

I rise to announce that the Government Business in this House during the week commencing 8th December, 1980 will consist of:

1. Consideration and passing of the Monopolies and Restrictive Trade Practices (Amendment) Bill, 1980, as passed by Lok Sabha.

2. Discussion on the Resolution seeking disapproval of the Auroville (Emergency Provisions) Ordinance, 1980, and consideration and passing of the Auroville (Emergency Provisions) Bill, 1980, as passed by Lok Sabha.

3. Consideration and passing of the following Bills as passed by Lok Sabha:—

(a) The Public Premises (Eviction of Unauthorised Occupants) Amendment Bill, 1980.

(b) The Jute Companies (Nationalisation) Bill, 1980.

4. Discussion on the Resolution seeking disapproval of the Forest (Conservation) Ordinance, 1980 and consideration and passing of the Forest (Conservation) Bill, 1980, as passed by Lok Sabha.

5. Consideration and passing of the Sales Promotion Employees (Conditions of Service) Amendment Bill, 1979.

6. Discussion on the Resolution seeking disapproval of the Code of Criminal Procedure (Amendment) Ordinance, 1980 and consideration and passing of the Code of Criminal Procedure (Amendment) Bill, 1980, as passed by Lok Sabha.

श्री उन्नतनाथि : सदन की कार्यवाही  
डाइवर्ज तक के लिए स्थगित की जाती है।

The House then adjourned for lunch at nine minutes past one of the clock.

The House re-assembled after lunch at thirty-three minutes past two of the clock. The Vice-Chairman (Shri Arvind Gaiesh Kulkarni) in the Chair.

**RESOLUTION RE. DEMAND TO  
PLACE A WHITE PAPER ON THE  
PRESENT STATE OF AFFAIRS  
GIVING TOTAL PICTURE OF THE  
PUBLIC INVESTMENT IN THE  
PUBLIC ENTERPRISES—Contd.**

SHRI P. RAMAMURTI (Tamil Nadu):  
Mr. Vice-Chairman, Sir, on the last occasion I had just begun to speak on the resolution moved by my friend, Mr. V. B. Raju, and I had not even completed my first sentence when we rose for the day. Therefore, Sir, practically I am speaking from the very beginning now.

Sir, we are now dealing with the entire public sector industries whether they are run by the State Governments or the Central Government or the municipalities or the semi-governmental corporations—that is what he, the mover of the Resolution wanted, if I remember right. Maybe that we do not have the figures with regard to the investments by the State Governments and by the semi-governmental organisations but we have the figures of the investments in the public sector which have been made by the Central Government. The State Governments' investments in these public sectors are few comparatively. And we are very much concerned with the state of affairs in the public sector undertakings. Everybody knows that the public sector today has incurred a huge loss. It was supposed to generate money which instead of going into private parties' hands, would help further development of our economy. When the public sector started in the Second Five Year Plan, it was proclaimed that this public sector undertaking would be the foundation for a socialistic economy in this country. All these grandiose objectives were stated at that time. But we—at that time we were also in Parliament—at that time totally differed. We said, no, this is a deception of the people of this country. After all, it may be a public sector which may be owned by the Government. But who decides whether it is in the interest of the people

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Or otherwise? Who owns the Government? Who decides? Who runs the Government? It is the big business houses in the country that run the Government. The Government is not the Government of the common people; it is not the Government of the working class; it is not the Government of the poor peasants; it is the Government whose policies are mainly attuned to the needs of the big business houses—the monopolists and their collaborators, the multinationals. This is the reality of the situation. Therefore who owns the State, will also own the public sector. The public sector milieu will be the milieu of the big businessmen. This is what we stated.

New, Sir, what is the position today? After so many years, we find that your public sector undertakings are today incurring a loss. The public sector in this country is a den of the worst corruption I can ever imagine—corruption galore. It is not my finding alone. If I say that the Government of India might come and protest. Here I have got the report, the findings of the Direct Taxes Inquiry Committee, otherwise known as the Wanchoo Report. What do they say about the public sector undertakings? They point out that "the contractors, the unauthorised suppliers and agents and a host of racketeers take advantage of our public sector projects." Mark these words. This is the finding not of mine. If I say it, you will say that I am a Marxist and I belong to Marxist Communist Party and therefore, I am out to malign the Government. But this is the finding of the Wanchoo Committee given in its report which you have got for the last so many years. Then the report goes on to say; The objective of these contractors and all these people is "to discover the vista of secret operations, striking secret deals, obtaining cuts and commissions and pushing through black money operations." The public sector undertakings, today have been the abettors

of creating and augmenting black money—a parallel economy—that is running riot in this country and that is today ruining the economy of this country. This is not my finding; this is what the Wanchoo Committee has said which is the reality.

Is anybody today prepared to put an end to this corruption. When we bring corruption charges, what happens? Take for example the coal industry today. I know that the coal industry is likely to have a very heavy loss this year. But in the conditions of energy crisis today the world over, coal should become the main energy source, as far as our country is concerned. Eighty per cent of our energy comes from coal. But what happened in the coal industry after it was nationalised. When it was going to be nationalised, somehow or other, the news that it was going to be nationalised spread the same day despite all the precautions that late Mr. M. Kumaramangalam took. He called the officers and shut them up in a room in Ranchi, at dead of night, at 12 O'clock, he told them. But despite that, next morning, when the nationalisation Ordinance was announced, at that time much of the machinery was taken away. This is what happened at that time. Anyway, that does not matter. But after that, what happened? After that, all these coal operators those coal mine-owners, were given contracts and they became contractors of the mines. Contract for taking coal by trucks to various places. Today, it is a well known fact that not even half the coal which is loaded at the pits in the lorries reaches the destinations. This is a well known fact. But well, nobody is prepared to abolish this contract system. For example, the West Bengal Government proposed to the Energy Ministry. They put a collector and asked him to note down the amount which has been loaded at the pit-heads and after they are put in dumps in Calcutta, another officer was put there to find out what is the total amount which has been there. I have got the figures and not

even half the loaded quantity reaches the destination. The names of the contractors, the bus numbers, the lorry numbers, everything has been noted. I cannot raise it. When I told our West Bengal Minister when I asked him 'Shall I raise it?', he said 'For Heaven's sake, do not raise it; the little which we are getting now, even that would disappear'. Despite our Civil Supplies Minister, saying this, I am raising this here. The West Bengal Government proposed 'You give us we will take it in our lorries and you hang us if this does not reach the destination'. The Minister is not prepared to hand it over to the West Bengal Government. Neither is the Minister prepared to take over the transportation of this coal in lorries to their destinations by the Coal Board itself and see that, this is properly done. There is vested interest everywhere. For example, nearly two thousand dumpers were bought two years ago. These were bought in order to have deepening of the mines. These two thousand dumpers were declared unfit. The whole work was given to the contractors and the dumpers were handed over, to them without cost, without charge, without rent and those people are working on this. The dumpers cannot work for the Coal India Limited. But these dumpers which were imported at our cost, at the cost of the country, are working for the private contractors. We brought it to the notice of the Government. Is the Government prepared to take any action against them? Have you taken action against any single person? Nothing is being done. When this is the state of affairs, it is not a case of something being rotten in the State of Denmark, but everything is rotten in the State of India. This is the position as far as public sector undertakings are concerned. I can give instance after instance.

How do these people function? You talk of public sector, democracy, industrial democracy, participative management and so on; all sorts of fine words you coin and you bandy them about. But what is happening

today? If a particular trade union brings to the notice of the management or the Government, concrete charges of corruption against the officers, against the concerned persons, against the management, has there been a proper enquiry into those instances? Was the trade union concerned taken into confidence? Was it asked to put forward the evidence? How many cases have been brought in regard to the BHEL for example, by the various trade unions? What has been the Industry Ministry doing about it? What have they been doing all these years, I would like to know? When some cases were sent to the Vigilance Commission and the Vigilance Commission found it to be correct, they were just put aside. Not against one, but complaints were there against so many directors. Then, take, for example, Hindustan Photo Films. CBI raid has taken place. You won't even suspend them. When our union-brought to the notice of the then Minister the subsequent Minister and the present Minister, concrete cases of corruption, which cannot be disproved, which we are prepared to prove to the hilt what do they do? They send two officers who are also members of the Board of Directors, to go and enquire into this. Natural these officers are interested in covering up the whole thing, I am only giving an instance. They are interested only in covering up the whole thing. Dr. Chanana goes there, to the HPF factory. He calls the officers and tells them 'Whatever you have got to say, say boldly'. Two officers including the second man in charge, after the Managing Director, give instances of malfunctioning in the organisation. Openly he speaks out. He talks of more silver being used by the Hindustan Photo Films in the preparation of films—8 per cent whereas, the world over the silver content used is 2 to 21 per cent. Where does it go? Did the Ministry of Industry wake up to find out why Hindustan Photo Films used 8 per cent silver whereas the silver content used the world over is only 2 per cent? They did nothing of the sort. On the other hand, when that man brought it to the

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notice of the concerned authorities, one month, when the Minister is not there, suddenly without giving any notice the Additional Secretary to the Government goes and dismisses him by giving two months' salary because he had spoken openly. The Managing Directors are the Moghuls, the Industry Secretary is the Moghul emperor and your Industry Ministers are colluding with this corruption in the public sector undertakings. This is what is happening in industry after industry. I can give you instances. Take the case of Heavy Engineering Works. When this factory was set up, it was agreed that they would be able to make machines, and we would not have to depend upon imports of machines. That is what they had agreed to, but the Heavy Engineering Corporation has not got orders of more than 25 per cent of its capacity. It has got orders only to the extent of 25 per cent of its capacity. Why, I want to know. Is it because you want to get every time "the most up-to-date technology?" In everything you want to get the most up-to-date technology. I can understand, for example, when we started industrialisation in this country, in an under-developed country, in a weak country whose industrialisation had been suppressed for nearly two centuries by the British, at that time when we went in for industrialisation, we had to go in for all sorts of collaboration, in order to get the technical knowhow from advanced countries. We had to pay the price. I do not mind paying the price. This is what the Soviet Union had done in the earlier days. This is what Japan had to do. I do not mind, I am prepared to pay ten times the price in order to get the technology in the beginning. But having got that technology, is it not our job to develop that technology further and further, make it up-to-date, use our technology, our engineers, our scientists, all these people, in order to create an R & D base for the purpose of our own research and development, for

\*the purpose of developing our own

industrialisation? Is it not our duty? And it was agreed to in the beginning on paper. Since independence the country has spent about Rs. 10,000 crores on research and development. What is the result? After spending such a huge amount on research and development, today we find that everytime when there is a new generation of technology somewhere in the world, you do not develop your own technology; on the other hand, you jump for it. Your attitude is that you must go in for collaboration after collaboration for every new generation. You have not created a new generation, on your own. What is your R&D doing? When this kind of continuous collaboration goes on in this country, when collaboration after collaboration is being indulged in by the public sector undertakings, what hope will the R&D personnel have in this country? (Time bell rings). I thought I will get at least half an hour.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): No, no.

SHRI P. RAMAMURTI: This is an important subject. People are also interested in this. Please allow me to speak.

Do they have anything to do? Your Scientists and technologists are not consulted. I can give instances after instances. I can go on for five hours, but you will not give me that much time. How many collaborations over the years, the R & D personnel, without consulting them, have the public sector undertakings entered into from foreign countries? I could stop a number of things. I am glad I could stop a number of things by bringing them to the notice of the public. For example, the R&D Department in BHEL recently developed by their own effort a 20 MW condenser. But even before it was developed, or about to be developed, the Board of Directors recommended

foreign collaboration. I had to bring it to the public and fight it out. Ultimately, I am glad, it has been stopped. And now do you know what do they say? We have developed it ourselves. Our R&D has developed it. Now they say, let your condensor be vetted by Siemens, with whom they proposed to enter into collaboration. Naturally means they will say that it is no good. This is the kind of people you have got here. Your R&D people, your scientists, your technologists cannot open their mouths. They are bound by, what you call, the Government Servants' Conduct Rules. Do you think science and technology can ever develop in this country? You are a party to the UNESCO Convention. India was a party to it. It has ratified it. It said that the scientists and technologists in every country must have complete freedom of exchange of information; they must be able to speak out and they cannot be bound down by these rules. This is a Convention to which the Government of India is committed. It has ratified that Convention. But after ratifying that Convention, what happens? The young scientists attached to our R & D in the public sector cannot speak out. If they speak, what is happening? With regard to the development of technology, with regard to collaboration, if they speak out, they are sent out.

Public sector, today, is being run as a racket by some of the bureaucratic officials. Some of our technicians, unfortunately, have also fallen a victim to this. They are bribed by foreign multi-nationals. They are bribed by multi-nationals. Their sons and nephews are employed there. Nephews and sons of Secretaries and all those people are employed in America or in West Germany and other countries. The result is these multi-nationals insist "you must get my collaboration". Yet you talk of self-reliance. Even with regard to tanks, I am ashamed to say this. You obtained the Centurion tanks immediately after Independence. But today you want to dispose of the Centurion tanks. Even your Vijayanta tank is 1401 RS—7.

outmoded. I am not bothered whether you go in for the Soviet Union or any other country to acquire the latest models of tank.

SHRI BHUPESH GUPTA (West Bengal): They are selling the spares.

SHRI P. RAMAMURTI: Earlier they sold 90 tanks also. You don't know that. The proposal is still there. The proposal is not scuttled. The point is you are not able to use your own engineers and technicians to retrofit these tanks. Israel had purchased the same Centurion tanks. Israel is using it after retrofitting it. In the Israel-Egyptian war, the same Centurion tanks, after retrograding and retrofitting, gave excellent service. They beat down Egypt. But your engineers or technicians are incapable of doing that! That is your assessment. I can tell you hundreds of engineers who are shedding tears of blood that their proposals to retrograde and retrofit them are not accepted. Where is the R&D even with regard to a vital sector like defence? You are dependent. I am not bothered whether you depend on the Soviet Union or anybody else. But the fact remains that after 25 years you have not been able to develop your own R&D, your own designs, engineering and all these things. Even with regard to atomic energy—about which so much is made out—what is the use of having developed atomic plants? Where are we going to get the enriched uranium? Where are we going to go in for the new fuel which you are about to discover? It requires tremendous safeguards for safety. It is much more dangerous than the enriched uranium. Where are we going to go in for that? What is the wonderful thing that is being done? Our entire research in that direction has been topsy turvy. If you want to go in for atomic energy, the first thing to be undertaken is development of science and research and also development of capability of enriching uranium which at the time was available in this country in plenty. Even today a certain portion is available in this country. Once you are able to

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enrich a certain quantity of uranium, then immediately you can go in for fuel based on thorium, which we have got in plenty. With a small stock, we can do that. We have not developed it. The whole thing has been topsy turvy. On whom are you going to depend and who is going to supply you enriched uranium? The whole problem is like this. Are you going to develop these public sector undertakings, in a self reliant manner is a question that baffles me. I have studied half a dozen things. I bring them to the notice of the Government. Unfortunately, I am not a person who does only this thing. For example, our own technologists have developed fertilizer plants which are capable of producing 950 tonnes per day. We paid for the technology of 300 tons per day, originally. Later on, we developed it and we are today capable of producing machines which can produce 950 tonnes per day. But some foreign country has developed a machine which is capable of producing 1300 tonnes a day. So new machines are to be put. When this industry is to be expanded, our Ministry puts up the proposal that somewhere machines with a capacity of 1300 tonnes a day have been developed, so let us go in for them. Immediately they decide to go in for them. In that case, why waste your money on R&D? Instead of four machines with a capacity of 1300 tonnes a day, can't you put six machines with a capacity of 950 tonnes a day and get the same production and have greater employment? After all, the social cost has to be taken into account. When you take that into account, the fact that you have invested so much money in the heavy engineering industry in Ranchi will not go waste. If you go in for producing on those machines which have a capacity of 950 tonnes a day, it means you work on the machines that have to be forged in the Heavy Engineering Corporation at Ranchi. That factory will not be idle; that will get going. That means the capital that you have sunk in the heavy engineering works

is not going to be idle, it is not going to be wasted. All this has to be taken into consideration. Therefore, the social cost of going in for collaborations has to be taken into consideration. But do you take that into consideration at all? So all our scientists and technologists get wasted, their efforts get wasted, they are frustrated and they are running to America, they are running to West Germany, wherever they can. These people can be utilized by the multi-nationals in other places, but here we have got a Government which is not capable of utilizing the services of the scientists and technologists whose number is the third biggest in the world. This is the kind of policy that you are following with regard to it. (Time-bell rings).

Finally, I would say, if you are really interested, are you prepared to associate the voluntary organizations of the technologists and the scientists and the engineers, allow them freedom of speech and take their advice with regard to collaborations and see what they can do and what they cannot do before deciding on any collaboration? That is the first thing. And, second, are you prepared to give the working class, the trade unions, the elected representatives of the workers representation in Management an equal footing—not nominally and *nam ke waste*! Are you prepared to associate them in discussing every question concerned with management, including purchase, going in for a collaboration, purchase of technology, all these things? Are you prepared to take the workers into confidence and give them equal representation? If you do that, many of the corrupt practices will be stopped; we will see to it that they are stopped. But I see this Government is incapable of doing it. They will never do it. So long as this milieu continues, the public sector undertakings in the country will go down the drains. They will be a drain on the economic system and the private sector is waiting to see the day when the public sector's name goes down so that they can gobble it up. Today you are doing

exactly what the private sector wants you to do, what the monopolists want you to do. You give them contracts. Abolition of Contract Work Act is there, but nevertheless the public sector gives more and more work to them, work is handed over to the private sector, so the workers get fleeced. This is what is happening. Then, how do you expect the working class to have that kind of patriotic fervour in order to see that the public sector undertakings flourish? Feeling that 3 P.M. it is our technology, our industries, that kind of feeling, you cannot enthuse. On the other hand, they see the total corruption that is there from top to bottom. Therefore, they say, "Why should we work for the corrupt officials, what should we work in order to see that these people make money?" Therefore, their enthusiasm itself is completely dead. Therefore, wake up and do something to see that this rotten state of affairs does not rot further so that this rotting can be stopped. Then we shall reverse the process. Thank you.

DR. MALCOLM S. ADISESHIAH (Nominated): Mr. Vice-Chairman, I rise to support Mr. V. B. Raju's Resolution which asks for a White Paper, a report, a document "on the present state of affairs, giving the total picture of the public investment in the above mentioned enterprises" Mr. Raju in his motion says that this report, this document, should be given in the current session, I think that this should be modified. I think it cannot be done in the current session. For purely technical reasons, I point out to Mr. Raju and to the House that it will take the Government at least three months to collect the information and another month or so to prepare the report asked for.

SHRI P. RAMAMURTI: You are under-estimating.

DR. MALCOLM S. ADISESHIAH: Mr. Chairman, there are two aspects

of Mr. Raju's Resolution. In the pre-ambular paragraph he refers to the large public investments made by the Union and the State Governments (a) in corporate enterprises and (b) in departmentally-managed undertakings. In his opening statement Mr. Raju gave a series of figures of how much investment has been made by the State and the Central Governments in these various enterprises. These figures are not to be found in any public document. I believe they were the result of his own studies. I also have made similar studies. One of the things, here may I say, is that no such document exists either published by the Reserve Bank or by the Bureau of Public Enterprises? So far we have never brought out a document giving the total public investment by the State Governments and the Central Government. May I ask Mr. Raju, if the Government is going to prepare it, whether he would agree to use the definition of the enterprises given in the "INDIA 1979" of the Publications Division, at page 297? They have defined the public sector in the following

way. I read that, Mr. Chairman:

"The public sector comprises—

"(1) public utilities like the railways, road transport services, pons, posts and telegraphs, power and irrigation projects;

"(2) departmental undertakings of the Central and State Governments such as the Chittaranjan Locomotive Works, the Integral Coach Factory at Perambur and various defence production establishments; and

"(3) a number of other industrial undertakings which derive their finances almost wholly either from the Central Government or the State Governments in the form of equity capital and loans."

Now, the second part of Mr. Raju's Resolution refers to the objectives. In fact, he says that one of the important

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objectives of the public enterprises is that they should give a reasonable rate of return on their investment and generate resources for further growth. Here may I remark one thing, Mr. Chairman which I think one of the speakers, week before last, referred to Mr. Raju has been careful to speak of one of the objectives. In my opinion, there are four other objectives at least, which are "equally important. First, I would say, there is the objective of the public sector promoting industrial and technological self-reliance of the country. Personally, Mr. Vice-Chairman, on the basis of the evidence that I have been able to collect, I believe this objective has been and is being very well attained. The second objective is to invest in low-profit or no-profit long-gestation-period enterprises in which the private sector cannot or would not be interested. And third, I believe, the public sector, Central and State, has been and is successfully undertaking. The third major objective is to subsidise the economy, particularly for those enterprises which are meant for the poor sector for producing what we call wage-goods or consumer goods for the poor sector. A certain part of steel, a certain part of cement, a certain part of coal and so on are being diverted at a price much lower than the cost of production because they are meant for producing goods and services for the poor sector. This, I believe, the public sector is successfully undertaking and should be pushed further. The fourth objective " is what Mr. Ramamurti referred to without defining it, namely, the social objectives such as creation of employment, making sure that the wages paid and the conditions of living of the workers are good and sound, giving the Scheduled Castes and Scheduled Tribes and the backward communities employment in a way in which they are not given in the private sector, developing backward regions of the country which are numerous and promoting small-scale industries. Now, I would

say to Mr. Hajuram in the document that we are asking for, it would be good if the Government indicates how far all these objectives are being fulfilled and how far they are not being fulfilled, because in my opinion these objectives are well established and important. It is the final objective that Mr. Raju refers to as one of the important objectives namely, (1) generation of a reasonable rate of return and (2) generation of resources for further growth. This objective is not satisfied—it is granted—and this is what we tend to concentrate on.

Here, I have four things to say and then I finish. First, I want that we should ask ourselves as to what we mean by a reasonable rate of return. In the corporate sector in the private corporate sector, we regard 12 per cent on equity capital, 12 per cent on the shares invested as being a reasonable rate of return. Now, overall, therefore, if you take a macro or global view, when you speak of a reasonable rate of return in the public sector and if you allow for the fact that the public sector has other objectives like serving the poor, generating employment—in the coal industry which has been referred to, I believe there are at least 30 per cent more workers than there need be for efficient production, and that is because of our employment objective—and if we allow for the fact that we are going to invest in roads and railways with long gestation periods on no profit or low profit. I believe the reasonable rate of return cannot be 10 to 12 per cent. We will have to reduce our expectation. I myself regard 5 per cent as a reasonable rate if the other four objectives that I have mentioned are being successfully achieved.

Then Mr. Raju refers to generation of resources for further growth. Here I think we need to break down the return. When we speak of return, what is the return that a public sector undertaking should have on



capital? what should we have as return on debentures? What should we have as return on loans and so on? This we should do in order that we may have in addition to this 5 per cent, additional resources generated for the growth of the country.

Now, the second question that I want to refer to is the question of pricing. One reason why unlike the private sector, the public sector is not able to earn even this 5 per cent or 6 per cent, plus additional resources, is that in the major public enterprises we are pricing for everybody even for the rich consumers, well below the cost of production. Whether you take steel, whether you take coal, whether you take cement or you take power or you take irrigation or you take drugs and chemicals or whether you take non-ferrous metals, you will find in all these where we have administered prices, we are pricing the product well below the cost of production. Therefore, in the study to be made we should have a study of these to see what is the kind of pricing policy that is fair both to the poor consumer and the producer. In some cases we may have to have dual pricing like we have in steel. When it comes to providing the railways with their iron requirement, the price is low. but when steel goes into refrigerators or airconditioners we have to pay a higher price. We have double pricing already and this should be pushed forward.

My third comment is this. Mr. Ramamurti also referred to it. And that is our public sector undertakings are not using the capacity of other public sector undertakings. Mr. Hamamurti gave examples. The order books of the Heavy Engineering Corporation, BHEL, Bharat Vessels and Plates etc. are being exhausted; we are importing goods which are produced and which can be produced by our public sector undertakings and to that extent we are cutting back on our own possibilities of production; are creating unutilised capacity and

reducing the returns on our Public Sector investments.

My fourth comment is we would like this study also to have a very good section on our managerial problems. Here I think two things are well known. One is that there is a lack of autonomy in the running of an enterprise in the public sector. May I say to Mr. Raju, and the House, if a private sector company was interfered in by the Government, by the Secretary, by the Board of Directors on which most of the people are from Government offices or Parliament or Ministers, no private sector company would be able to last for a day. In spite of this fact that there is a public sector, functioning is somewhat of a surprise. Therefore, I would plead here for some study of what kind of decentralised functional autonomy that the public sector must have in order to generate resources, in order to fulfil all its objectives and functions.

Finally may I say that the emoluments of managers of the public sector enterprises are truly scandalous. I am very surprised that so many great people are working in the public sector as managers when if they went into the private sector they could get at least ten times what they were getting, and if they went abroad, say to America, West Germany or England, they could get twenty times or thirty times what they were getting in the public sector here. I wonder if some of the people in the House know that a printed document from the Government shows that the top managers are paid Rs. 2500 to Rs. 3000 a month. You know, Mr. Vice-Chairman, in your city of Bombay, today some of the private sector companies are paying this amount to their chauffeurs, they are paying their upper division clerks this amount. Therefore, the question of proper emoluments including fringe benefits which,

[Dr. Malcom S. Adishesiah] I believe, at the moment are about one-seventh of what a typical private sector manager obtains, should be looked into if you want to attract and maintain managerial excellence.

To conclude, I support Mr. Raju's motion. May I say to my friends **who** think that this is some kind of a criticism o'f the public sector, that we need to have information on the public<sup>1</sup> sector? We do not have the totality and therefore we tend to make a broad generalization somewhat in ignorance. I think this will dispel the ignorance of Parliament and th<sub>e</sub> public, to have a report, a document., giving the total public sector investments in the country by the Central Government and State Governments which w<sub>e</sub> do not have> and how they are functioning in relation to the major five or six objectives which I have mentioned and others have mentioned. Thank you.

SHRI MURLIDHAR CHANDRAKANT BHANDARE (Maharashtra): Mr. Vice-Chairman, I am really surprised that a demand should com<sub>e</sub> of the nature which is contained in this Resolution calling upon the Governmetn to submit to the House during the current session a White Paper on the present state of affair<sub>a</sub> giving the total picture of public investment in the above-mentioned enterprises Hardly ten days *are* remaining. You will kindly note that the Resolution moved on the 21st November, 1980. Even then, it would have meant—considering that we are closing round about the 20th December-only a period Of one month's notice for such a task which is contemplated in this Resolution. Therefore, I think the mover is not really serious about what he proclaims to ask of the Government through thi<sub>s</sub> Resolution.

I will come to the merits of the Resolution a little later. But the second ground on which I oppose this Resolution is that all that the mover should do to get all the information that he wants is to go into the three

I thick volumes which the Bureau of Public Undertakings has brought uit for 1978.79. I think he will have all the information h<sub>e</sub> need<sub>s</sub> in those three fat volumes. Therefore a de. mand of this nature calling for a White Paper is really redundant.

On<sub>e</sub> more reason why I feel that this demand i<sub>s</sub> misconceived i<sub>s</sub> that one of the most important Parliamentary Committees is also there as a watch-dog committee to supervise the affairs of the public undertakings. We have the Public Undertakings Committee which, is 'fortunately presided over by a very dynamic person know<sub>n</sub> for his ruthless administration .

SHRI KALYAN ROY (West Bengal);  
Who?

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Mr. Bansi Lai.

SHRI KALYAN ROY: Ha, ha ha!

SHRI MURLIDHAR CHANDRAKANT BHANDARE; Therefore, I do not think there is any need for any Resolution of this and. But since the Resolution has been moved, it gives the Members an opportunity to discuss thi<sub>s</sub> question, this topic or this subject of public undertakings which is Of vital importance in our democracy.

One must' understand the rationale or *raison d'etre* for the existence, for the promotion, for the proliferation and progress ana the growth of the public undertakings i<sub>n</sub> our country. Sir, our Constitution itself says that we shall have a democracy which is not only political^ but we will have a democracy which will have a real economic content. Without economic democracy our democracy has no meaning. And I think th<sub>e</sub> first step towards achieving this economic democracy i<sub>s</sub> the setting up, as wa<sub>3</sub> dons in the Second Five Year Plan of the core industries ia the public s.-vtor. It is ther<sub>e</sub> where th<sub>e</sub> people could participate in the gains of industrialisation. It is, there where we could prevent the private sector from profiteering endlessly at the cost of the

people's money. There are many reasons why public sector undertakings are not so profitable. In the very nature of things, it is not permissible for these units to keep a purely commercial view in mind. I am giving you one example. Since it is permissible for a public sector undertaking to discontinue the production of a vital drug like Vitamin C, has been done by a private sector pharmaceutical company, which has appeared in today's papers, just because the prices of that product were not raised by the Government during the last two or three years?

In fact, Sir, if you look at the public sector undertakings, you will find that the social content in the pricing of many of their products is such that they have to sell them cheaper so that the real benefits would go to the consumer. Take, for example, the case of fertilizers. The fertilizer prices are so fixed that even after production it is not really possible for the fertilizer companies in the Public sector to make great profits. It is because we believe that foodgrains are essential and if foodgrains are essential, they must also be available cheap and if they are to be made available cheap, then the basic materials which go into the production of foodgrains like fertilizers must also be made available to the farmers at very cheap rates, so that the ultimate food products are cheaper to the consumer. I can multiply these examples from which you will find that the social content in the activity of a public sector undertaking is so great that it results in the vanishing of the commercial principles. Then again, Sir, you must remember that the public sector undertakings\* exist in core industries. There are public sector undertakings like the ONGC which, by the very nature of their activities of exploration, are extremely unlikely to render or yield any profits in their activities. It is an activity which is not commercial in character and, therefore, to keep on harping on this is not good. I will come to this point a little later and I will tell you that the biggest gainer

of the public sector is the private sector itself. I will come to that a little later. But kindly see this: To keep on harping on the profitability of the public sector, at the behest of the private sector, to deride the public sector at the instance of the private sector, is not something which is either advisable or which is permissible or which is valid in the facts and circumstances of the case.

Sir, I would refer to the time when the public sector had one of the worst periods, that is, during the last three years, during the Janata and Lok Dal rule. I am not one of those who keep on comparing. But, since this Resolution has been moved by someone on the other side, I must state the facts correctly. The peak period of the public sector was reached in 1976-77. It was in that year that it reached the peak and reaped the highest profits and then the decline started. The decline started because those in the Government thereafter did not have any faith in the public sector and it is well known that it was because of this lack of faith that the degeneration set in, that the profitability disappeared, that the losses started accumulating and the figures, if they are to be believed in, as are given on the floor of the House, are staggering. It is regrettable that in a matter of three years there could be so much of a decline in such a short period. Now, Sir, this Government has taken over, from the shambles, taken over from this level at which the previous Government had left them. And, Sir, as early as in March 1980, the Prime Minister ordered a plant-by-plant probe, a plant-by-plant assessment, in the public sector. Sir, I am not suggesting that the public sector is perfect and I am not suggesting that there is no need for improvement. In fact there is a lot that can be done and there is much which needs to be done and we are conscious of the efforts that have to be put in. And, Sir, at the end of my speech. I will make certain suggestions with regard to this aspect of the matter. But, Sir, will it not be really relevant at this stage to com-

[Shri Murlidhar Chandrakant Bhandare J

pare the general industrial growth in the country with the one obtaining during the period of the last three years when the other Government was in power? I think, not only the public sector undertakings suffered a setback, but the general industrial growth in our country also went on the decline. Now the reason for the existence of public undertakings, as explained, is the participation of the people in the economic democracy of the country. Let us look at the important functions of the public sector undertakings. An important function of public sector industries has been, to provide infrastructure facilities to industries in the private sector in the shape of raw materials, etc., at cheaper rates. However, this subsidy is not reflected, unfortunately, in the selling prices of the end-products, because I find that there is a lot of bungling between the benefits which are reaped in the form of raw materials at subsidised rates by the private sector and the private sector makes huge profits and makes the end-product available to the consumer very dear. (*Time bell rings*) Sir, in this process it is the tax-payer who loses twice—So I would appeal to the Government to see that whatever subsidy it gives to the public sector, the same is passed on to the consumer.

Sir, the other feature of the Public Sector Undertakings has been the selective allocation of supply of essential items produced in the public sector directly which promotes the development of monopoly in the Private Sector in the matter of those supplies. To give an instance, take high speed diesel. It is needed for manufacture of speciality oils. I am told that only two companies get high speed diesel out of a large number of applicants for manufacture of speciality oils. That results in monopolies in Private Sector.

A debate is going on in our country as to whether these public sector undertakings should be autonomous or

not. They have claimed a measure of autonomy far too dangerous because in that process they find themselves accountable and responsible to none. The difficulty has been that they have been totally insensitive and impervious to the responses of the people. I think that time has come to implement Article 43A of the Directive Principles of our Constitution which we introduced by the Forty-Second Amendment. If you really believe that public sector undertakings have a meaningful role, and they should reflect the good of the people, it is necessary that workers' participation in the management of those undertakings is given without any further delay. Sir, I will give you an instance—Hind Cycles, Hind Cycles was owned by the house of Birlas, and the moment it did not turn out profits in one or two years it stopped its production. "Over 2500 workers would have been rendered jobless and homeless. Therefore, the Government intervened in 1973 and we took over the same under the Industries (Regulation and Development) Act. And the result has been that despite paucity of funds, despite the fact that it was a sick unit when it was taken over, the workers have sustained that unit, the workers have developed that unit into a 90 per cent export unit. And happily an Ordinance has been issued providing that and handing it over to the Bicycle Corporation. I think next week we are dealing with that Bill also—the Acquisition of Hind Cycles Limited Bill. I am merely pointing out that such vital industries as the bicycle industry could be sustained only by the sacrifices and the support given by the workers. Therefore, time has come when workers' participation in terms of Article 43A of the Directive Principles in the governance of our country is necessary.

There is one more suggestion that I will make. People's representatives must also be represented on the Board of Management of these public sector

undertakings because it is only through these people's representatives that the interests of the people are safeguarded and it is seen that the subsidies which are given to the private sector are really passed on to the consumers for whose benefit they are meant. I, therefore, recommend to this House and particularly to the Government that they should take care to see that in the future Boards of Management or the boards of Directors, the representatives of the people are there. The Ministers are responsible for the working of the public sector undertakings and they have to answer questions. But when you go to the public sector undertakings they say that they are autonomous and, therefore, the Ministers cannot order anything or say anything.

SHRI KALYAN ROY: Where is the Minister of Public Undertakings here?

SHRI MURLIDHAR CHANDRAKANT BHANDARE: I have been appearing against the public sector undertakings and they have been telling me that the Minister may say whatever he likes, but they are autonomous. Therefore, a stricter check, a unit by unit probe, as ordered and directed by the Prime Minister, is necessary. I will quote the favourite instance of my friend, Mr. Kalyan Roy, i.e. the Coal India Limited.

SHRI KALYAN ROY: Leave it to me.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Nothing should be done to encourage this thing. These are the cases where the people are so irresponsible. If it were in a private sector, such a management would have been thrown out. But because it is a public sector undertaking, it gets all the protection. You know that only 10 days back, the Supreme Court decided in the case of Bharat Petroleum Company that Article 12 is applicable to public undertakings. It is a decision which I welcome because we have been fighting for it. There is no difference between public em-

ployment and Government employment and Articles 311, 14 and 16 of the Constitution of India which apply to the Government servants must, *ipso facto*, on the basis of the same reasoning and on the parity of the same logic, apply to the public undertakings. Once you hold this, then the styles, costs of the public sector undertakings must be placed in the same position and must be rendered as much accountable and responsible as the Ministers are or as the Members of Parliament are. Therefore, my two important suggestions are improvement of the managerial personnel, removal of the dead wood and constant vigil. These public sector undertakings fulfil a role in the core sector industries and that role must be carried on to the other sectors including the consumer goods so that the people of this country reap the benefits of economic democracy, I also commend to the House and to the Minister here, swift and immediate steps for putting the workers' representatives and the people's representatives on the Boards of Management in preference to the bureaucrats and the representatives of the industrialists. With these words, Sir, I oppose this Resolution.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): Mr. Kalyan Roy, 15 minutes please.

SHRI KALYAN ROY: If you want, I can finish in 5 minutes. If you please, my speech can be extended to half an hour. So far as the Resolution of my hon. friend, Mr. Raju, is concerned, no one can have any objection. All that it asks for or all that it boils down to is to go into the functions and performance, managerial styles, costs of the public sector undertakings and that its report should be placed before the House. Though it may be the impression that everything is wrong in the public sector and Rs. 60,000 crores which is invested in the public sector is going down the drain, that impression is very misleading. The public sector has enter-

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ed into those areas mainly which were in the hands of private sector, the big business. And because they totally and completely failed either to deliver the good or to produce more or to help the country in times of need, the Government were forced to step in.

Sir, Mr. Raju spoke a lot about the Coal India Limited, and other speakers have also referred to it. I would only recapitulate one thing. And before I go to that, I must agree partially with the gentleman who has just now finished, Mr. Bhandare, that it was not a wise decision on the part of the Janata Government to withdraw the aid and the purchase preference for the public sectors and that put the public sectors into great difficulties. I do not know why this Government still have not restored it fully. Mr. Venkataraman said that he is looking into it. And we are afraid whenever Mr. Venkataraman looks into something because I can only quote what a Japanese Senator described his Prime Minister. He described his Prime Minister in the following terms: 'He the male mistress of the monopoly house.' And I am tempted to use the same phrase for Mr. Venkataraman, the man who has given all the concessions to the monopoly houses and who stops collection of taxes. The result today is that India is in the worst economic crisis. It is a man-made economic crisis. But I am not going to deviate. Well, the Coal India was set up when it was found that coalmine-owners were slaughtering the mines, were resorting to unscientific mining, were resorting to selecting mining. Today's fire in Jharia which is consuming over 10,000 tonnes of best grade, prime coking coal per month is a result of that slaughter mining which was practised by the British concerns and other concerns for the last 80 years. And till today, on the basis of the information given in this House, the private coalmine owners have not paid provident fund alone to the tune of Rs. 22 crores, and their unpaid wages nearly come to

Rs. 80 crores. You see, Sir, how wonderfully they were running the mines. And then the workers were all along demanding for nationalisation. The demand was raised again and again in this House by myself, and by hon. Members of the other House. And there was a strike in 1973 on 15th January, not on economic issues, not on grievances but only on one issue that the coalmines, the non-coking coalmines should be nationalised. It was done in 1973, on 31st January, if I remember correctly. The coalmines were nationalised in two stages. In 1971, towards the end, the coking coal mines were nationalised, and in 1973, the non-coking coal mines were nationalised. And, Sir, another impression which is being circulated very assiduously and maliciously by the private sector, by their agents through the bourgeois newspapers through the FICCI and through the Chambers of Commerce is that the workers do not work. They are assured of their wages, of their leave wages and medical facilities and naturally they do not work. Only those people suppress one vital fact that unlike in other public sector, in a coalmine 80 per cent workers are piece-rated. In other words, the underground loaders, the miners, the wagon loaders who constitute nearly 400,000 out of 650,000, employed per day are piece-rated. They do not get a single paise if they cannot produce. But what production? It is for the management to arrange that there are sufficient working places, that there are sufficient number of tubs where they can load, there is explosive available to blast, there is steel to prop the gallery, there are railway lines to haul the coal, and there is proper machinery. Now, if the explosives are not there, if the lines are not there, if the tubs are not there, if the coal machines do not perform, if the managers do not take care to provide working facilities, tell me anybody in this House, how can a miner, an underground loader, who does the dirtiest and hazardous job in the world can produce? And the poor fellow is victimised in the sense that where he

can produce 3 to 4 tonnes per day, he is only getting his minimum guaranteed wage because the management are forced to pay the minimum guaranteed wage to a miner if management fails to give him proper working conditions so that he can work. Mr. Raju should know that in almost 60 per cent of the coalmines today, the miners are getting only the minimum guaranteed wages because conditions of work are not properly provided by the management, and this is the State sector. As a matter of fact, Mr. Ghani Khan Chaudhuri admitted that—there are five companies: Eastern Coal Fields, Bharat Coking Coal, Central Coal Fields, Western Coal Fields and Singreni—in all these companies, the underground production is declining year after year. Sir, in the Eastern Coal Fields, during 1975-76, the underground production was 23.56 million tonnes. It has gone down to 17 million tonnes in 1979-80. In Bharat Coking Coal underground production during 1975-76 was 17.03 million tonnes and it has gone down to 15.26 million tonnes. In W.C.L., it was 17 million tonnes and it has gone up slightly to 19 million tonnes and it has also slightly gone up in Singreni. But the overall feature is, as per the statement of Mr. Ghani Khan Chaudhuri there has been a consistent decline in underground coal production. Again, I asked a question about investment, because the Eastern Coal Fields is the biggest company employing about 1,70,000 workers and Mr. Minister agreed in the House and said:

"it is true that there were a lesser number of projects sanctioned in the Eastern Coal Fields than in other coal companies in the earlier years."

And whereas the investment in the Eastern Coal Fields should have been the highest, it has been the lowest there. Who is responsible for it? Should not the truth come out? And despite shouting and uproar throughout the country, the coal is not available and it is true that it is not avail-

able, whatever the Minister might say. It is not available in Asansol; it is not available in Dhanbad—the coal producing area; it is not available in Bilaspur; it is not available in Durgapur, because of low production and consistent low production, as per the figures, and lack of proper distribution. Both these things are there. And as a result of the uproar, Sir, ultimately Mr. Venkataraman stated that he will set up an inquiry committee, which has been set up last month under Shri mission. I asked him whether he mission. I asked his whether he would also consult the trade-union representatives. He said: Yes, certainly. So I wrote to Mr. Fazal: I think the first case you will take up is that of Coal India. When are you going to meet us. And I asked for time, etc. And the reply came that he will meet us towards the end of October. Unfortunately, I was not there but we sent our representative And for all the central trade-union\*, the AITUC, the INTUC, the Hind Mazdoor Sangh, the CITU, Mr. Fazal had only three hours. And what was he doing the whole month? He was sitting and drinking—and I underline the word drinking—alongwith—the Chairman of the Coal India, the Directors of Coal India, the Chairman of the Eastern Coal, the Western Coal, the Central Coal, the Bharat Coking Coal. The man who had gone on fact-finding commission, is moving with those very people whose conduct he is going to investigate, and for all the central trade-unions who spent all their lives in the coal fields, he had only three hours, and that too, very erratic, because I was told by our representative who attended the meeting called by Mr. Fazal that he spoke more than he listened. Well, may he spoke more because once upon a time he was the Commander of a Central Recruitment Organisation which was abolished by Mr. Mohan Kumaramangalam when he stated in this House that it was the biggest concentration camp in India. Mr. Fazal was the commander. He is very much fit to go into the affairs of the public sector companies. The basic failure of\*

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the public sector—I have taken Coal India as an example—is that there is no involvement of the officers in run'ning of the mines. They do not believe in nationalisation. This is because, their salaries have been partly reduced. Then, there is no check on corruption. There is corruption in purchase, there is corruption in contract, because, you spend Rs. 100 crores per year to buy sand for stowing, to buy timber for your underground props, to buy coal tubs and so on; said, timber and explosive are the three biggest things. There is rampant corruption. There have been no attempts to check corruption, I can give you one example. This will stagger everybody. The question was asked in this House on 4th August, this year. I am only giving the points. Why is the public sector losing? There is no use in blaming the Janata Government, because, you are not at all firm in tackling corruption, impounding out the corrupt officers, where corruption has been proved. I do not know to whom I am talking. At least, this matter should be referred to the Prime Minister. It was the Prime Minister who called a meeting on 1st July, this year. We went to her, all the central trade-union leaders. We told her that these were the difficulties and we met here on the first floor. Till today, nothing has been done. This is one of the reasons why Coal India is losing. In ten years, it has not earned any profit. Of course, Coal India does not give any profit. But there is no reason why there should be any loss. I have been in this field for 30 years. There is no reason why there should be any loss in this. Now, it has been mentioned that in this public sector, there has been no audited accounts. What is the Minister of Revenue going to do about it? In 1973, it was nationalised. Till 1980, Eastern Coal field does not possess any audited accounts and this has been admitted even in the report of the Bureau of Public Enterprises. What do you get the impression the people get?

SHRI V. B. RAJU: For two years, they have not submitted the accounts.

SHRI KALYAN ROY: I am coming to that. They do not have even audited accounts. How can it be, when people like this are promoted? It has been admitted that there have been serious charges of corruption against Mr. Bijoy Kanungo, senior executive of the Coal India. This was the question asked:

"(a) whether it is a fact that there have been serious charges of corruption against a senior executive of the Coal India Limited;

(b) if so, what are the details in this regard;

(c) whether it is a fact that charges of showing undue favour to M/s. P. K. Mukherji Limited, M/s Gladstone Lyall and M/s. Indian Air Travels and irregularity in booking air passage has been proved;

(d) if so, what action has been taken against him;

(e) what are the other charges-pending against him in the Vigilance Commission; and

(f) what are the duties assigned to him in the Coal India and how long and what are the details thereof?"

The answer given was-

"(a) Yes, Sir.

(b), (c), (d) and (e) In the first case, the executive was found to have shown favour to M/s. P. K-Mukherjee (Coal and Agency) Pvt. Limited by not including appropriate penalty clause in the contract.

In the second case, it was found that the executive had committed irregularities in booking air passage in order to help two private travel Agents, namely, M/s. Gladstone Lyall and Co. Ltd. and M/s. Indian Air Travels. In these two cases, after disciplinary proceedings, he was awarded the penalty of withholding promotion for one year to run con\*



currently. As a result of Interna) Audit of Bharat Coking Coal Limi' ted, Sales and Marketing Office, the executive..."

the same officer.

"...was also found concerned in certain suspicious and fraudulent transactions. The departmental enquiry is in progress in this case. A case has also been registered by the C.B.I, on 17-12-79 against the executive for conspiracy and abuse of official position in the matter of dealings with M/s. P. K. Mukherjee. Pvt. Ltd., Calcutta. The case is under investigation.

(f) The executive has been looking after transportation matters since May, 1977. He has also been holding additional charge of distribution from February, 1980."

The CBI has charged this officer with conspiracy and abetment. But he has been given the additional charge of distribution of coal from February, 1980. Can this concern ever make any profit? Can this concern ever produce coal? Can the coal price be decreased if men like Bijo, Kanungo after all kinds of corruption as per the statement made on 4th August, 1980, are given additional charge of coal distribution? Aren't you ashamed of this? And when workers demand their gratuity, demand timely payment, demand for quarters, they do not get it. When they have to go to the manager *en masse*, demand this thing, we find the ruling party raises the issue of law and order. Ag a matter of fact. Sir, you will be surprised to hear that today I have received a letter from Mr, Ghani Chau-dhuri. It is about callousness of ECL and CCL authorities in making payments for the statutory dues to the coal workers in time. Who is responsible for the losses? Who are the villains? Questions after questions have been raised in this House. It is "the contractors. A firm which is losing nearly Rs. 900 crores; how much are they paying to the contractors? There

are about 700,000 workers. Why do you need contractors? According to the Minister, in ECL alone Rs. 50 crores have been paid from 1976 to 1980. In Bharat Coking Coal Rs. 100 crores have been paid. In Western Coalfield Rs. 20 crores have been paid. In Central Coalfield Rs. 25 crores have been paid. Taking all together, Rs. 250 crores have been paid in this period from 1976 to 1980 to 50 contractors. For what? It is paid for transportation of coal from the pithead to the dumping ground. Have you ever seen such a dimension of corruption? And out of these Rs. 250 crores, you can easily guess what is the share of the managers, of the chief mining engineers, of the general managers and of the chairman of the various concerns? Whatever it is, Mr. Wadhera, Mr. C. L. Jha, Mr. Gupta and Mr. Mahendroo the gang of four, is now ruling the Coal India. How can the people ever expect either the accidents to go down or safety measures to be improved, or the coal made available at a cheaper price?

Sir, I do not want to take much time. One gentleman from the Congress rightly pointed out that there should be workers' participation. There is a facade of workers' participation in Coal India. There is a three-tier bipartite body. One is the apex body of which I am a member. The other is at the company level—the five companies which I have just mentioned. And the third is at the colliery level. You will be surprised to know that out of 700 collieries, where there is a so-called Joint Consultative Committee in the colliery, not even 90 per cent of them meet once a year. You have a facade of consultation. Committees are there. Who is the convener? Manager is the convener. So, I have written to Mr. Ghani Chaudhuri whether his attention had been drawn to the fact that meetings of the JCCs in 90 of the collieries are not being called. This is my letter dated December 22. The

[Shri Kalyan Roy] bipartite committees which were set up at the colliery level in various coal mines are just not functioning. What is the result? The workers representatives have tendered mass resignation. What is the use of being on a committee, a meeting of which is never called?

So, Sir, I have pointed out about the contractors' loot, about the nonpayment even of the statutory dues, about the non-payment of provident fund, about the corruption being rampant, corruption in purchase, in sale and I have pointed out the man who has been the symbol. Bijoy Kanungo is the symbol of Coal India. He is the boss of Coal India today, not Sharma, and today I have been told that there are very influential elements in the ruling party who want Mr. Kanungo to be the Secretary of the Coal Department.

Can you imagine this? Every day there is a question on coal—either a short Notice Question, or a Calling Attention Motion, or some supplementaries on it. The Coal Department under the Minister of Energy has no Secretary. I remember, Sir, you also raised that question. Coal India Chairman, Mr. R. N. Sharma, out of 30 days in a month stays in Delhi for 26 days. So the entire management, direction—every thing is left to this corrupt man, against whom the CBI has registered a case and who has been found guilty in three other cases. How would you improve the functioning of Coal India? And the so-called Inquiry Officer—or what Mr. Venkataraman said a Trouble Shooter—words which we pick up from American dictionaries—is a man who has no time to meet even the union leaders. He has given an interim report, I have been told, that Coal India should be abolished, the "Vigilance Commissions should be abolished, Parliament should have no right to enter into Coal India's performances and the Committee should

consist of bevetanes of various departments. What a wonderful remedy? This is about coal. I would like to point out only one thing before I finish coal. This is a journal published from Dhanbad.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): What do you mean by "before I finish, coal"? How long are you going to take?

SHRI KALYAN ROY: This is the first item. I will take up two or three concerns.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): You take two or three minutes.

SHRI KALYAN ROY: Please give me 8 minutes. As a matter of fact, when my Resolution was debated, everybody was allowed to speak, you remember.

The Coalfield Time, dated September 12, 1980, says:

"A very revealing assessment has been made by Dhanbad Superintendent of Police, Mr. Sarangdhar Singh, about the aetiology of the malaise Dhanbad suffers from."

In an interview, he has stated:

"It seems that within the last six months, theft of BCCL equipment materials/property, valued at Rs. 83.15 lakhs, were reported to the police. It is surprising that such theft could occur in spite of the fact that the security force, under the BCCL, comprises no less than 1000 personnel. And yet such open thefts go on merrily."

Further, he has said:

'Another inexplicable fact is that police recovered materials/equipment worth something like Rs. 7 lakhs and requested the BCCL authorities and or the concerned departments, to take them away, but such stolen materials are still lying with the police.'

If materials worth Rs 83 lakhs have been stolen from BCCL in the last

6 months, the total theft, pilferage, losses on account of theft of equipment and property in all the 5 coalfields would be nearly Rs. 10 crores. And not a single officer has been charge-sheeted. Not one official has been charge-sheeted! Not only that, officers who have been found guilty in enquiries conducted by the Director General of Mine Safety under the Ministry of Labour into mine accidents have been promoted in each case—whether it was the Shankar-pur disaster, or the Silwara disaster in Madhya Pradesh, or the Palasthali disaster or the Harijan disaster. In each disaster, an enquiry was conducted by the Director General of Mine Safety and whenever an officer was found guilty, immediate action was taken—he was promoted as General Manager. How can you expect the coalmine accidents to go down, the production to increase and the people to get coal at cheaper rates? Is it possible in this vicious system? Is it possible in this vicious circle that has developed? Unless you drastically take action to remove the entire lot—as has been done in the case of the Railway Board—although I do not know much about the railway administration—unless you remove the present set-up in Coal India, the Eastern Coalfields, the Western Coalfields and the Bharat Coking Coal, nothing is going to come out. Sir, not only that. People 4 P.M. say that the workers' wages are rising and so the coal prices are rising. This is an utter lie. In a statement made in this House this year Mr. Ghani Khan Chaudhuri said that the overhead charges are rising in each of the companies. I am giving the figures in Rs. per tonne. In the Coal India Limited Headquarters in Calcutta, it was Rs. 0.16 in 1975-76 and has gone up to Rs. 0.22 in 1979-80; in the Eastern Coalfields Limited, it was Rs. 2.00 and has gone up to about

Rs. 4; in the Central Coalfields Limited it was Rs. 3.39 in 1975-76 and has gone up to Rs. 3.72; in the Western Coalfields Limited, it was Rs. 1.94 in 1975-76 and it has gone up to near-

ly Rs. 3; and in the Bharat Coking Coal Limited (which is losing and where the loot is going on and yet no officer has been penalised) it was Rs. 3.97 in 1975-76 and it has gone up to Rs. 6.33 in 1979-80. I was one of the protagonists to support the rise in coal prices because the input prices are going up. But today I am opposed to it, because it has got no meaning unless corruption is rooted out, unless the devil's net which is spreading all over can be cut. But this cannot be done so long as these people are there. Everyday you find a bogey is being created. They say law and order is very bad, labour indiscipline is there, explosives are not coming in time, timber merchants are not co-operating, sand is not available. Everyday such things are heard. I have been told that in the last week they decided to give more money to the sand contractors and sand is purchased to the tune of Rs. 15 crores per year. If this is the racket, what will you do about it? Why should the workers be peaceful and quiet and allow to be slaughtered in coalmines? According to the Coal India workers, not 5 per cent of them get filtered water. There are 50 filter plants in the coalfields and out of them only 5 are working. When I asked the workers there whether the workers there were getting filtered water, they said, "No. The filter plants are working, but the pipes are defective." When the pipes are defective, naturally the workers will rise and resist. We are giving all cooperation because we know around us there are sharks of private sector, and one of them is the Bihar Minister who has become the spokesman of the private sector. I know who gives him money and why he is "given" money. He is going about the country asking for denationalisation and also that some isolated pockets should be handed over to the private mine-owners in order to sabotage the integrated development of coalmines, which is necessary. Sir, that is why you have to get rid of the present structure. The second point. . . (Time-bell rings) I am coming to an end.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): You are meaning Coal India or Sore India. It should be Sore India now.

SHRI KALYAN ROY; Sir, he should accept this amendment. The second point is .

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): Rs. 10 crores worth of pilferage!

SHRI KALYAN ROY: I am taking up three cases. One is the Coal India Limited. I will take up others if I have the time at my disposal.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): No, now you have no time. Hon. Member Gopalsamy is just waiting.

SHRI KALYAN ROY: There is another thing which is very serious. In Durgapur, the Mining and Allied Machinery Corporation is employing 13,000 workers. Mr. George Fernandes, when he was the Industry Minister, went there and he was gheraoed because it was said that he wanted to close down the factory as it was losing. After 1975-76, it has been losing. It is losing on the ground that the public sector undertakings who buy equipment from the Mining and Allied Machinery Corporation do not pay them. No. 1. No. 2, the equipment and machinery which is being processed by MAMCO is being imported from abroad, from West Germany, from England and, therefore, licences are given to private parties to purchase conveyor belts to produce tubs, to produce coal-cutting machines, in order to compete with the public sector. And no public sector can compete with the private sector because no private sector pays provident fund. At least most of the public sector companies pay it in time. They do not misappropriate the wages of the workers. The private sector companies evade the income tax, evade the excise-duty. They

do not pay wages. They misappropriate bonus, provident fund. They can sell things cheap in relation to the public sector. So, the MAMCO should be protected. How? By placing orders on the MAMCO from coal India, from the Copper Corporation, from the Zinc Corporation and from other public sector undertakings, coal and non-coal mines.

Number three, Sir, another thing with which I am concerned and which should give profit, is the Hindustan Cables at Kanpur. There are two or three factories in the country. The Hindustan Cable Corporation never had a full-time Chairman. Chairman come and go. They are on deputation. They have no involvement. And the production has declined in the last eight months' to nearly zero. The workers *en masse* went to the Chairman at Rupnarayanpur, very near to the Chittaranjan Loco factory, demanding that general inputs should be made available. There are no inputs. There is no copper. There is no raw material to produce. The public sector organisations are becoming sick because of the failure of the Ministry of Industry, failure of the Ministry of Energy, failure of the Finance Ministry, to supply the inputs. What is needed is to take drastic action against the management.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): Now, Mr. Gopalsamy please.

SHRI KALYAN ROY: Before I sit down, while supporting Mr. Raju, I would say that only a white Paper would not do. Drastic measures are necessary. But I do not think this Government has either the will or the direction to do that

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAISINGH SISODIA): Mr. Vice-Chairman, Sir, one minute. I want to pass one information to my friend. Mr. Kalyan Roy, that from October, 1980 the position in respect of the price and purchase pre-

ference Scheme has been fully restored.

SHRI KALYAN ROY: Thank you.

SHRI V. GOPALSAMY (Tamil Nadu): Mr. Vice-Chairman, Sir, I am grateful to you for giving me permission to speak. Sir, at the outset I would like to thank Mr. Raju for bringing this Resolution for discussion in this House not for any partisan purpose, not for the purpose of condemning the Government, not for the purpose of criticising the present Government, but with a larger interest. He wants this House to discuss the most important problem in our country. Sir, often we say that we got the freedom at midnight of August 15, 1947. Sir, I remember a poem by a young revolutionary poet, If I can say it in Tamil:

IRAVIL THANE SUTHANTHI RAM  
VANKINDM ATHANAL THAN IN NVM  
VIDIYAVEYILLAI

That means we got the freedom at night. So, it has not dawned at all. Prosperity has not dawned on, freedom has not smiled on. The teeming millions living below the poverty-line, who have been left in the lurch in poverty and penury to free them from the chains of economic bondage. The result is that we fear the impending danger of revolt from the youth, educated and uneducated, both in the city-side and the country-side, with despair, frustration, restlessness in their minds. That is why we faced the Naxalite volcanoes in some parts of the country, because of socio-economic reasons. I do not find fault with the planners. I do not find fault with the Government. I do not find fault with the leaders who paved the way for planning with a patriotic spirit. I do not want to use this occasion to criticise the Government. But what is the real situation? Of course, the credit goes to Jawaharlal Nehru, a true democrat and socialist to the marrow of his bones, and the early Congress for laying the foundation stone for the construction of public enterprises. That paved the

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way for the Industrial Policy Resolution of 1956 which modified the Resolution of 1948. After the Industrial Policy Resolution of 1956, the public sector enterprises occupied a pivotal role in the strategy of economic development in our country. So these decades have witnessed the phenomenal growth in public sector enterprises. But have we achieved our goal. That is the point. As he has correctly pointed out in his Resolution, the crux of the problem is that the public enterprises should also generate resources for further growth. That was our aim. That is why the Planning Commission also, whatever its composition, wanted almost in every Plan that the huge expenditure amounting to Rs. 1600 crores on the Central Government undertakings should earn a return of at least 12 per cent. Then that will form the basis which will be the primary source of providing resources for Plan investments. That was the expectation. Even the First Five Year Plan, with its futuristic outlook, had predicted that these public enterprises would eventually be the source for providing resources for Plan investments. But what happened? Plan after Plan we poured money, public money. And the result? Losses were incurred. That has to be compensated from the Budgets. So the point is we have invested public money in crores of rupees, which came from the sweat and toil of the millions in our country. And so, if we do not have the results, we are terribly worried. This is not a matter of party politics. I am very sorry that Mr. Bhandare wanted to bring in some politics and wanted to criticise something. What did even our hon. Prime Minister. Shrimati Indira Gandhi say about the public sector enterprises? Sir at the inauguration of a three-day national workshop on higher production and productivity of public sector units, the hon. Prime Minister sent a message. I will read that message.

"In her message to the workshop organised by the Bureau of Public Enterprises and the National Productivity Council, Prime Minister

[Shri V. Gopalsamy]

Indira Gandhi described the performance of the Central public undertakings as a sad thing and suggested immediate action to correct the ills."

This is the situation. But one thing I want to make clear. I do not find fault with the public enterprise system. We should not be dragged into that because some vested interests are twisting it to say, "The private sector is earning; so we can give a go-by to the public sector". That is a very dangerous approach, Sir. If a man is sick, a particular medicine is administered to him. And if he is not relieved of his trouble, if he is not cured, can we say we give the go-by to the whole medical treatment? Can we say let the man die? We find fault with the medicine and not with the medical treatment. The fault is with the medicine. We cannot compare the private enterprise with the public enterprise. We cannot compare the private sector with the public sector, because the motive, the objective, is thoroughly different. In a commercial undertaking what is the motive? Profit, growth. But that is not the motive in a public sector enterprise. In a public sector enterprise profit is not the only motive. Socio-economic objectives are there. These public sector enterprises are considered as instruments to reach social justice which has been enshrined in our constitution. What are the social objectives, the socio-economic objectives? I read from 'Issues in Public Enterprise' by R. S. Nigam, page 3— "To promote self-reliance in strategic sectors of the national economy, to provide infra-structural facilities for promoting a balanced and diversified economic structure in development, to prevent concentration of power in regional imbalances and to create employment, to generate surplus for re-investment and to enforce social control on trade and industry by ensuring equitable distribution of goods and services." These are the socio-economic objectives. And we cannot pay that all the public sector companies

are running in loss. There are certain companies like the Hindustan Machine Tools. It has earned a good name. It has earned a good market abroad. It has earned profits. It has earned foreign exchange. It has generated employment. There is the Bharat Heavy Electricals which is also earning profits, which is also earning foreign exchange. Even the Foreign Ministry gave a reply to an Unstarred Question in Lok Sabha on the 28th November, and the reply is this: "The performance of public sector units in the first quarter of April-July 1980 shows an improvement."— This is the latest reply from the Government—"In the steel sector the production of both ingot and saleable steel has shown some decline in the first quarter of 1980-81 as compared to the corresponding period of the previous year. In the heavy engineering sector Bhopal and Hyderabad units of BHEL, Jessops & Co., the tractors and watch-making units of HMT, Richardson, etc.....have increased their capacity utilization in the first quarter of 1980-81." So this is a mixed pattern. But what is the overall picture? According to the reports from the Government what has been calculated what is the overall picture? That is Rs. 1600 crores, if I remember it correctly in the year 1979-80. Although the rate of investment has been pushed up from 6 per cent to 22 per cent in the last thirty years, the rate of growth of GNP has been remarkably steady at 3.5 per cent. Not only that. The Planning Commission says, the State Electricity Boards will be incurring losses to the tune of Rs. 3000 crores in the five-year period 1980-85. That is the calculation. What... about the transport undertakings? That has been calculated to the tune of Rs. 600 crores. The honourable Shri Raju was also describing the State transport as a white elephant. Prof. Chattopadhyaya was also saying that State transport undertakings are not profitable and so they are not preferred by the private entrepreneurs. That is not the correct picture. I differ from them. In Tamil Nadu the State transport was running in loss some years back.

At that time only a limited number of routes were nationalised. There were huge private fleet-owners like the TVS, ABT, etc. There was ABT there. Each of them was plying 300, 400 and 500 buses. When our DMK came to power, Mr. Karunanidhi was the Chief Minister and we then nationalised all the routes. Then the State Transport system came into the picture after nationalising all the private bus companies. I can say with pride that each State Transport Corporation is earning around Rs. 2 crores. There are six or seven such Corporations. Therefore, State Transport Corporations can be profitable concerns. Then what is the reason for the loss? We have to go into the matter.

I am afraid, my time is short. Mr. Vice-Chairman is generous in giving encouragement to youngsters and junior Members. If I had more time, I would have gone into greater details.

There are some sectors which are running in loss. There are some industries which are earning profit. But the overall picture is not pleasant. What is the reason? As a student of economics I listened to the speech of Mr. Raju. I have heard Mr. Sankar Ghose. I heard Prof Chattopadhyaya. I also heard Mr. Bhandare. According to some the reason for loss is under-utilisation of capacity. What is the reason for this under-utilisation of capacity? There comes the role of the bureaucracy. This is an important factor. You know the elements of economics. The four ingredients are land, labour, capital and entrepreneurship. The last is very important in public sector undertakings. In India the concept of professional management started with the "East India Company". That was the genesis. It was in the 17th and 18th centuries. (Time bell rings). A couple of minutes more. Then foreign firms appeared on the scene in the form of multinationals. Then Indianisation came. In the sixties, due to large and heavy demands for goods

due to industrial expansion the Government had to rely on the administrative personnel, namely, IAS, ICS, and executives, to run Posts and Telegraphs, Railways and Public Works Departments. The Government had to rely on them. The same IAS, ICS and those belonging to the executive cadre were put in charge of public sector undertakings. Some of them are good and efficient and are exceptions. But most of them did not have the interest or insight. So, the Government of India introduced the Indian Management Pool system—IMP. The IMP did not work. In other words, the IMP itself became a prey to bureaucrats. Now it is very sad that the public sector is facing a crisis. Nearly 100 posts of Directors and Executives are lying vacant for the last two years. Even today about 2,000 people belonging to the cadres of IAS are occupying posts in our public sector undertakings on deputation. According to the latest report their number which was 2,500 has been reduced to 2,000. The Government has to focus their attention to this aspect - also. So, Sir, the Government, focused its attention on this aspect also. Now, they have asked the public enterprises to select the people through recruitment and give them training. (Time bell rings.) Sir, I will finish soon. Only two more important points remain.

Sir, our point is regarding autonomy. There should be autonomy. There should be definitely autonomy in every enterprise and there should be delegation of power and decentralisation not merely in every enterprise, but it should be done to the level of the workshop manager, to the technician, to everybody. And, Sir, for every nut and bolt they should not write to the headquarters to get the sanction. There should be decentralisation and autonomy and there should be accountability also as Mr. Bhandare told. Accountability to Parliament to the Government and to the people must be there, but not in the matter of day-to-day administration. Also, Sir, delays in planning

[Shri V. Gopalsamy] and implementation are the major causes for the losses. There should be a time-bound programme to tune up the public enterprises for the optimum utilisation of capacity and for getting maximum profits resorting to the latest technology. Then only we can push forward our economy to attain a growth rate of ten per cent per annum and that will be the panacea for all the evils.

With these words, Sir, I support the Resolution.

SHRI NARASINGHA PRASAD NANDA (Orissa): Sir, has anything happened to the lady Members on the treasury benches? None of them is seen there.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): Why do you want the lady Members?

SHRI NARASINGHA PRASAD NANDA: They are a source of inspiration.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): For whom? They are a source of inspiration for their husbands and not to the Members. Yes, Mr. Dhabe,

SHRI SAWAI SINGH SISODIA: Sir, with your permission I want to pass on some information to the House so that there will not be any misconception or misunderstanding. It is regarding the point raised by the honourable Member who spoke just now. He referred to the recent position in respect of the management posts lying vacant. The position is this:

In the case of chief executives, as on 3-12-80, there were 26 vacancies of chief executives posts in the Central public enterprises. Of these, selection has been finalised by the PESB in respect of 23 posts. This leaves only three posts vacant.

Then, regarding part-time Chairman, as on 3-12-80, there were 9\* posts of part-time Chairman vacant out of which the PESB has finalised its recommendations in respect of 6 posts.

Then, in the case of Functional Directors, as on 3-12-80, there were 43 posts of Functional Director vacant against which the PESB has finalised its recommendations in respect of 28 posts.

Now, Sir, there is one more point. I want to make one thing clear. The losses in the public enterprises in 1979-80 were anticipated to be Rs. 149 crores. Now it is estimated to be Rs. 75 crores. It is the November 1980 position. In any case, the loss is nowhere near Rs. 1,600 crores.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): Yes, Mr. Dhabe.

SHRI V. B. RAJU (Andhra Pradesh): Mr. Minister, the honourable Member mentioned about the cumulative losses only. It is the cumulative loss and not the loss in one year. Actually, the honourable Member has been liberal. It is not Rs. 1,000 crores, but it Rs. 1,867 crores of cumulative loss at the end of 1978-79. At the end of 31st March 1978 the cumulative losses were Rs. 1,867 crores.

SHRI SAWAI SINGH SISODIA: To all these points the reply will be given at the appropriate time.

SHRI V. B. RAJU: No. Because you intervene to give the figures, I just mentioned this.

SHRI SHRIDHAR WASUDEO DHABE (Maharashtra): Sir, I support the Resolutions moved by Shri Raju and it is a very important Resolution. It has got two or three aspects. One is about giving a reasonable return and the other is about generation of resources for further



growth. It has also been mentioned that a large number of enterprises are going sick. Sir, it is not only the Public sector enterprises, in the Central sector that are going sick, but also the units in the State sector are going sick like the State Electricity Boards. There is also a talk that the State Electricity Boards should be taken over like the sick units in the private sector.

In this connection I would like to say that the objectives of the public sector are very clear and obvious. They are mentioned from the time to time. I would only like to quote para 17 of the Public Sector Survey 1978-79:

"The involvement of public enterprises in meeting the social, economic and financial objectives like increased production, providing adequate return on investments, protection and generation of employment, dispersal of industries in different parts of the country, development of basic and ancillary industries and assisting the process of industrialisation in the country are some of the notable features of the functioning of public enterprises in the seventies. The contribution of public enterprises in the Development of the economy as a whole has also been sizeable. This required wider considerations of national profitability rather than the pursuit of profit in the narrow commercial sense. This commitment to these wider socio-economic objectives of public enterprises distinguishes the role of these enterprises from their counterpart in the rest of the economy."

Sir, in the same Report it has also considered the profit and loss of various concerns. In the year 1978-79, 69 enterprises have incurred losses totalling Rs. 576.71 crores. And the enterprises whose net loss\* exceeds Rs. 10 crores are 9 in number. They are: Coalfields Ltd., Shipping Corporation of India, Heavy Engineering Corporation Ltd. Indian Iron and Steel Co. X& Hindustan Fertilizer Corporation

Delhi Transport Corporation, Fertilizer Corporation of India, Indian Petro-Chemicals Corpn. Ltd., and Mining and Allied Machinery Corporation Ltd.

This clearly shows that it is in the national interest to have public sector undertakings function profitably and successfully for the developing economy and our objectives of Democratic Socialism. In that connection I would like to say that the question of corruption raised by Mr. Kalyan Roy is the larger question. There is corruption not only in these public sector enterprises but it is in the whole political system. Unless we make the representatives of the people at the political level above corruption, it is very difficult to check corruption in a particular department of economic activities. However, I would only like to submit that efforts must be made to make the public sector undertakings more profitable and more efficient in the circumstances that exist today.

Sir, in this connection, two important things which require consideration is the industrial relations between the workers and the management, and whether the cooperation taken from the workers can improve the performance of the public sector. Sir, in this connection, a committee of Trade Unions was appointed—Working Group of Central Trade Unions set up by the Union Ministry of Labour in 1978. It observed:

"The performance of Public undertakings by and large is much below expectation barring a few exceptions . . . The public sector is ailing because it has failed to evolve a management culture consistent with its social objectives. It has developed a hybrid management culture composed of bureaucratism borrowed from the colonial administration and a master-servant relationship borrowed from the private sector. It is

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mostly sheltered from the competitive forces of the market and this at times reinforces its innate irresponsibility."

Generally, there is no specific accountability of any individual for any results. Therefore, Sir, as in Japan, unless we evolve a management culture for running public enterprises efficiently and not simply appointing retired military officers as Chairman—Our bureaucrats being simply heads of departments as Chairman—there would be a complete sabotage of the administration and working of these public sector undertakings; there is no possibility of improvement. Sir, the first thing I would like to know is whether the Government will accept a principle that only professionals will be appointed as Chairmen on the Board of Directors for running the public sector undertaking and not the bureaucrats or the retired military officers. Secondly, it has been reported by the Labour Ministry on page 26 of its report that:

"The report' of the 21-Member Committee on Workers' Participation in Management and Equity which was submitted to Government showed that majority of the members favoured adoption of a three-tier system of participation, viz. at the corporate level, plant level and shop-floor level. The Committee laid down the detailed functions of the various councils at shop-floor, plant and corporate levels and recommended that workers' representatives at the participative forums should be selected through secret ballot."

Sir, when this question was raised on the floor of the House, it was promised that a legislation on work

participation will be brought before the House. This Report is very important. If you really want the public sector to be successful then you have to do it, although the bureaucrats are

are opposing it. I would request the Government that if they are serious, to make the public sector what it has been described

By a time as workers' sector, then workers' participation in management will go a long way in not only improving production but also maintaining industrial peace. Therefore, it is necessary that a legislation is brought

is immediately and it is made applicable to all the public sector undertakings. The tendency which is growing in the public sector is not to implement the labour laws. It is unfortunate that the public sectors think that they can maintain industrial relations through their administrative machinery without giving the rights to the workers. Unfortunately, a decision was taken by the Government that in monopoly public sector undertakings, the workers will not be given the right of bonus. In the original decision it was decided that the workers will be entitled to a bonus of 8.33 per cent as of right, statutory and legal right. This right was to be available to workers in the public sector undertakings also. Subsequent-

the Cabinet decided to take advantage of that right and make it an *ex-gratia* payment. I will like to submit that if the public sector is to be made successful, all the rights like bonus which workers get in the private sector should be given to them on equal basis. As it is very essential to make a success of the public sector undertakings, the Government must make up its mind as to what extent they consider the workers as partners in the industry and simply believe in employer-employee relations. It was the demand of the working class throughout India. Mr. Kalyan Roy said that they had gone on strike for nationalisation of coal industry. All the working classes and all the workers' representatives are very keen that the public sector should become a success and enjoy the commanding heights of production. Unfortunately, the public sector is suffering from corruption. We were discussing the Hindustan Photo Films and there the corruption is so high,

that the production is going down. If we want to improve the working of this sector, it is necessary that we decide what pattern of industrial relations the Government wants. It should be made clear in the white paper. Although this Government had come to power in 1980, it is not correct to say that strikes and lock-outs have gone down. The number is still high and the agitations are going on. From January to September 1980, there were 1788 lockouts in the industry and the man-days lost were 9.89 million. Looking to the loss of the mandays and also the lockouts and the strikes which are taking place in the public sector, it is essential to have proper industrial relations and without proper industrial relations it is not possible to make any considerable progress and also expect miracles as happened in Japan and West Germany. And, therefore, my suggestion to the Ministry is this. The Working Group of the Central Trade Unions submitted a report and they have made very good suggestions. If they are implemented, it will go a long way in making a success of the public sector.

Sir, in the public sector, undertakings, another thing which I would like to suggest is austerity and avoidance of unnecessary expenditure. And it may also be seen to reduce the number of corporations. Sir, there is no limit to the powers of Chairmen and Directors in respect of expenditure. Even offices are bifurcated simply because to suit the whims of some Ministers or the whims of some MPs. At Nagpur, there was an office of the Western Coal Fields Limited. It has the jurisdiction of three States—Madhya Pradesh, Orissa and Maharashtra collieries. Now this office has been divided into three parts. One is taken to Chindwara; and another part is taken to Bilaspur. And the administrative expenditure has gone up by three times. Therefore, Sir, austerity in administrative expenditure is one of the very important aspects of running the public sector undertakings. Sir, I found the wastage in the public

sector undertakings so great that there is no accountability at any level. Therefore, Sir, the accountability of individual officers and persons is very important to reduce the wastage and unnecessary expenditure in the public sector undertakings. Sir, in this connection, it is also found that the Coal India Limited has to recover about Rs. 80 crores from the State Electricity Boards.

Sir, another aspect which I would like the Ministry to consider is about the working of the public sector and quality production. In Maharashtra, so many thermal stations are operating. At Nasik and Koradi, the equipment which was given by the Bharat Heavy Electricals was found to be most defective. The Koradi power station could not operate and there was closure for the total period of one month in the last year because the equipment supplied by the BHEL was found below the standard. Same is the position about Nasik. Therefore, it is very essential that the product manufactured by the public sector undertakings is also improved. These are all inter-connected. And this is essential for economic development.

Lastly, Sir, I would like to suggest that the success of the public sector undertakings depends on the happy industrial relations. If there is no job satisfaction, if there is no emotional involvement of the working class and the employees, to think of any success of any undertaking is ridiculous and it is not going to take place.

Therefore, Sir, lastly, I will request that in the White Paper which has been asked for in the Resolution, how they will achieve happy and good industrial relations which will promote productivity, which will make a duty oriented working class, which will create a management culture, and a new culture which will make a success of the public sector should be looked into. If such a White Paper is brought out, certainly it will go a long way in meeting the various useful suggestions made, and

[Shri Shridhar Wasudeo Dhabe]

also the country can be taken into confidence for making a success of the public sector undertakings.

THE VICE-CHAIRMAN (SHRI ARVIND GANESH KULKARNI): Now, Mr. Jain.

श्री जे० के० जैन (मध्य प्रदेश) :  
उपसभाध्यक्ष महोदय, यह बड़ी विडम्बना है कि ऊलजलूल बातों के ऊपर ऊलजलूल प्रस्ताव पेश कर दिये जाते हैं और जहाँ तक मैं समझता हूँ—  
For the sake of bringing a Resolution, some Members try to bring a Resolution.

इसी प्रकार से यह जो प्रस्ताव यहाँ पर लाया गया है यह इतना ऊलजलूल प्रस्ताव है कि इस पर सदन का इतना समय बर्बाद हुआ और इतने घण्टे बर्बाद हुए, लेकिन हालत देखिये कि अपोजीशन के मेम्बर्स जो प्रस्ताव लाये हैं वे प्रस्ताव पेश करके... (Interruptions) प्रस्तावक तो बैठे हैं, लेकिन उनके साथी यहाँ से नदारद हैं। उपसभाध्यक्ष महोदय,...

उपसभाध्यक्ष (श्री अरविन्द गणेश कुलकर्णी) : आपकी भी हालत वही है।

श्री जे० के० जैन : हम तो इन्टरेस्टेड ही नहीं हैं।

उपसभाध्यक्ष महोदय, मैं यह कहना चाहता हूँ कि ऊल-जलूल व्यक्ति बाहर कोई भी बात कर दे, मोरारजी देसाई किसी प्रकार की बात कर दें, उसके ऊपर यहाँ बात करने के लिये, समय देने के लिये, समय नहीं है सदन के पास, लेकिन ऐसे प्रस्तावों के ऊपर सदन का समय बरबाद करना, कितने घंटे बरबाद किये गये अगर इसका हिसाब लगाया जाये, तो लाखों रुपये की बरबादी एक

सदस्य महोदय के प्रस्ताव के लिये यहाँ पर कर दी गई।

उपसभाध्यक्ष महोदय, पहले तो मैं देश की जनता को बधाई देना चाहता हूँ कि उन्होंने एक ऐसी पार्टी को सत्ता में लाकर बिठाया है जिसने मूझबूझ के साथ सारे काम किये। यदि पिछली सरकार सत्ता में रह गई होती तो जिस प्रकार उन्होंने रोलिंग प्लान बनाया उसी प्रकार से ये सारी पब्लिक अन्डरटेकिंग्स को रोल करके किसी उद्योगपति को सौंप देते इससे देश का भविष्य क्या होता, देश के भविष्य के साथ किस प्रकार का खिलवाड़ होता, इसकी अगर कल्पना की जाये तो एक एक व्यक्ति के रोंगटे खड़े हो जायेंगे। तो मैं सबसे पहले देश के नागरिकों को बधाई देना चाहता हूँ कि उन्होंने ऐसे ऊल-जलूल व्यक्तियों को सत्ता से उखाड़कर फेंक दिया और आज ये लोग जिस तरह से कहावत है कि 'खिसियानी बिल्ली खम्भा नोचे' इस प्रकार का प्रस्ताव लाकर वे अपने दिल को बहला सकते हैं और कुछ नहीं कर सकते। उपसभाध्यक्ष महोदय, पब्लिक अन्डरटेकिंग्स का काम सिर्फ मुनाफा करना नहीं है। वैसे तो यह हमारे विरोधी दल के जो सदस्य हैं ये काफी बुद्धिमान हैं लेकिन मैं थोड़ी सी बुद्धि और उनको देना चाहता हूँ कि पब्लिक अन्डरटेकिंग्स पब्लिक के इन्टरेस्ट में काम करती हैं। जो व्यक्ति या प्राइवेट पार्टी इंडस्ट्री लगाती है तो उनका ध्यान सिर्फ मुनाफा और पैसा कमाना ही होता है। पब्लिक अन्डरटेकिंग्स का यह काम नहीं है। पैसा कमाना भी है लेकिन साथ ही पब्लिक इन्टरेस्ट देखना भी उनके लिये सर्वोपरि है और यही कारण है कि पब्लिक अन्डरटेकिंग्स के अन्दर लास होता है जो कि होना स्वाभाविक है। बातें

करते हैं; प्राइवेट पार्टी मिलों को सिक करके छोड़ देते हैं और भुगतना पड़ता है सरकार को और फिर प्रस्ताव में कहते हैं कि पब्लिक अन्डरटेकिंग्स में देखिये लाखों करोड़ों रुपये का नुकसान हो गया। उपसभाध्यक्ष महोदय, जहाँ मैं इस ऊल-जलूल प्रस्ताव का विरोध करता हूँ। इस प्रस्ताव की आवश्यकता ही नहीं थी वहाँ दूसरी ओर मैं यह भी कहना चाहता हूँ कि पब्लिक अन्डर-टेकिंग्स में काम करने वाले अधिकारियों की ओर भी जरा ध्यान दीजिये कि किस वातावरण में वे काम करते हैं और किस वातावरण में प्राइवेट कम्पनीज के अधिकारी काम करते हैं। यदि आप बात करते हैं कम्पीटीशन की तो जरा इन लोगों के वर्किंग का सर्वे कराया जाये कि प्राइवेट जो पार्टीज हैं, उनके अधिकारियों को कितनी सुविधायें हैं और क्या कुछ वे नहीं कर सकते। मैं यह नहीं कहता कि जिस प्रकार से उनके अधिकारी गलत सलत काम करते हैं वह अधिकार हमारे अधिकारियों को दिया जाये। मैं इसका विरोध करता हूँ। लेकिन पब्लिक अन्डरटेकिंग्स में काम करने वाले अधिकारियों को इतनी सुविधायें अनशय प्रदान की जायें जिससे वे खुले रूप से काम कर सकें। एक ओर सरकार से इन अधिकारियों को अधिक सुविधायें देने का निवेदन करता हूँ वहाँ दूसरी ओर मैं यह भी निवेदन करता हूँ कि इन बड़ी बड़ी संस्थाओं में बैठे हुए अधिकारियों को इस बात की हिदायत दी जाये और अगर वे इन हिदायतों के अनुसार काम न करें तो उनके खिलाफ सख्त कार्यवाही की जाये। वे संस्थायें जो हैं वे उनके भाई-भतीजों के लिये नहीं सौपी गई हैं वे संस्थायें उनको सौपी गई हैं देशवासियों के लिये, काम करने के लिये और उस उद्योग के अन्दर अधिक पैदावार करने के लिये। यदि पब्लिक

सेक्टर में काम करने वाले व्यक्ति अपने दूरदराज के रिश्तेदारों को खुश करते हैं और लाखों रुपये उनसे कमवाते हैं तो उनके खिलाफ सख्त से सख्त कार्यवाही की जाये। मैं तो यह भी कहूंगा कि ऐसी पब्लिक अन्डरटेकिंग्स में अगर कोई नुकसान होता है तो उस नुकसान की वसूली उस अधिकारी के सारे घर को बेचकर की जाये। उपसभाध्यक्ष महोदय, संस्थानों के अन्दर कम्पीटेंट अधिकारियों की नियुक्ति होना बहुत आवश्यक है कम्पीटेंट व्यापार मामूली चीज नहीं है। व्यापार के अन्दर किसी प्रकार की सिफारिश को बर्दाश्त करना देश के साथ धोखा करना है। यदि आप किसी संस्थान के अन्दर अधिकारी की नियुक्ति करते हैं तो देश के सब से अच्छे अधिकारी को आपको लाना होगा चाहे वह आपका सरकारी कर्मचारी हो या प्राइवेट संस्थान में काम करता रहा हो लेकिन अच्छे अधिकारी को आप लाइये। इस चीज को भी आपको ध्यान में रखना होगा। दूसरा मेरा एक मुद्दाव है जब भी किसी भी पब्लिक अन्डरटेकिंग की जिम्मेदारी किसी चेयरमैन को दी जाती है या मैनेजिंग डाइरेक्टर को दी जाती है तो वह यह मान कर बैठ जाता है कि मैं यहाँ आ गया हूँ, यह तो मेरा इम्पायर है जिस तरह से मैं चाहूंगा इससे खिलवाड़ करूंगा। यदि 10, 20, 50 लाख का नुकसान हो गया तो उसके वाद तेरी नियुक्ति कहीं और हो जाएगी। अधिकारी को उस संस्थान में लगाने से पहले ऐसी विधि बनाई जाए जिससे उसको अकाउटेबल किया जा सके। उस संस्थान में जो भी नुकसान होता है उसकी वसूली उस अधिकारी से करनी पड़ेगी। हमारे विरोधी दलों के लोगों का रोल तो बिलकुल उस प्रकार से है, जो ढाई साल में यहाँ आ कर गए सारे संस्थानों की बरबादी कर दी, पुराने

[श्री जे० के० जैन]

लोग कहा करते हैं "भूम में आग लगाए ज्वालालो दूर खड़ी"। किस प्रकार से उन्होंने संस्थानों के साथ खिलवाड़ किया, वहां की सारी बकिंग को तहस नहस कर दिया। यह तो रही पब्लिक अंडरटेकिंग के साथ खिलवाड़ की बात लेकिन प्लानिंग कमीशन में क्या हुआ। अभी पिछले सप्ताह की बात है। एक बहुत बड़े शिक्षा अधिकारी ने बताया कि हर प्रकार की ग्रान्ट्स पिछली सरकार ने कालेज, लाइब्रेरीज, भवन बनाने की रोक दी। मुझे यह किस प्रकार से जानकारी हुई? श्रीमन्, मैं एक कालेज का चेयरमन हूँ। उस बिल्डिंग को, भवन को तीन वर्ष पहले 30 लाख रुपये से बना कर खड़ा कर दिया गया लेकिन दस साल के अन्दर 11 लाख रुपया या 12 लाख रुपये की बाकी राशि जो मिलनी चाहिए थी वह नहीं दी गई और वह भवन आज अधूरा ऐसे पड़ा है जिसके ऊपर सीमेंट नहीं हुआ। कितनी बरबादी हो गई उस भवन की। जब उसकी बातचीत की गई तो उन्होंने यह कहा कि यह सरकार आई थी माननीय चरण सिंह की जो बैलगाड़ी युग को वापिस लाना चाहते थे। बैलगाड़ी युग को वे लाए। बस हो गया वेड़ा पार कालेज, संस्थाओं और लाइब्रेरीज का, इसलिए वह भवन नहीं बना। जो सरकार और जो पार्टियां हमारे देश के प्लानिंग कमीशन के साथ खिलवाड़ कर सकती थी वे पब्लिक अंडरटेकिंग को क्या समझते हैं? वे स्वयं तो हवाई यात्रा करने में विश्वास रखते हैं, स्वयं तो बढ़िया से बढ़िया गाड़ी में घूमना चाहते हैं लेकिन बातें करते थे बैलगाड़ी की। दूसरों से कहना कि तुम गुड़ खाना छोड़ दो और खुद हमारे में बैठ कर गुड़ खाना। ऐसे दुमुहें लोग जिनकी नीति दिखाने की और, अमल में लाने की और थी उन्होंने इस देश की पब्लिक अंडरटेकिंग के साथ जितना

दुर्व्यवहार किया है, जितना मैं तो कहूंगा दुराचार किया है उनको पब्लिक के सामने एक्सपोज करे। उपसभाध्यक्ष महोदय, जैसे मैंने पहले ही शुरू में कहा कि यह तो ऊल-जलूल प्रस्ताव है इसको यहीं पर लाने की कोई आवश्यकता नहीं थी लेकिन माननीय सदस्य ने क्योंकि पार्लियाटरी डेमोक्रेसी है उस का लाभ उठा लिया और यह प्रस्ताव यहाँ लाए इस सदन का इतना कीमती समय बरबाद किया। तीन घंटे से यहाँ लोग बैठे हैं। मुझे तो यह जानकारी दी गई क्योंकि मैं तो एक नया सदस्य हूँ। मैंने कहा इतने कम लोग बैठे हैं इस पर क्या चर्चा होगी तो एक अधिकारी ने मुझे बताया कि साहब आज तो बहुत बैठे हुए हैं यहाँ तो एक सदस्य बैठा होता है और चर्चा चलती रहती है।

[The Vice-Chairman (Shri Bishambhar, Nath Pande) in the Chair.]

तो इसके बारे में मैं अब और कुछ न कहूंगा, यह प्रस्ताव बिल्कुल रद्दी प्रस्ताव है और जिन्होंने भेजा है उनको वापस दे दिया जाये।

श्री नरसिंह नारायण पान्डेय (उत्तर प्रदेश): उपसभाध्यक्ष महोदय, मैं, जो प्रस्ताव आया है और जो प्रस्तावक महोदय ने प्रस्ताव को लाकर के एक मौका दिया है, सदन को चर्चा करने का मैं उनका अनुगृहीत हूँ। इसलिए कि आज उन्होंने जो हमारी पब्लिक अंडरटेकिंग कमेटीज हैं या जो हमारे आज सरकारी स्तर पर तमाम अंडरटेकिंग चल रहे हैं, उनका लेखा जोखा रखने के लिए इस सदन को एक अवसर दिया है। श्रीमन् मैं कुछ सिद्धांतों की बात करना चाहता हूँ। मैं पंडित जवाहर लाल नेहरू जिन्होंने कि हमारी मिक्स्ड इकनामी की रचना की जिन्होंने कहा था कि इस देश में मिक्स्ड इकनामी चलायी जाये और मिक्स्ड इकनामी के जरिये पब्लिक सेक्टर और प्राईवेट सेक्टर दोनों को इस देश में बढ़ावा मिले तथा जो कर्मांडिंग हाईट्स हैं

वे पब्लिक सेक्टर को मिलनी चाहिए जिससे कि जन कल्याण के काम हो सकें और जनता को अवसर मिल सके, कि देश की पूंजी के ऊपर और उसके वितरण के ऊपर उसके उत्पादन को बढ़ा करके धीरे, धीरे जो बड़े हमारे क्षेत्र है जहाँ पर कि जनता का साव-जनिक हित के लिए उस पर अधिकार होना चाहिए उस पर वे अपना कोई अधिकार रख सकें जिससे कि हमारी आर्थिक अवस्था ठीक हो सके और उसको मजबूत बनाया जा सके। श्रीमन्, इस दृष्टिकोण से जब हम देखते हैं कि आज हमें यह कहने का अवसर मिलता है कि आज हमारे जो विधान के बनाने वाले हैं वा इस देश में जो आप चाहते हैं पब्लिक सेक्टर मजबूत किया जाये और मजबूत करके यहाँ की अर्थव्यवस्था को ठीक किया जाये यह बड़े-बड़े काम किये गए। कोल का नेशनलाइजेशन किया, दूसरे बड़े क्षेत्रों में जो कि जनता की सुख सुविधा के लिए इस्तेमाल होना चाहिए उस पर उन्होंने कब्जा किया और कब्जा करने के बाद धीरे-धीरे उनके मैनेजमेंट में सुधार लाने की कोशिश की। यह बात सही है कि अगर उसी के साथ-साथ कोई एक मैनेजमेंट के बारे में सही तरीके से टेक्निकल एडवाइस मिल सकती और सारे पब्लिक सेक्टर इंस्टीट्यूशंस को केवल आई० ए० एस० आई० सी० एस० आफिसर्स के हाथ में न छोड़ा जाता तो बेहतर होता। उसमें साइंटिफिक इन्वेन्शन होते, साइंटिफिकली उसके प्रोडक्शन को कैसे बढ़ाया जाय उसका डिस्ट्रिब्यूशन कैसे किया जाये, कैसे वर्क्स पार्टिसिपेशन किया जाये जिससे कि सही तरीके से जो हमारा सामाजिक दृष्टिकोण है, जो समाजवाद को लाने का दृष्टिकोण है, हम उस लक्ष्य को प्राप्त कर सकें, तो बेहतर होता। लेकिन यह काम धीरे-धीरे चल रहा है। वह काम आज ऐसा चला कि जितनी हमें आशाएं थीं वे आशाएं तो उतनी हमें उत्पादन के क्षेत्र में नहीं मिल पायीं, समय-समय पर चढ़ाव और उतार होते रहे, मैं इसके लिए

सरकार को दीपी नहीं मानता हूँ। मैं तो मानता हूँ कि उस औजार को उस अस्त्र को, जिसको उस काम के लिए मुकर्रर किया गया है क्या वह अस्त्र आज अपनी जिम्मेदारियों को पूरा कर रहा है? और यदि नहीं पूरा कर रहा है और कहीं पर कोई कमी है तो सरकार को उस तरफ सोचना चाहिए और सरकार ने उस तरफ अपना कदम भी बढ़ाया है। कदम क्या बढ़ाया है, सरकार ने कमेटीज बनायी हैं।

5 P.M.

SHRI " SHRIDHAR WASUDEO DHABE: Mr. Vice-Chairman, we can continue the discussion. It is already 5 O'clock. We have got Half-an-Hour discussion today. Let us go to that item.

THE VICE-CHAIRMAN (SHRI BISHAMBHAR NATH PANDE); All right, Mr. Mirdha.

**HALF AN-HOUR DISCUSSION ON POINTS ARISING OUT OF ANSWER TO UNSTARRED QUESTION NO. 753 GIVEN ON THE 26TH NOVEMBER, 1980, REGARDING SAVING OF TAJ MAHAL FROM POLLUTION**

SHRI RAM NIWAS MIRDHA (Rajasthan): Mr. Vice-Chairman, Sir, the Taj at Agra is without doubt one of the most magnificent monuments not only in our country but the whole world. It is a part of our national heritage and can also be said to be a part of the world cultural heri--tage.

The Taj has been affected by various sources of pollution. Therefore, it is but natural that we should be concerned about the whole matter. This is one reason why I have sought a discussion on this subject. If you go and observe the Taj these days, you would find that a lot of brown and black patches have appeared, a lot of pitting on the sides has appeared and sand-stone have started flaking and particularly the wester