The honourable Minister said that it will be merged with the Shipping Corporation of India. In simple arithmetic if you just add 1 and 1, the figure will not get enhanced. So it is very fundamental that we have to go into the details of the working, why it has not been on a sound footing in the past. Without a proper analysis and without a proper remedy it will be very difficult to improve upon the functioning of this shipping company. Nowadays all over the world water transport is considered cheaper. Shipping is one of the better modes of transport, provided we have the necessary infrastructure facilities. The need of the hour is we have to improve our water transport system. If

we go to Andaman and Laccadive Islands we see how people in the tiny islands crave for a ship which comes once a fortnight as they have no other means of transport there. All over the world now they have developed the dry port system and they have made improvements to the river navigation so that water transport can be made economical and cheaper within the country. In our country the airlines have shown a remarkable progress. Road communication has improved. But unfortunately we have not progressed much in shipping line. This needs throughout planning and special attention for a better future transport so that we can make available the cheapest possible transport.

Then, it has been very rightly pointed out by my previous speaker, Mr. Sukomal Sen, when this company is merged with the Shipping Corporation of India, the workers of this company must have a clear-cut idea as to their service conditions after their merger with the Shipping Corporation of India, because the successful working of a company or a public undertaking depends not only on the managerial cadre but very much on the willing participation of the workers without whose cooperation, wholehearted and sincere efforts, we cannot achieve our goal. This is one of the greatest need of management technique of the world over. Therefore, the Government would do well to provide for appropriate rules or appropriate provisions for the service conditions of those workers. Their service rules and service conditions must be very clearly spelt out without any delay and without detriment to their future. Often we have found that even after 10, 20 years of the merge of smaller companies with bigger companies, appropriate provisions and rules have not been made for the workers because there is no time-limit set to frame the rules, as a result the workers suffer which in turn reflects in the deterioration of their working and ultimately the nation suffers. The Minister has done well to bring this Bill in right earnest

[Shri Santosh Kumar Sahu]

to improve upon the situation of this shipping company. The main question which has been raised by the honorable Member is that rules must be framed clearly and expeditiously so that the workers of the erstwhile company can continue working in the newly merged company with enthusiasm, with ambition and aspiration for a better future for themselves also.

In the modern world the conception and ideas of shipping have changed, bigger cargo vessels have been introduced throughout the world. Government of India also have tried to improve upon their vessels. They have increased the capital to Rs. 25 crores of the mogul line and they are eager to further improve upon this. We have to take an integrated approach to the development of all shipping lines. You have to take such  
4.00 P.M. a bold step.

I wish to avail myself of this opportunity to say something about major ports. Major ports are the responsibility of the Central Government. Many of them are over congested. They need improvement and expansion.

I will just cite one example. In order to develop a good port on the eastern side, Paradip was constructed. But the dredger has been grounded and for the last three years there has not been any dredging with the result there is not enough depth at the port and when there is no depth bigger ships are not coming to this port. It is not only the people around the port area that suffer. The whole nation suffers because productivity has come down. Millions of tonnes of ironore remain there as they cannot be shipped and the poor workers in the mines remain unemployed. I know this is not the occasion to raise it. But I raise it just to invite the attention of the Hon'ble Minister to this problem so that he can look into it.

With the merger of this company, there should be improvements effected in the managerial techniques also. This Bill is to be accorded welcome and there is nothing to oppose it. The purpose of the Bill is very laudable. But after merger you have to take care to see that the inefficiency of one unit should not spread to the other unit. On the other hand, the efficiency of the bigger unit should remove the inefficiency of the other unit so that the whole organisation, after merger, works most efficiently in the interests of the nation. For this purpose there has to be proper monitoring from here. Let us hope that after merger the workers will have more confidence in the new company. Workers' participation in the management has been accepted in the labour tripartite conference. Therefore, there should be more and more participation of workers in the management of the new company to the ship floor level. This will give them the feeling that it is the nation's property and their own property. Whether it is shipping company or any other public sector unit, there should be good management. Without that there can be no improvement in its working. With this merger I hope the new company will cater to the shipping needs of the nation. With these words, I support the Bill.

\*SHRI M. KADHARSHA (Tamil Nadu): Hon. Mr. Vice-Chairman, Sir, The Mogul Line Limited (Acquisition of Shares) Bill, 1984 is a small Bill. I extend my support to this Bill on two counts. One is the Mogul Line Limited will become a fully owned Government company by the Government taking over the remaining shares from private individuals and institutions. Secondly, the Corporation of India will become the biggest fleet owner in the world by the merger of Mogul Line Limited.

While supporting this legislative measure, I would like to enumerate certain deficiencies I have come across in our shipping industry. In this pre-

\*English translation of the original speech delivered in Tamil.

liminary remarks, the hon. Minister of Shipping and Transport pointed out that 80 per cent shares of this Company had been acquired by the Government in 1958 itself and 12 per cent shares in 1974. Today 99.65 per cent shares of this company are in the hands of the Government. The remaining shares which are held by individuals and institutions are not 1 per cent or even 0.5 per cent; it is just 0.35 per cent. The hon. Minister has mentioned that in order to serve better the shipping needs of the nation these shares are also being acquired by the Government. I am sorry to say that the Government has not been able to serve the shipping needs with 99.65 per cent shares in hand and now by acquiring 0.35 per cent shares it is expected that the shipping needs of the nation would be served better. I do not give credence to this claim because I wonder how one will be able to show the way to the Heavens if he is unable to catch the sparrow sitting on the roof of his house.

Sir, it is mind-boggling to see the total liability of this shipping company. The value of the total assets is Rs. 22.74 crores and the liabilities amount to Rs. 20.38 crores. You can imagine how efficiently the Company is to perform if this much of liability is to be wiped out. One can try to save himself if he is neck-deep in water, but what can he do if the water is flowing over the head. It is difficult for him to survive. The losses of this company are not of yesterday's or today's. They are being incurred over a long period. If I remember correct, I think the hon. Minister stated that the Company has been incurring losses for the last 15 years. The shares of this company should have been acquired by the Government fifteen years ago. It is unfortunate that the Government was in deep slumber all these 15 years and now the sudden awakening has prompted the Government to take over the remaining 0.35 per cent shares! 6707 shares in the

hand of private individuals and institutions are being taken over. Though the value of the share is Rs. 100 each, yet the Government will be giving Rs. 10 per share to every shareholder of the Company. The expenditure for acquiring the said shares will be Rs. 67,070. The Government claims that the actual expenditure may be less than the above amount, as many of the shareholders may not turn up to lodge their claim in view of the fact that the whereabouts of some of the shareholders are not known. I would like to take this opportunity to say that the Government should not be reluctant to pay the full value of the shares particularly when the expenditure and the investment of the Government run into several thousands of crores. The poor shareholders should not be made to suffer.

It is said that recession is the main cause for the continuing loss in shipping industry. It is not exclusive to India. Is such a recession not applicable to countries like Japan, Korea, Norway and Sweden? Sir, it is ironical that India which was a seafaring country many centuries ago should bemoan the decline in sea trade. The South Indian Naval Ships had fought many successful wars in the High Seas. They had gone to Sri Lanka and other South-eastern nations. Though it has not been recorded in our history, yet it is said that Vascoda Gama who found the sea-route to India was led by a South Indian seafarer from the Cape of Good hope in Africa to Calicut. India has a naval tradition of its own. But now our sea trade is declining fast. We have got ships, but it is unfortunate that even our own exports and imports are being done through foreign bottoms. Our own Central Government undertakings engage foreign ships for their exports and imports because they succumb to pressures of foreign countries. This is unfair for Indian ships.

The hon. Minister of Shipping and Transport must ensure that our country's exports and imports are done

[Shri M. Kadharsa]

through Indian ships. We have also not taken serious note of modernisation. Container system is the order of the day. We have not got containers at all. The Government must expeditiously switch over to container system in order to attract foreign cargo also. It takes about two to three months for unloading a ship at Madras. There is heavy congestion at Madras Port. The Government must implement a well-planned scheme to develop the small ports like Cuddalore, Nagapattinam and Pondicherry, adjacent to Madras Port, so that the growing congestion at Madras Port can be reduced gradually. By ensuring prompt loading and unloading we will be able to attract more trade. Similarly the dry dock facilities at Madras are also woefully lacking at Madras Port. The Shipping Corporation's prestigious ship, M. V. Chidambaram is being sent to Singapore for repairs. This causes unnecessary delay. We must improve dry dock facilities at Madras. The hon. Minister did say that there is a time-bound plan for augmenting dry dock facilities at Madras Port. I want him to implement it vigorously.

• Sir, the Shipping Corporation of India is adopting different yardsticks for undertaking shipping business in our Ports. In Calcutta Port, it has its own office, but in Madras a private agent has been appointed. If the SCI establishes its own office at Madras Port, then it will earn more money than what it gets at Calcutta. The SI cannot afford to lose income in this manner by the appointment of private agency at Madras. Though Mogul Line is also a public sector undertaking yet the scales of pay of the employees are different from these prevalent in SCI. Then the employees are taken on ad hoc temporary basis without ensuring regular income. There is no guarantee of jobs for them. I demand that there should be uniform scales of pay for the employees of Mogul Line also. The em-

employees should be given permanent jobs so that they are able to derive the attendant benefits.

Sir, we have the giant Cochin Shipyard. I want to know how many ships have been constructed so far in the Cochin Shipyard. It is reported that we are not having adequate number of ships and we have placed orders on foreign yards for about 60 ships. Why should we not use the facilities created in Cochin for building ships? I want to know from the hon. Minister the efforts being made in this direction. For union territories like Andaman and Nicobar Islands, the shipping services are inadequate. The hon. Member of Parliament from this area has pointed out in the other House that a match box costing 10 paise was being sold for Rs. 5 during the recent port labour strike. The shipping services to these islands must be improved. I have also to point out that generally the Haj pilgrims are old and most of them are also. They face many hardships because the ships carry cargo also. They do not have basic minimum facilities. The deserve to be sent for scrap. The ships are also old and in disrepair. I suggest that the ships meant for Haj pilgrims should be modern and fitted with all amenities so that the sacred pilgrimage being undertaken by old men and women is comfortable and convenient.

With these words I conclude my speech and support this Bill.

DR. SHANTI G. PATEL (Maharashtra): Sir, the complete take-over or complete nationalisation of Mogul Line Limited, though belated, is a welcome measure. It is being done in public interest. I would like to look at the whole problem or rather the whole state of affairs in shipping from the point of view of public interest. Shipping, in which we have invested nearly Rs. 2500 crores, is passing through a very critical phase. It is passing through what is called recession. It is something which is

pervading the whole world, and India is not an exception. But this particular situation is leading to certain very serious consequences, and we have to see that we are able to come out of it fairly well. I believe that sometimes even the difficulties can be converted into opportunities and advantage can be taken of that particular situation. We are faced just now with competitive rates and the trade or cargo that should be available in sufficient quantities is not available to the Indian flag ships. They have been trying to compete with foreign flag ships.

May I, in this context, point out that there are foreign operators, there are foreign agents, working in several ports of this country who are trying to under-cut, giving cut-backs, and are trying to take the cargo from the Indian shippers. This is something which has to be properly enquired into and put an end to, so that the legitimate share in the Indian cargo is available to the Indian shipping companies.

Another aspect, to which probably the Minister may refer to, is that we are trying to meet the situation through what is called Transchart. How is the Transchart functioning? It has been created to help the Indian shipping companies. May I quote one instance? Last year, the way in which Transchart functioned, there was a bunching of ships. There were ten cement ships brought to the port of Bombay which dislocated the whole port of Bombay because this was the beginning of the monsoon. If this is the way, in which Transcharter is going to help us, then I don't think it will be able to serve the purpose for which it was created. May I ask the hon. Minister to inquire into the whole problem and put the Transcharts on a proper functioning basis? In this context, I would like to refer to containerisation. I think, when the world markets have gone down by 20 to 60 per cent a container vessel costs nothing less than 40 million dollars of an appropriate size vessel which is

required for the foreign trade. It is possible to buy these containers and go in for this trade. One reason for less cargo by Indian ships is under-cutting and another reason is that we are not able to provide the competitive rates. The only way is to go the whole hog for the container vessels. If we have enough number of container vessels, probably we can provide reasonable rates and we can attract the Indian shippers to these ships. It is these non-liner fellows who have been trying to cut the liner fellows and the main advantage that they have is the foreign flag ships in the form of big container vessels. We are supposed to carry at least 40 per cent of cargo through the Indian flag ships. I am told that it is varying. We are told through the Annual Report of the Ministry of Shipping that it might increase. I hope for the best. Probably, we will be carrying that part of the trade. What is being done to see that this is done and there is no way left for the persons concerned who are interested in the trade? Have we had the legislation which was required? It was 10 years back, in the year 1974, that the UN Convention on Code of Conduct for carrying cargo was adopted. Till today, one has to see as to when this particular legislation is going to be adopted by the Government which is in Delhi so that the Indian shipping can reap the harvest of this particular advantageous convention which has been passed. I am very sorry to say that the Government has been sitting pretty as far as this Convention is concerned.

The most hard hit in recession are the seamen. They are losing jobs. If I give the figures for the last five years the jobs in Bombay have shrunk by 7000. Now the jobs are nearly 12,800 for a total number of 24,000 seamen. It means only one job for two men. In Calcutta, the situation is equally bad. There also, 6000 jobs have been lost. Now the jobs are reduced to less than 3000. i.e. 2900, and 9800 seamen are bidding for them. It means one job for every



Bill, 1984

[Shri Shanti G. Patel]

3½ persons. This is the extent of unemployment or the misery that our unofficial ambassadors to foreign lands are suffering from. All these years, they have been earning for the country foreign exchange. Most of them, nearly 70 per cent or 60 per cent of these people, are employed on foreign ships. They bring foreign exchange. When they are in difficulty, and are required to face hardships, nobody is coming to their rescue. The ships are sold and the companies are closed down. Even the earned benefits are denied to these seamen. There have been a number of cases and the Government has pleaded helplessness. May I ask the Government for wage insurance? This is another Convention which is under adoption by the UN under which wages could be insured and at least the earned benefits could be made available to this particular category of workers who, as you know, are in a very bad position socially also.

Now, I would refer to another important aspect, passenger service. Mogul Line is catering just now for passenger services. May I know what is the position of the Konkan Service? The ships are almost outdated. They will sink at any time to the bottom of the sea. They need to be replaced. Not merely replaced, the services needs to be strengthened. In pre-independence days, in the British time, we were having service from Bombay to Bangalore and Bombay to Saurashtra, that is Jaffrabad. Now, those services are closed down. Those amenities or facilities are not available. May I request the Government, particularly the Minister that after this merger, as he said that this is something which is being done in the public interest. Here is the public interest which may be served easily? There are number of persons who have to reach Saurashtra from Bombay or Mangalore. By going through train, they have to spend several days. They cannot get reservations and they have to face the vagaries of

the weather. It would therefore be in the fitness of the things to develop these services in a systematic manner so that at least the advantages that were available some years back are made available now.

I am coming to another important point. That is with regard to the merger of the Mogul Line with the Shipping Corporation. My friends have already referred to some points and I do not want to repeat them. I would only like to say that the parity be established, meaning thereby, the Shipping Corporation of India service conditions should be made uniformly available to all. There may be some problems regarding inter se seniority. I am sure with the give and take between the management and the unions, this problem also could be easily solved and that could be the approach which should be adopted. I am saying this because I am sorry to say that one of the managements under the same Ministry is being having in a funny manner. I have already taken up the matter with the Minister. It is the Dredging Corporation of India. All its ships are covered under the Shipping Articles. There, in spite of the union having nearly 90 per cent membership and having carried on the negotiations, the management is now trying to introduce a new union which has not even 5 per cent following. Here, in this context. I am sure, the Minister will look into the matter as he assured me when he said, as in the past, the negotiations would be carried on. I hope the management will be made to fall in line and respect certain basic principles which govern the healthy industrial relations.

Lastly, I would like to refer to the Scindias. Whatever my other friends might have to say, the Scindias, I think, are a symbol of pride of India's nationalism. It was the Scindias who came forward and started the first shipping company. I have been associated on the other side, that is on the workers' side,

for the last 35 years. We have seen all sorts of weathers as far as financial conditions are concerned. It is certainly passing through a bad spot just now. I am sure with the encouragement from the Government, the whole shipping industry, including the Scindias should be able to come out.

But, Sir, I am very sorry to say, in summing up, that the Government policy has been a policy which is rudderless, which has no direction, which has no imagination. As I said, here is an opportunity where we can go in for container vessels. Later on the prices will shoot up and we will not be able to compete. Here is an opportunity when we have to go for a strong marketing organisation so that we can stand competitively with foreign ship-owners and weed out the foreign agents who have been operating under the very nose of many persons who are concerned with the running of shipping in these various ports. And I would in this context also ask the Government to come to the rescue of the workers, particularly the seafarers who have been the victims of this recession, by having a certain scheme of insurance or bank guarantee for these workers.

With these words, I welcome the proposal.

**श्री हुक्मदेव नारायण यादव (बिहार) :**

उपसभाध्यक्ष जी, सारी बातें अंग्रेजी में कही जा चुकी हैं और हिन्दी में उसको मैं पुनः कह रहा हूँ। मैं निवेदन यह करना चाहता था कि जैसा कि मंत्री महोदय ने बताया है और इसमें दिया है तो केवल एक किसी कंपनी के मामले में नहीं सरकार को सामान्य रूप से यह नीति बनानी चाहिये कि जो कंपनी चलाने वाले लोग हैं उनमें उनके शेयर कम रहते हैं और वित्तीय संस्थानों के पैसे अधिक लग रहे हैं, चाहे वह 20 परसेंट हो, 30 परसेंट हो, 40 परसेंट हो और उनका दो परसेंट, डेढ़ परसेंट, एक परसेंट लगानेवाले जो रहते हैं वे

उस कंपनी के मालिक बन जाते हैं और उसका सारा मुनाफा, लाभ उठाते रहते हैं। सरकार को एक ऐसी नीति बनानी चाहिये, केवल इसी कंपनी के बारे में नहीं, अन्य कंपनियों यदि हों और उनमें इस तरह के मामले हों तो उन सारी कंपनियों को सरकार अपने हाथ में ले ले। वे सारा मुनाफा लेते रहते हैं, सारा पैसा निकालते रहते हैं, सरकार को चाहिये उनको अपने हाथ में लेकर इस चीज को रोके।

दूसरी बात यह है कि जब तक ये कंपनियां रहेगी, लाभ कमाती रहेंगी, कंपनियां इससे लाभ लेती रहेंगी तब तक सरकार उस पर हाथ नहीं लगाती लेकिन जब कंपनी घाटे में चलने लगती है तो सरकार उस कंपनी के पाम जाती है और कहती है कि हम इस कंपनी को अपने हाथ में ले रहे हैं क्योंकि इस की दशा बिगड़ रही है। जैसे सरकार भी एक ग्राल इंडिया इंस्टीट्यूट आफ मेडिकल साइंस हो। ये कंपनियां जितनी हैं, जो ये कारोबार करने वाली व्यापारी हैं और जितने इनके रोजगार है ये सब मरीज हैं और जब कभी ये बीमार पड़े यानी घाटे में हुई तो सरकार जो मेडिकल इंस्टीट्यूट का काम करती है उनसे कहती हैं कि तुम्हारी हालत खराब है इसलिये हम अपने यहां भर्ती कर लेते हैं यानी अपने हाथों में ले लेते हैं। यह सरकार जो मेडिकल इंस्टीट्यूट का काम करती है उनको अपने यहां भर्ती करके बड़ी-बड़ी दवाएं खिलायेगी, ताकतवर बनायेगी, शक्तिशाली बनायेगी और जब यह कंपनी शक्तिशाली बन जायेगी, कमाने लग जायेगी, मुनाफा कमाने लग जायेगी तब सरकार उनमें कहेगी तुम इसे ले लो, तुम इसे लेकर खुद चलाओ। यह दृष्टिकोण अच्छा नहीं लगता। जब तक ये लोग मालिक बने रहते हैं तब तक वित्तीय संस्थाओं से पैसा लेते रहेंगे और उसमें से लाभ कमाते रहेंगे, मुनाफा

[श्री हुक्मदेव नारायण यादव]

कमाते रहेंगे लेकिन कागज में दिखाने हैं यह घाटा हुआ है। घाटा कैसे हो जाता है यह पता नहीं लगता। घाटा इसलिए हो जाता है कि उसमें से पैसा निकाल कर कहीं अन्यत्र दूसरे रोजगार में लगा देते हैं। अपने तमाम रिश्तेदारों को उस कम्पनी में डायरेक्टर, मैनेजर और दूसरे बड़े-बड़े पदों पर बैठते हैं। उनके ऊपर बेशुमार पैसा खर्च करते हैं। उनके ठाठबाट पर शान-शौकत, ऐश आराम पर जितना पैसा खर्च किया जा सकता है वह सब पैसा खर्च करने हैं, उन पर लुटाते हैं। ये पूंजीपति लोग जब पैसा लूट कर चले जाते हैं तब कहते हैं कम्पनी घाटे में चली गई। घाटे में कैसे चली गई? क्या कभी सरकार इस बात पर जांच करेगी कि ये जो उनके ऊपर खर्च करते हैं, उनके ठाठबाट पर खर्च करते हैं, शान-शौकत पर खर्च करते हैं, पांचसितारा होटलों में उनके आराम के लिये खर्च करते हैं, उनको शराब पर खर्च किया जाता है या अन्यत्र जो उनके शौक हैं उन पर खर्च किया जाता है...

(व्यवधान) आपको ज्यादा पता होगा कि वे किस प्रकार के शौक हैं, आप दुनिया भर में घूमे हैं, मैं तो गांव का रहने वाला हूं मैं क्या जानू कौन क्या-क्या शौक फर्माता है, कश्मीरी शौक क्या होता है, पंजाबी का शौक क्या होता है, आप ज्यादा जानते हैं, अन्यत्र जो शौक हैं उनके ऊपर जो हजारों, लाखों रुपये पानी की तरह बहाये जाते हैं इस पर सरकार कभी सोचती है? इस पर भी सरकार को सोचना चाहिये। एडवर्टीजमेंट निकाल देते हैं, उस पर काफी पैसा खर्च कर देते हैं और कहते हैं इतना खर्च हो गया। मेरा कहने का मतलब यह है कि सरकार को सामान्य रूप से एक नीति अपनानी चाहिये। यदि ऐसा होता है तो सरकार इस पर गहराई से सोचे। सरकार जब

किसी कम्पनी को अपने हाथ में ले लेती है तो सरकार का यह फर्ज है कि बड़े अफसर और छोटे कर्मचारियों के बारे में सोचे। बिरला कोई कम्पनी चलाता है और दूसरा कोई और कम्पनी चलाता है तो वह बड़े-बड़े अफसरों पर बहुत ज्यादा पैसा खर्च करता है लेकिन छोटे कर्मचारियों पर कोई ध्यान नहीं देता। सरकार जब इन कम्पनियों को अपने हाथ में ले तो यह देखे कि बड़े-बड़े अफसरों को जो सुख-सुविधा मिल रही है वही सुख सुविधा छोटे कर्मचारियों को जो उसमें काम कर रहे हैं मिले। बड़े-अफसरों और छोटे कर्मचारियों के बीच में जो आमदनी का रिश्ता है वह कम किया जाए। इनमें बहुत ज्यादा फर्क देखने को नहीं मिलना चाहिये। जिसमें हमें यह देखने को मिले कि सरकार द्वारा संचालित कम्पनियां जो हैं वह ज्यादा ममाजवाद की ओर बढ़ रही हैं। छोटे कारगर कम करने वाले मजदूर हैं उनको भी वही सुख सुविधा मिले, सरकार को इस पर गहराई से सोचना चाहिये। इन शब्दों के साथ मैं इस विधेयक का समर्थन तो करता हू कि नीयत अच्छी है लेकिन इसके बजाय सरकार के जरिये जो व्यवस्था की जाती है सरकारी कम्पनियां सार्वजनिक क्षेत्र में जो हैं, सरकार जब उनको अपने हाथ में लेती है तो यह आम धारणा बनती जा रही है कि सरकार छुआ कि मुआँ। सरकार ने किसी कम्पनी को छुआ कि वह बीमार हो गई, घाटे में चली गई। कितनी ही कम्पनियों को आपने हाथ में लिया लेकिन फिर भी कोई मुनाफा नहीं हुआ। सरकार इन कम्पनियों को छूती है और वे खत्म हो जाती हैं। अब आप कड़ाई करने जा रहे हैं तो यह अच्छी बात है। मैं मंत्री जी से यह निवेदन करूंगा कि बेशक आपने इसमें विलम्ब किया है और विलम्ब के बाद भी अगर आप इनको

ठीक प्रकार चलाते हैं तो ठीक है अन्यथा सरकार के अपने हाथ में लेने से भी कोई फायदा नहीं होगा। आपको कुछ कड़ाई करनी चाहिए। आप इनके प्रशासन में कुछ परिवर्तन लाइये। अपने हाथ में लेने के बाद इन कम्पनियों में कुछ समाजवादी दृष्टिकोण लाइये। आप कहते हैं कि हमारा दृष्टिकोण सोशलिस्टिक पैटर्न आफ मोसायटी है, हमारा दृष्टिकोण समाजवादी है तो आपको इन कम्पनियों की व्यवस्था में कुछ सुधार करना चाहिए। बाकी अन्य माननीय सदस्यों ने काफी विस्तार से आपको सुझाव दिये हैं। आप उन सुझावों पर गौर करें, सरकार उन सुझावों पर विचार करें और आगे की कार्यवाही करें। इन शब्दों के साथ मैं इस शुभ विधेयक का समर्थन करता हूँ।

SHRI B. SATYANARAYAN REDDY (Andhra Pradesh): Mr. Vice-Chairman, Sir, though the scope of this Bill, Moghul Line Limited (Acquisition) of Shares Bill, 1984 is very limited in scope at the same time, I would like to express some of my views at this juncture. I would like to know from the hon. Minister, when this Moghul Line Limited was incurring loss, why there was a lapse on the part of the Government to come forward with this legislation so late.

Sir, it has been stated that the Government owns 99.35 per cent of the shares of the Moghul Line Limited, and the balance 0.35 per cent, that is, 6,707 shares, is held by private individuals/institutions both Indian and foreign. I do not know why the Government has taken so much time, when they knew very well that they could have very easily brought this under their management. It has also been stated that the total value of these 6,707 shares is Rs. 6,70,700 at a face value of Rs. 100 per share.

Now, this Bill has been brought forward and it is very good and I welcome it as it is in the interest of the nation. In this connection, I would also like to suggest that all such private shipping should be nationalised and legislations should be brought forward to that effect.

I would also like to point out here that the major ports in our country like Bombay, Calcutta and Madras are busy, overloaded and congested. At the same time, there are some minor ports. Though you may say that this comes within the jurisdiction of the States, it is the duty of the Government of India to see that all ports are equally developed. There has been a demand that the Visakhapatnam Port should be made into a free trade zone. I know that this does not concern you. This concerns the Commerce Ministry. We have been representing to the Commerce Ministry. The hon. Minister happens to come from Andhra Pradesh and he knows the problems of the State. The State Government had been repeatedly requesting the Government of India that the Visakhapatnam port should be made into a free trade zone. There is also a demand that the minor port at Kakinada should be developed into a major port. As I said earlier, the major ports in India are congested and busy. And there is no possibility of expanding these major ports. Therefore, there is need for developing minor ports. I mention Kakinada as an example. The State Government and the people of that area have been demanding that the Kakinada Port should be developed into a major port. The Government should examine the possibility and they should take effective measures to see that such ports are developed into major ports. This is especially important in view of the fact that India has got a long coastline. The development of such minor ports, as Kakinada, into major ports should be considered.

[Shri B. Satyanarayan Reddy]

Here, I would also like to say something about the Andaman and Nicobar Islands and the Lakshwadeep Islands. I had been to these islands twice. I have seen some of the islands myself. The main complaint of that area is that there are no facilities for the passengers. Once in a fortnight, one ship goes from Calcutta to Port Blair or some other port and also from Madras to Andamans. I would request the Minister to see that people of those places which are far off from the mainland get all facilities, both in respect of passengers and cargo. They should not suffer. They have been sending repeated requests—even I have received a representation from them—that they are not getting proper cargo facilities from Calcutta to Andamans, or from Madras port. They want that they should be allowed to take cargo some things from Visakhapatnam port. So these things should be kept in mind and the difficulties of people who are living in these islands should be considered.

At the same time, I would like to draw the attention of the Minister to one thing more. Of course the Government has decided to merge the Moghul Line Limited into the Shipping Corporation of India. That is good and I have welcomed it. But at the same time I would like to say, as Mr. Hukmdeo Narayan Yadav has said in his speech, that whenever Government touches anything, it goes into loss. Already it has suffered a loss. That is why you are taking it over. It is a welcome step. But you must see to it and take all measures that this should not again go into a loss.

With these words, I support this Bill.

श्री प्यारेलाल खंडेलवाल (मध्य प्रदेश) :  
उपसभाध्यक्ष जी यह जो विधेयक आया है, यह बहुत साधारण संशोधन के लिए है क्योंकि व्यवहार से पूरी की पूरी

कम्पनी सरकार के हाथ में थी। लेकिन मुगल नैवीगेशन के केवल 0.35 प्रतिशत शेयर्स ही सरकार के पास नहीं थे निजी लोगों के पास थे, वही सरकार ग्रहण करने जा रही है। इतना छोटा मामला था लेकिन इस में बहुत अधिक और लम्बा समय सरकार ने लगाया। महोदय, सरकार जो काम करनी है वह आधे मन से करती है। यह 20-25 वर्ष पहले का मामला था, इसलिए इसको इतने लम्बे समय तक क्यों टाला गया यह बात समझ में नहीं आती। लेकिन अब यह नहीं होगा कि निजी लोगों के हाथ में 0.35 प्रतिशत शेयर रह गए हैं। अब सरकार की पूरी जिम्मेदारी है। मुगल लाइन के जितने जहाज हैं उन जहाजों के प्रबन्ध को सुप्रबन्धित करने के लिए सरकार के ऊपर पूरी जिम्मेदारी आई है। वैसे यह बहुत पुरानी कम्पनी है और बम्बई परशियन नैवीगेशन के नाम से यह सौ साल पहले से चल रही थी। इसका हज यात्रियों को जदा तक पहुंचाने का काम था। लेकिन इस में परिवर्तन हुए और अंत में सरकार इसमें आ गई और सरकार ने लगभग सारे शेयर्स अधिग्रहण कर लिए। अब प्रश्न यह है कि शिपिंग का जो मामला है, नैवीगेशन का जो मामला है, जहाजरानी का जो मामला है यह एक बहुत बड़े उद्योग के रूप में दुनिया में स्थापित हो गया है। लेकिन दुर्भाग्य की बात यह है कि आज भी हम हिन्दुस्तान में इस मामले में आत्मनिर्भर नहीं हैं। भारत सरकार जो चीज बाहर से मंगाती है या जो चीजें देश से बाहर भेजती है, चाहे कोई भी चीज हो, उस के लिए अभी भी हमारे पास पर्याप्त जहाज नहीं हैं। हमें विदेशी जहाजों पर निर्भर रहना पड़ता है। विदेशों से सामान लाना हो तो विदेशी जहाज और यहाँ से सामान बाहर भेजना

तो विदेशी जहाज चाहिए। इसका परिणाम यह होता है कि हमारा बहुत अधिक फोरन एक्सचेंज इसमें चला जाता है। सरकार को इस बात पर ध्यान देना चाहिए और जहाजों की संख्या बढ़ानी चाहिए ताकि हम अपना अयात और अपने जहाजों से कर सकें और हमारा फोरन एक्सचेंज इस से बच सके।

दूसरी बात जो महत्वपूर्ण है जहाज यात्रियों के लिए, एक सस्ता साधन है। लेकिन यह शिकायत बराबर बनी हुई है कि भारतीय जहाजों में जो निम्न श्रेणियां होती हैं, एकानामिकल क्लास जो होती हैं उसमें यात्रियों को जो सुविधाएं मिलनी चाहिए वे सुविधाएं नहीं मिलती हैं। उपसभाध्यक्ष जी, हम आश्वासन समिति के बारे में अंडमान और निकोबार गए। वहां के सब लोगों का यह कहना था कि यहां पर अधिकांश कर्मचारी हैं।

वह यात्री जहाज से आते-जाते हैं। समय पर जहाज नहीं मिलते, यदि मिलते हैं तो उसमें सुविधाएं ठीक नहीं हैं, व्यवस्था ठीक नहीं है, सीट ठीक नहीं है, अन्य प्रकार की अन्दर जो सुविधाएं हैं वे भी अच्छी नहीं हैं, खाने-पीने की सुविधाएं अच्छी नहीं हैं। दूसरी बात यह है कि जो जहाज भारतीय महासागर के द्वीपों में अंडमान एवं निकोबार द्वीपों में सामान ले जाते हैं यह मद्रास या कलकत्ता से चलते हैं यह सब भारतीय जहाज ले जाते हैं और इसमें विलम्ब होता है। जिसका परिणाम यह होता है कि जो मुख्य भूमि से सैकड़ों हजारों मील दूर जा कर लोग काम करते हैं उनको सामान मंहगा मिलता है। कई बार सब्जी 15-16 रुपये किलो में नहीं मिलती है। दूसरा खाने का सामान नहीं मिलता है। कई बार चर्चा होती है कहा जाता कि जहाज नहीं था। क्या सरकार यह

तय नहीं कर सकता कि वह जो छोटे छोटे जहाज हैं जो हमारे हिन्द महासागर के द्वीपों में आ-जा सकते हैं और सामान आदि ले जाने का काम करते हैं उन जहाजों का निमाण करें ताकि हमारे नागरिकों को सामान ठीक समय पर पहुंच सके और यात्रियों को वे ले जा सके। इसी प्रकार किराये की दृष्टि से मैं यह कहना चाहता हूं कि अंडमान निकोबार द्वीप समूह के नागरिकों को शिकायत है क्योंकि वहां क ज्यादा कर्मचारी आते-जाते रहते हैं इन जहाजों का किराया कम किया जाना चाहिये। यदि किराया कम नहीं किया जा सकता तो सरकार उनके लिए कोई व्यवस्था करे उनको राहत दे जिसमें उनका आना जाना सस्ता हो, सुलभ हो क्योंकि हजारों मील दूर जा कर के वे भारत के द्वीप समूह में भारत की सेवा कर रहे हैं और व्यवस्था बनाए हुए है इसलिए उनको सुविधाएं मिलनी चाहिये। कर्मचारियों का जहां तक सम्बद्ध है माननीय सदस्यो ने कहा कि कर्मचारियों की सुख-सुविधाओं-वेतन-भत्ते आदि अच्छे मिलने चाहिये क्योंकि वे महीनों अपने घर से दूर रहते हैं और समुद्र ही उनका एक प्रकार से घर है जहाज के अन्दर रहते हैं महीनों मुख्य भूमि से दूर रहते हैं उनको भारत में बाहर भी जाना पड़ता है उनको अपने बच्चों की देखभाल की चिन्ता न रहे पालन-पोषण की चिन्ता न रहे शिक्षा की चिन्ता न रहे, दवा की चिन्ता न रहे इसलिए इस बात की सरकार चिन्ता करे। दूसरी कम्पनियों में जो अच्छी सुविधाएं मिलती हैं वैसे सुविधाएं उनको भी मिलनी चाहिये इसी प्रकार हमारे जहाज अच्छे हों। अच्छी संख्या में हों, अच्छी सुविधाएं हों यात्रियों को आने जाने में सुविधा होगी यात्रियों की संख्या भी बढ़ेगी इसका लाभ सरकार को जरूर होगा। अन्त में एक बा

[श्री पारेलान खंडेनवाल]

कह कर अपनी बात समाप्त करूंगा। यह जो जहाज है यह बहुत पुराने हो गया है। इनका नवोकरण आधुनिकीकरण होना चाहिये, जिन जहाज कंपनियों के बारे में अभी गिनायत है सरकार उनको देखे ऐसा न हो कि वह कुछ समय के बाद इन घाटे में चले जाएँ कि सरकार फिर उनको अपने कब्जे में लेने की कोशिश करे, राष्ट्रीयकरण करे। इसलिए जो प्राइवेट कंपनियाँ हैं उनका प्रबन्ध ठीक रहे यह जरूरी है और सरकार इसको देखे और उसका जो मुनाफा है उसको इतर-उधर न ले जाए। इसलिए इस बारे में सरकार को चिंता करनी चाहिए। यह कह कर मैं समाप्त करता हूँ कि सरकार ने अब इसका राष्ट्रीयकरण कर लिया है इसमें अब अगर कुप्रबन्ध हुआ, यात्रियों को असुविधा हुई तो यह जवाबदारी सरकार की होगी क्योंकि 100 प्रतिशत शेयर अब सरकार के अधिकार में है। इन शब्दों के साथ मैं अपनी बात समाप्त करता हूँ।

SHRI S. W. DHABE (Maharashtra): Mr. Vice-Chairman, Sir, this Bill is very limited in its scope. It intends to acquire 0.35 per cent of the total shares of the company held by private individuals—99.65 per cent of the shares are held by the Government at present. Therefore, this Bill is brought to make it completely owned by the Government. This company has been described in the Annual Report of the Shipping and Transport Ministry, 1983-84 at page 13. The Mogul Line Limited has an authorised capital of Rs. 25 crores and paid-up capital of Rs. 19.01 crores. The Government holds 99.6 per cent of shares, and the balance 0.4 per cent (6,762 shares) are held by private individuals and institutions here and abroad. I find from the

statement here, contained in the aims and objects of the Bill, that there are 6,707 shares in the hands of private individuals, as 0.4 per cent shares of the private individuals. Therefore, you are not acquiring 0.4 per cent shares which still remain in the hands of private individuals. Here you have stated 6,707 shares, while in the Report of the Ministry, at page 13, you say 6,762 shares. I would like to know from the Minister whether the statement contained in the aims and objects is totally wrong or the statement contained in the Annual Report of the Ministry at page 13 is wrong. Otherwise, it means—if both the statements are correct—you are not acquiring full shares of the private individuals and still 0.4 per cent shares remain with the private individuals. I would like the hon. Minister to clarify the position.

Further it is stated that the total revenue of the company during the 1982-83 amounted to Rs. 3287.37 lakhs. The loss sustained by the company before charging interest amounted to Rs. 1398.59 lakhs as against gross profit of Rs. 485.64 lakhs in the previous year. After deducting interest charge of Rs. 502.81 lakhs, the net loss during the year 1982-83 worked out to Rs. 1901.40 lakhs as against profit of Rs. 36.73 lakhs in the previous year. How could the loss be so mounting as Rs. 1901.40 lakhs in 1982-83, when in 1981-82 there was a profit of Rs. 36.73 lakhs? That means there is something wrong definitely with the management.

It is also stated in the Report that the Company operates services for the carriage of passengers on the Indian Coast, pilgrims to Jeddah and cargo on the Indian Coast as well as to foreign countries. The Company owns 19 ships. Therefore, it is not only a passenger service but also a cargo service. I would like to request the Minister that when the Ministry is taking over this company with nationalisation, there is a great responsibility on the Ministry to see that

there is effective service, that both the cargo service and the passenger service are improved. The passenger service is very important from the Bombay Port not only to Goa, Ratnagiri and other minor ports but also to Saurashtra, as my friend has said, and therefore I take this opportunity to request the Minister to take immediate steps to improve the services so that it becomes profitable. It is really surprising to find that the loss in one year was so colossal. The reasons given is that it is due to recession. That is the general observation in the Report.

The second question which I want to put to the Minister is about ad hoc employment. Ad hoc employment is a great slur on the employment policy of the Government. You want to run the Shipping Corporation of India as a prestigious industry. In this industry there should be no ad hoc employment. Even if here is ad hoc employment in the Moghul Lines Limited, I take this opportunity to request you to see that it is regularised. Without regular employment, without job security, services will not improve.

Two other points I want to suggest. Coming from Maharashtra, I find that at page 4 of the Report there is a mention of the Nhava Sheva Port. This Port is very essential for removing the congestion at the Bombay Port. The work on this project has to go on for a long time. Two months back there was an agitation by the peasants in Maharashtra to get a reasonable price for their lands at which have been acquired, and the settlement has now taken place. I would like to know from the Ministry whether the lands have been fully acquired and when the work is going to be started. The project was, in fact, started about a few years back. And I find from the Report of the Ministry that the estimated cost of the Nhava Sheva Port having three container berths, two bulk cargo berths and one service berth, with a total length of 1392 metres, has been sanctioned in

September, 1983 at an estimated cost of Rs. 506 crores. I would therefore like to know from the Minister whether it is going to be completed, whether a time-bound programme has been chalked out by the Ministry, because the completion date is 31.12.87. We are in 1984. Four years have already passed since the Nhava Sheva Project was contemplated. I would, therefore, like to know, this. This is a very important project in my State. And to remove congestion in the Bombay Port, this project is very essential.

Lastly, Sir, I want to know this from the Minister. I do not find anywhere in the Report the ships lost due to the Iran-Iraq War. A reply was given on the 4th day of May, 1984 to unstarred question No. 823 by myself, Shri Vishvajit Prithvijit Singh and Shri Suresh Kalmadi. The question was about the number of Indian ships lost or destroyed during the Iran-Iraq War. The number is very big. It has been stated in reply to part (a) that due to the Iran-Iraq War eight ships had been heldup, damaged or destroyed and the sailing vessels destroyed held up or damaged were about 25. And one of the ships mentioned at b(6) is the "M.V. ARCH-ANA" of the Shipping Corporation of India. I would like to know from the Ministry why this is nowhere mentioned in the Report for 1983-84, how many ships we have lost in the Shipping Corporation of India apart from those of private companies. What steps are we taking even now for protection of the ships or vessels which are being used by the Shipping Corporation of India. War is going on there and in Lebanon and other places. Our ships should not be affected.

With this, I support the Bill.

THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI): Now reply by hon Minister of Shipping and Transport



SHRI K. VIJAYA BHASKARA REDDY: Sir, I must thank the hon. Members who took part in the debate. They have all supported this measure. As the hon. Members have said, it is just a formality that we should fulfill before it is merged with the Shipping Corporation of India. It has been decided to merge with the Shipping Corporation because the Mogul Line Ltd. has been incurring losses for the last several years. There were nominal profits in 1980-81 and 1981-82. That was only nominal. We tried to improve it without getting it merged. But it is not possible. First of all, in 1977 the Cabinet Sub-Committee suggested that it was better that we should merge it with the Shipping Corporation of India. Later on, under the chairmanship of the present Member of the Planning Commission, Mr. Md. Fazal, an expert committee was appointed. That committee went into details, and in 1980 it suggested that it should be merged. When we started the process of merging, it was felt by the legal experts that these small number of shares over 6707, owned by 120 individuals or companies, should be acquired. Sir, we tried to go to those individuals and tried to purchase these shares but it was not possible and so the legislation had to be enacted.

SHRI S. W. DHABE. But the number is different. It is given as 6762.

SHRI K. VIJAYA BHASKARA REDDY: I heard you. They are about 0.4 per cent shares. According to the latest figures, there may be some lacuna but this can be rectified later on. The number of shares is 6707. The discrepancy in the figures between 6762 and 6707 is due to purchase of some of these shares through negotiations by the Mogul Line Limited. All the remaining shares 6707 are now being acquired. The individual shareholders the country was again divided into linguistic States. In a State like Andhra Pradesh, the Chairman also

Sir, as I have mentioned earlier, the present position of Mogul Line Ltd is that it has incurred heavy losses for several years and its net work is about minus Rs. 20 crores. It has to be merged so that it can be improved. The Shipping Corporation of India is one of our prestigious lines. We have built up this line after independence and merging of Mogul Line with Shipping Corporation perhaps will improve the shipping needs of the nation. Mogul line has been performing some of the important functions till now such as Haj Service, Konkani Service, Coastal cargo service, Bombay-Red Sea Cargo service and the overseas tramp service. We hope that after the merger of Mogul Line with Shipping Corporation we will be able to cater to the needs of the country.

Sir, before this, a high powered committee was appointed to go into the future functioning of the Shipping Corporation and also the merger of the cadres of services. The Committee has discussed with various labour leaders and all concerned with it. They have also submitted to the Government a report as to how it should be merged. It was brought to my notice in the other House also by some of the labour leaders that the labour leaders were not consulted. I have assured in the other house that if the labour leaders were not consulted, at this stage also we will consult them.

We will not do anything without taking into consideration the opinion of the labour leaders. The latest report is that the labour leaders and the management have come to a decision about the merger and there should not be any difficulty. If any difficulty arises it can be solved. After all, Sir, when the country was partitioned we had to solve the problem of the services and later on also the country was again divided into linguistic States. In a State like Andhra Pradesh, the Chairman also

knows that 4 to 5 States services had to be merged.

SHRI B. SATYANARAYAN REDDY: Formation of the States. SHRI K. VIJAYA BHASKARA REDDY: Yes, when the State was formed with people coming from different States you know how many types of services had to be merged all over the country. This problem was solved. After we are merging two similar shipping companies the problem should not be so difficult. It will be solved to the satisfaction of everybody. After all, Mogul Line is a small concern and the Shipping Corporation is one of the biggest lines in the world and the employment opportunities of the Mogul Lines will certainly improve after merger. We hope that performance of the company will also improve not only on the workers' side but on the management side also. We have thoroughly gone deep into the matter. We have studied the whole issue. The amalgamated company will have three profit centres, viz., the liner service, the bulk carriers, tanker service and coastal and passenger services, each headed by Joint Managing Director and 3 service divisions, viz., finance, technical service and personnel and administration, each headed by an Executive Director. The proposed merger would enable better management of the public sector tonnage by avoiding overlapping, development of uniform specifications, improvement in the 5 P.M. quality of service and reorganisation of the managerial set up. We have already gone into the matter and we have already taken some steps. Once this formality is over, we will be able to put through all these things so that we can improve the Shipping Corporation and make it a profitable undertaking in future.

We tried to get at the shareholders. We were not able to get at them. The share value today is negligible; nobody buys that in the market. That is why we have fixed a nominal rate of ten rupees. We will try to acquire it. It is not going to cost the Government

anything except payment of a small sum.

The future of the shipping industry is a big problem. Taking this opportunity, hon. Members have mentioned a number of things about the shipping industry. One fact that has to be borne in mind is the recession that the shipping industry as a whole is passing through in the country, and not only in the country, but in the whole world. It is one of the worst recessions ever known in history, recession for 6 years in the last 8 years. Perhaps it has never occurred before. This recession, this vicious circle is a thing which they have to live with—two years of recession and four good years. But it is very unfortunate that out of eight years, there was recession for six years. A number of houses which were in the business for centuries have laid off. And I must say that the shipping industry in India has faced it boldly. Only now, after five or six years, some of the companies like Scindias which are historically, emotionally, connected with the shipping industry in the country, are really in a lot of difficulties. Even in this difficulty, the Government is trying to help them. We have announced last year a moratorium on loans and interest, rescheduling of loans and interest and also about the debt equity ratio and all that. We are considering to do something this year and next year.

Taking advantage of this, we will have to modernise the fleet. We have not till now concentrated on the containerisation. The future of the shipping industry is going to be mainly dependent on containerisation. We are modernising our ports. All the major ports in the country are being modernised to tackle the containerisation of the future. The shipping companies also must take this opportunity to build up vessels of the container type and not the old vessels which they have now. This is a very important thing if we have to survive the competition that is there in the world. Even last year our performance has improv-

[Shri K. Vijaya Bhaskara Reddy]

ed. Our shipping industry has carried about 40 per cent—I do not have the exact figures now. But last year's performance was good. But all the same, there is undercutting by the foreign lines which go this way. When they go back, leaving the goods in our country, they undercut the rates, and that has affected our shipping industry. For this, we have been trying, as Dr. Shanti Patel said, for the UN code which will ensure that 40 per cent of the import and export will be in our bottoms. We are going to come before Parliament very soon—perhaps in the next session it will come—and we are going to adopt it. If we adopt that, we will be entitled for 40 per cent of the goods to be carried. The Government is also very serious about it and we will come before the House as early as possible.

Sir, hon. Members have mentioned that there are no repair facilities. Recently, hon. Members will be aware, in Bombay Escorts have got a dry dock and in Madras also very soon somebody is going to have a dry dock. In future also, the Government will encourage setting up of repair facilities. If anybody comes forward, we are prepared to encourage. The present passenger facilities are not satisfactory because most of our ships are outdated and old and the condition of MLL which is handling them is very difficult and naturally it is very difficult to replace them. Once it is merged, then we can think of placing orders for good ships so that better passenger facilities can be provided. For Haj service there is only one ship which is good. The other ship, Noorjahan, is going to be scrapped. Akbar is the only ship available. But even in Akbar people are complaining that the facilities are not modern. As I said, once merger takes place, we can think of providing better amenities. As regards Andamans and Laccadives we have very little to do with them. We only give technical service and personnel to operate the ships. The ships are to be purchased by the Andaman Nicobar

Administration. It is the Home Ministry that has to do it. Even then, the honourable Member from Lok Sabha was saying that it has to be improved. I have been trying to sit together and sort out all these things instead of depending on correspondence. Very soon I will be visiting Andamans. I shall ask the Shipping Corporation of India managers also to be there. All of us can sit together and decide what can be done. One of the ships there is also in a very bad shape. It needs to be replaced. From the time we place orders, the delivery will take two years or three years if they are to be built in foreign yards. We shall take a final decision and place orders at the earliest.

Dr. Shanti Patel mentioned about the bunching of cement ships last year. It is not the defect of TRANSCHART. Unfortunately, as per the agreement the entire cement had to be delivered before March naturally all the ships came before March and there was a slight bunching. But that was also sorted out in a week. It is not the defect of TRANSCHART. It is the end of the agreement. So naturally everybody rushed to get the ships and that is why it happened so. I have said that the UN Code is going to be adopted and I am coming before the House.

As regards the seafarers' problem, it is a serious problem. There are nearly 7000 in Bombay and 6000 in Calcutta who are jobless. It is a fact. I had a meeting with all the concerned labour leaders and I am trying to sort out whether any redistribution is possible in the jobs available to the people on the roster. But because of this unemployment we have stopped further training in V'sakhapatnam, Bombay and other places till this unemployment problem is cleared. Bombay is slightly

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better compared to Calcutta. Calcutta is not good. The foreign shipowners normally are preferring Bombay people to Calcutta people. Then we have also a problem with the Andaman service in Calcutta because of some agreement which they have reached and the Shipping Corporation has gone to the court and got a stay. Legally they are entitled to go to the court and get a stay. We just cannot ask them not to use the facility which is available. And that should not irk the labour. They must have patience to wait for the judgment of the court. This has also been brought to my notice. And I have told the labour leaders that I will look into it. Then, the honourable Mr. Satyanarayan Reddy said that there is no possibility of expending major ports or developing new ports. It is not a correct statement . . .

**SHRI B. SATYANARAYAN REDDY:** I said minor ports like Kakinada. . .

**SHRI K. VIJAYA BHASKARA REDDY:** All the major ports were expanding. We are expanding and we are modernising them. One Hon'ble Member said that in Madras it takes from 8 to 10 days to unload vessels. *This is not correct. The Madras Container Handling Station which was inaugurated a few months back is one of the most modern in the world. Because of that Madras is going to attract lot of big ships of the size of even 1,50,000 DWT. The draft position has also improved.*

Bombay needs another port because that is the heart of trade in our country. And it is the closest to Suez Canal.

We are trying to improve and modernise all the major ports and we are thinking of improving other ports also. Everything depends on the resources we have. Seventh Plan is being formulated and Working Groups have been set up.

Let us see what we can do to Kakinada. If you look at the performance of Kakinada it is about 40 per cent of Vizag. This fact is very much in my mind. It is difficult to ignore such a beautiful harbour. But I cannot give any assurance because it depends on the resources position.

**SHRI PARVATHANENI UPENDRA (Andhra Pradesh):** Only Rs. 52 crores are required.

**SHRI K. VIJAYA BHASKARA REDDY:** We have to look at things in the national perspective.

**SHRI S. W. DHABE:** What about Nhava Sheva port?

**SHRI K. VIJAYA BHASKARA REDDY:** I have mentioned in the report that it will be over in 1987. You are perhaps aware that the sanction came only in 1983. Already we have called for tenders. Very soon the work will start and it is a time-bound programme and we will stick to the schedule that we have announced. There is, therefore, going to be no delay.

Sir, this is only a small amendment. But since Hon'ble Members have made many points, I have answered them. I am grateful to them for giving so many suggestions. I appeal to the House to pass the Bill.

**THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI):** The question is:

**"That the Bill to provide, in the public interest, for the acquisition of certain shares of the Mogul Line Limited in order to serve better the shipping needs of the nation and for matters connected therewith or incidental thereto, as passed by the Lok Sabha, be taken into consideration."**

*The motion was adopted.*

THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI): Now we will take up clause by clause consideration of the Bill.

*Clause 2 to 8 were added to the Bill.*

*Clause 1 the Enacting Formula, and the Title were added to the Bill.*

SHRI K. VIJAYA BHASKARA REDDY: Sir, I move:

"That the Bill be passed"

The question was adopted.

# **I. THE UNION DUTIES OF EXCISE (DISTRIBUTION) AMENDMENT BILL, 1984**

## **II THE ADDITIONAL DUTIES OF EXCISE (GOODS OF SPECIAL IMPORTANCE) AMENDMENT BILL, 1984.**

## **III. THE UNION DUTIES OF EXCISE (ELECTRICITY) DISTRIBUTION (AMENDMENT) BILL, 1984.**

## **IV. THE ESTATE DUTY (DISTRIBUTION) AMENDMENT BILL, 1984.**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. M. KRISHNA): Sir, I move:

"That the Bill to amend the Union Duties of Excise (Distribution) Act, 1979, as passed by the Lok Sabha, be taken into consideration."

Sir, I also move:

"That the Bill further to amend the Additional Duties of Excise (Goods of Special Importance) Act, 1957 as passed by the Lok Sabha, be taken into consideration."

Sir, I also move:

"That the Bill to amend to Union Duties of Excise (Electricity) Distribution Act, 1930, as passed by the Lok Sabha, be taken into consideration."

Sir, I also move:

"That the Bill to amend the Estate Duty (Distribution) Act, 1962, as passed by the Lok Sabha, be taken into consideration."

Sir, the honourable Members are aware that the Finance Commission is required to make recommendations to the President under article 280 of the Constitution in regard to taxes and duties which are to be shared with the States and the *inter se* distribution among the States of the share of the States.

The four Bills which I have moved today arise out of the recommendations of the Eighth Finance Commission made in its interim Report for the year 1984-85. The Report, alongwith the Memorandum on action taken thereon was laid on the Table of the House on the 9th December 1983, as required under article 281 of the Constitution. In its interim Report, the Eighth Finance Commission has *inter alia* recommended that the existing arrangements in regard to distribution of the Union Excise Duties and Estate Duties on property other than agricultural lands may be continued in 1984-85 subject to such modifications as may be required in the final Report.

The final Report of the Commission was submitted to the President on the 30th April 1984 and it will take some time to process the recommendations in that Report and lay it on the Table of the House alongwith the Memorandum on action taken thereon. This will be possible only in the next session of Parliament. In the meantime, the first instalment for the current year of the share of States in the Union Excise Duties is to be paid in the month of May. Hence the need for these legislation. At this stage Sir, I do not wish to dwell at length on these Bills as no new principles are being introduced and the objective is only to continue the existing arrangement pending decisions on the recom-