

THE METAL CORPORATION OF INDIA (ACQUISITION OF UNDERTAKING) BILL, 1965

THE MINISTER OF STEEL AND MINES (SHRI N. SANJIVA REDDY):  
 Sir, permit me to move:

"That the Bill to provide for the acquisition of the undertaking of the Metal Corporation of India Limited for the purpose of enabling the Central Government in the public interest to exploit, to the fullest extent possible, zinc and lead deposits in and around the Zawar area in the State of Rajasthan and to utilise those minerals in such manner as to subserve the common good, as passed by the Lok Sabha, be taken into consideration."

Sir, I beg to state that this is a legislation which has been forced on us. I wish that the company was working well, so that we could make use of the scarce material which is absolutely necessary for the country. There are no other zinc mines in the country. Zawar mine is the only place where we can obtain zinc. This company was started nearly twenty years ago, and they have taken loans from all possible sources. The Rajasthan State Government has guaranteed so much. The Central Government also had guaranteed. They have also taken loans from different banks. But unfortunately the company has not been able to make any headway. The machinery has arrived, some of it is still lying in the docks; for two years it is in the docks, and they are not able to pay the amount and take it. Till today they have not been able to smelt any zinc. They are only taking the raw material, concentrating it and sending it to Japan for smelting and then bringing back the zinc. Therefore, Sir, when the possibility is there to produce about 18,000 tonnes of zinc they are not able to make full use of the potential capacity and I do not think they will be able to do it, because they are not able to get any further loans anywhere. They have not repaid the amounts taken by them. They have already defaulted and no bank and no Government will be in a position to give them any further loans. Now unless they have a sum of six crores of rupees they will not be able to make full use of the potential capacity. Eighteen

thousand tonnes of zinc is a very big amount and there is no other zinc mine except in the Zawar area.

Now, Sir, we import about 70,000 tonnes of zinc today in India and we are spending foreign exchange worth about eleven crores of rupees, and if in spite of this demand in the country they are not able to make use of it, naturally, something has to be done. Now they attempted to take loans. The Rajasthan Chief Minister spoke to me. We had a conference with the Finance Minister. We made all attempts to see that the corporation was put in a running condition. And after all attempts we could see that the company was not in a mood to part with its shares except at their price. They wanted that a sum of six crores of rupees be given to them. I do not think any Government or any bank or any Finance Corporation would give them when they have already taken so many crores of rupees and they are defaulters in repayment every year. Therefore, under these circumstances, after having tried to put them on their feet, after having tried to make them produce, the position is that the company, which has been there for twenty years—it is not as though it has been in existence for two or three years—is in a stagnant condition even after twenty years. The foreign experts and advisers, who came, have left because the machinery is not there. They are not able to pay the foreign consultants. And added to this they did not pay the labourers for about two months. The Diwali came and a labour deputation came to me and represented that two months' salary was not paid and bonus was not likely to be paid. There was a lot of agitation. They came all the way to Delhi and the labour leaders met me. But after exhausting all possible methods of bringing them round and making the company produce for months together negotiations were held with the Rajasthan Chief Minister and all the concerned people. We were forced to issue this Ordinance and take over this company.

Zinc and lead are scarce in India and are so badly needed for defence purposes. We had to take over this company. This, naturally, is not a pleasant job. It is not done in this case on socialistic principles or any thing like that. For purposes of the

[Shri N. Sanjiva Reddy]

country's defence this metal is absolutely necessary. Therefore this unpleasant task of issuing an Ordinance and taking over this company has been resorted to. Having taken it over the Government will have to spend money to take delivery of the imported goods that are lying in the ports. They will be taken over and then smelting started as quickly as possible. I think, Sir, my friends and the whole House would agree that this step was forced on us and was absolutely necessary in the interests of the country.

SHRI BHUPESH GUPTA (West Bengal): I would like to ask a question. I want a clarification.

SHRI MULKA GOVINDA REDDY (Mysore): On a point of order, Sir. The point of order is this. This very Ordinance that is now placed before us in the form of a Bill has been challenged in the Punjab High Court in a writ petition. I raise the point whether it is proper for us to discuss this Bill when the very contents of this Bill are being challenged in the court.

MR. CHAIRMAN: This is no point of order. We will take it up.

SHRI BHUPESH GUPTA: I would seek a clarification. It has been reported that some private interests, a big concern wanted to have some shares in this particular company, and one of the reasons for taking it over was that the company did not allow its shares to be taken over by others. I seek a clarification. I am not giving any opinion. I would like to know if this company did not allow another private company to have any shares at all and, if so, whether the Government have any materials and would enlighten us on that specific and rather intricate point.

SHRI N. SANJIVA REDDY: May I say that this was the allegation made in the other House also, Sir, namely that some private company was interested in having the majority of shares and that since this Metal Corporation did not agree to that, this Ordinance was issued. I may point out for the information of my hon. friend that the Government, at no stage, was aware of it, and if this Metal Corporation

liked to take the collaboration of some foreigners, a Canadian firm was there and they could certainly have done it. But even that Canadian firm was not willing to collaborate with them. Because it was in such a mess, nobody was prepared to go and collaborate with them. Therefore, Sir, it is not true, and it did not come to my notice at any stage till it was pointed out in the Lok Sabha. There also I denied it.

Then some other hon. Member asked about the court. May I just say a word in reply? This was also raised in the other House. If the courts have the right to quash this Ordinance, they have the right to quash this Bill also. They have just taken it up and posted it for hearing. They have the right to quash it even after the Bill is passed. If it is against the Constitution, if something wrong has been done, the courts have the power to quash it.

MR. CHAIRMAN: That has been our position. We do not take legal decisions here. We leave it to the courts to interpret a law.

*The Question was Proposed.*

SHRI MULKA GOVINDA REDDY: Mr. Chairman, I support the Bill that has been placed before us. My complaint is that the Government have delayed in taking over such an important industry as the one that is now being discussed. They should have taken over this industry long back as this scarce metal is a very important metal which is needed for our defence.

[THE DEPUTY CHAIRMAN in the Chair.]

My complaint is that the Government should not have resorted to this Ordinance. They should have waited for Parliament to meet and they should have brought in this legislation in the very beginning of this session.

Madam Deputy Chairman, there are some other important non-ferrous metals which are needed and which are now under the control of private managements. These zinc, lead and copper mines are mines which should be worked not by any private interest but by the Government themselves. Not only these metals but the entire mining

industry should be in the public sector. There are now hundreds of thousands of mine-owners who are mining important metals and exporting them to foreign countries. They may be earning foreign exchange. All these metals are very important for the economic development of the country and for the industrialisation of the country and even for the purpose of earning foreign exchange from outside. It must have come to the notice of the Government that while exports are made and foreign exchange is earned, because of under-invoicing by the people concerned the foreign exchange that is earned is not properly credited to the treasury. There are some mine-owners who are making not only lakhs and lakhs but even crores of rupees as profit from different mines in the different States of India. It is, therefore, absolutely necessary that the entire mining industry should be taken over by the Government.

I would like to bring to the hon. Minister's notice that there are some facts which might not have been brought to his notice. In Mysore State, we have a big mining industry. There are innumerable mines. We have iron and manganese mines and in Hospet we have the biggest iron-ore mine. The Government of Mysore have time and again represented to the Centre that the fifth steel factory should be located in Hospet. But some how or the other, in spite of the fact that Hospet deserves a steel mill on its own merit, the Government of India thought fit to appoint an Anglo-American consortium to give a decision and that decision went against Hospet and in favour of Vishakhapatnam. I would also like to bring to the notice of the hon. Minister that there are many mine-owners in Mysore State particularly in Bellary district. When applications for mining licences are received, they should be considered only if they are according to the rules framed under the Mining Act. In Mysore unfortunately, it so happens.

**SHRI N. SANJIVA REDDY:** Madam, here we have a separate question, but the hon. Member is speaking of Mysore and steel plants.

**THE DEPUTY CHAIRMAN:** You may confine yourself to the scope of the Bill.

**SHRI MULKA GOVIND REDDY:** I am confining myself to the Bill, Madam. There are important metals and I am just bringing to the notice of the Government certain things connected with them.

**SHRI N. SANJIVA REDDY:** Go ahead, go ahead.

**SHRI MULKA GOVINDA REDDY:** Madam Deputy Chairman, as I pointed out in the beginning these are very scarce metals which are needed for our defence purposes. Considerable delay has occurred in the taking over of this industry. Much scarce foreign exchange could have been saved if these had been properly worked from the very beginning. The hon. Minister narrated that the Company had borrowed from all possible sources and yet they were not in a position to work with this industry on a profitable basis. They could have produced about 18,000 tonnes of zinc that is so very necessary for the defence purposes. If the Government takes it over, it should see that the overheads are not too heavy, and they should see that these mines are properly worked and the metal is produced for our defence purposes. While I extend my support to this Bill, I plead with the hon. Minister that all such industries connected directly or indirectly with defence production and meant for defence purposes, should be taken over by the Government and they should not hesitate to bring forward legislation to take over some other concerns, just because they are being run and managed by industrial tycoons of India. I support the Bill. Thank you.

**THE DEPUTY CHAIRMAN:** Mr. Chordia and Mr. Gupta are not here. The Minister.

**SHRI N. SANJIVA REDDY:** Madam, I thank the hon. Member for the support that he has given to this Bill. There are only one or two points connected with this Bill that he has raised. He has asked: Why was the Ordinance issued? Madam, I think when we take over, a time lag is not very desirable. Also as I said in the beginning in my opening remarks, for two months wages had not been paid to the labourers. And even the Diwali bonus which had been agreed upon was not paid and there was a lot of agitation. What

[Shri N. Sanjiva Reddy]

little machinery there was, even that was in danger of being damaged. After all, when we had decided to take over the thing, the earlier it was done the better. We did it and we have come to this hon. House with the full confidence and hope that this good action will be supported by everyone in the House, including the hon. Member who spoke. So we issued the Ordinance and took over this industry.

The hon. Member spoke about other metals. We are short of non-ferrous metals in this country, except aluminium. Aluminium can be developed in this country because we have got enough of bauxite. But for other metals we are still to find out sources. We are planning aerial surveys with the assistance of Americans and Russians and only if and when we find them we can open out new sources. For the present we have to be content with what little we have. There is not much of these non-ferrous metals in the private sector either. Very little is being produced in India whether it be in the public sector or in the private sector. Hon. Members may be interested to know that recently we have registered an Aluminium Corporation in the public sector and we have one concern in Koyna and another in Korba in Madhya Pradesh. So we are trying to develop these things wherever it is possible and necessary. Even this Metal Corporation, if it had been running properly, we would certainly not have taken it over and spent so much money on it. We would have invested the money in a new industry. But unfortunately this was in such a bad state that nobody could help it, and even with the goodwill of the Government and of the financial corporations and the banks, they were not able to run it. Therefore, we had to take it over. In the future, Madam, wherever it is necessary, the Government would see to it that new corporations are set up. As we have done in the case of aluminium we will do in other cases also.

I do not think it is necessary for me to discuss now the whole of the mining industry. Therefore, I once again thank the hon. Member for giving support to this Bill. I am sure hon. Members would watch the progress of this industry and am hoping that it will develop in a very short time.

THE DEPUTY CHAIRMAN: The question is:

"That the Bill to provide for the acquisition of the undertaking of the Metal Corporation of India Limited for the purpose of enabling the Central Government in the public interest to exploit to the fullest extent possible, zinc and lead deposits in and around the Zawar area in the State of Rajasthan and to utilise those minerals in such manner as to subserve the common good, as passed by the Lok Sabha, be taken into consideration."

*The motion was adopted.*

THE DEPUTY CHAIRMAN: We shall now take up the clause-by-clause consideration.

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

*Clause 9—Right of Government to disclaim certain agreements.*

SHRI V. M. CHORDIA (Madhya Pradesh): Madam, I beg to move:

1. "That at page 5, lines 11 to 13, for the words 'The Central Government may, within one year from the commencement of this Act, apply to the Tribunal for relief from the agreement and the Tribunal,' the words 'the Central Government may terminate the agreement and the party affected by such termination may, within one year from the date of such termination, apply to the Tribunal for getting compensation for such termination of agreement and the 'Tribunal' be substituted."

उपसभापति महोदया, इस विधेयक में इस बात का प्रस्ताव रखा है कि जो वहाँ के कर्मचारी हैं उनसे जो इकरार वगैरह किये गये हैं उन इकरारों को हमारी सरकार इस कानून के द्वारा भंग कर सकती है और जिन इकरारों को वह भंग करे उसके लिये अगर वे असंतुष्ट हों तो हमारी सरकार ट्राइब्युनल में जायगी। मैं इसमें ज़रा एक उल्टा रिवाज़ देख रहा हूँ। हम कानून से उनके अधिकार भंग कर रहे हैं और हम उनको उस कम्पनी के लिये उपयुक्त नहीं समझते तो क्या कारण है कि

हम न्यायालय में जाय, ट्राइब्युनल में जाय, क्यों नहीं वह पदाधिकारी जिसको कि हमारे द्वारा तोड़े गये इकरार की वजह से कुछ नुकसान हो रहा है, कुछ कष्ट हो रहा है वह ट्राइब्युनल में जाय। वह अगर स्वीकार नहीं करता तो हम जाय, यह परम्परा कुछ ठीक लगती नहीं है। इस दृष्टि से मैं जानना चाहूंगा कि इसमें यह विशेष प्रावधान क्यों रखा गया। जब कानून से सरकार को अधिकार दिया है कि उनके एग्रिमेंट को तोड़ सके तो फिर क्या कारण है कि उसके अस्वीकृत करने पर सरकार ट्राइब्युनल में इकरार के बारे में जाय। कोई भी व्यक्ति जिसका इस कानून के अन्तर्गत इकरार तोड़ा जाने वाला है या जिसके इकरार पर प्रभाव पड़ने वाला है वह कभी भी हमारी सरकार द्वारा तोड़े गए इकरार के फंसले को स्वीकार नहीं करेगा और उसका परिणाम यह होगा कि ट्राइब्युनल के सामने समस्त लोगों के, जिन लोगों के भी इकरार तोड़े गये हैं उन सब के केसेज पैडिंग होंगे क्योंकि उसमें उनको आसानी है कि उनके केवल न कर देने से सरकार के लिये ज़रूरी हो जायगा कि वह ट्राइब्युनल में जाय, वह जानते हैं कि सरकार स्वयं ही ट्राइब्युनल में जाने वाली है। तो इतने केसेज ट्राइब्युनल में पड़े रहेंगे। वह तो स्पष्ट कह देंगे कि हमने इकरार तोड़ा है इसलिए वह स्वीकार नहीं है और ऐसी स्थिति में हमें ट्राइब्युनल में जाना पड़ेगा कि क्यों हम इस इकरार को तोड़ रहे हैं, यह सारा बर्डेन आफ प्रूफ हम पर पड़ने वाला है। तो जब यह जानते हैं कि सारी कम्पनी दिवाले में थी, आमदनी कम और खर्चा ज्यादा था, यह हमारी सरकार की मैनूपलेशन की वजह से हुआ या हमारी सरकार के जो कर्मचारी हैं उनके कारण से हुआ जिससे कि सम्भवतः मंत्री जी अवगत न हों, परन्तु इन सब बातों के बावजूद जब हम जानते हैं कि वहां का एडमिनिस्ट्रेशन खराब था तो ऐसी स्थिति में यह सारी जिम्मेदारी लेना, अपने ऊपर यह भार लेना कि अगर वह इकरार के बारे में

ना कर दें तो हम ट्राइब्युनल में जायेंगे कुछ न्यायसंगत प्रतीत नहीं होता।

मुझे पूर्ण ज्ञान तो नहीं, शायद ऐसा कोई अपवाद स्वरूप कानून होगा, शायद कहीं ऐसी कोई व्यवस्था होगी, परन्तु मुझे ऐसा लगता नहीं कि कोई कानून ऐसा है जिसमें कि स्वयं सरकार ट्राइब्युनल के सामने जाय कि हम इसके इकरार को तोड़ रहे हैं और यह ना कर रहा है इसलिए हमारे किये गये कार्य पर निर्णय करो। तो मैं मंत्री महोदय से प्रार्थना करूंगा कि वह इस संशोधन को स्वीकार करने का कष्ट करें।

*The question was proposed.*

SHRI N. SANJIVA REDDY: Madam, there is evidently some misgiving about this clause. The Government steps into the shoes of the Corporation and naturally Government has to protect the various agreements entered into in the course of the few years. It will not be proper to say that the Government will not appeal to the Tribunal or take action. Having stepped into the shoes of the Company and having taken over the agreements also, we will have to defend them. My friend has been saying that there is no similar provision anywhere else. I am afraid he is not correct. Similar provision exists in the Life Insurance Corporation Act and the Air Corporation Act. We will have to be responsible for protecting the agreements entered into by them. There is, therefore, nothing wrong in this.

SHRI V. M. CHORDIA: Madam, I beg leave of the House to withdraw the amendment.

*\*Amendment No. 1 was, by leave, withdrawn.*

THE DEPUTY CHAIRMAN: The question is:

"That clause 9 stand part of the Bill."

*The motion was adopted.*

*Clause 9 was added to the Bill.*

*\*For text of amendment, vide col. 4082 Supra*

Clause 10—Compensation for acquisition of undertakings

SHRI V. M. CHORDIA: Madam, I move:

2. "That at page 5, for lines 31 to 35, the following be substituted, namely:—

(b) where no such agreement can be reached, the Central Government shall determine the compensation in accordance with the principles specified in the Schedule, and the affected party may refer the matter to the Tribunal within a period of three months from the date of such determination."

3. "That at page 5, lines 36 to 40 be deleted."

4. "That at page 6, line 3, for the words 'four per cent.' the words 'six per cent.' be substituted."

*The questions were proposed.*

SHRI KHANDUBHAI K. DESAI (Gujarat): Same as the previous amendment.

**श्री विमलकुमार मन्नालालजी चौरडिया :**  
उपसभापति महोदया, हमारे एक माननीय सदस्य ने उधर से इशारा किया कि सेम है मामला, किन्तु मामला में इतना फर्क है कि वह कर्मचारियों से सम्बन्धित था, नौकरों से सम्बन्धित था और मैंने उसे बुरा नहीं समझा, मैं तो कर्मचारियों के, नौकरों के पक्ष का हूँ कि उनको कष्ट न हो और अगर सरकार स्वयं ट्राइब्युनल में जाती है तो जाय, इसलिये मैंने उसको विद्वड़ किया, इसलिये नहीं किया कि सिद्धांततः उसे ठीक समझता हूँ, शासन की दृष्टि से उसे ठीक नहीं समझता कि केवल कर्मचारी के ना कर देने की वजह से शासन को जाना पड़े। अब, अगर एक कृषक की जमीन हमारी सरकार लेती है तो उसको लैंड एक्वीजिशन आफिसर के पास सप्लाई करना पड़ता है कि सरकार के द्वारा जो कम्पेनसेशन निर्धारित किया गया है यह ठीक नहीं है, उसके केवल ना कर देने पर स्वयं सरकार लैंड एक्वीजिशन आफिसर के पास एक पार्टी बन कर नहीं जाती कि चूँकि हमने जो मुआविजा निर्धारित किया था उसको यह कायतकार लेने का तैयार नहीं है इसलिए हम

न्याय के लिये आये है कि इसका जो भी उचित मुआविजा हो वह निर्धारित कर दिया जाय। ऐसी बात हमारी सरकार करती नहीं, तो जब लैंड एक्वीजिशन एक्ट के मातहत कृषकों के साथ यह व्यवहार है तो क्या कारण है कि हमारी सरकार इन बड़े-बड़े इंडस्ट्रियलिस्ट्स के लिये, जो कि खास तौर से मेटल कार्पोरेशन के मालिक हैं उनके लिये यह दूसरी व्यवस्था करना चाहती है। हो सकता है कि दूसरे कार्पोरेशनों के लिये यह व्यवस्था की हो कि बड़े-बड़े आदमियों से, समाजवाद का नाम लेने के बाद भी पूंजीपतियों से प्रभावित हो कर उनके हित में यह नियम बना दिया हो लेकिन मैं जानना चाहता हूँ कि क्या कारण है कि हमारी सरकार यह व्यवस्था करना चाहती है। जो भी शेड्यूल हमने निर्धारित कर दिया, चाहे वह अच्छा किया या बुरा किया, जो भी कीमत हम तय कर दें कि यह हम देने वाले हैं उसका बन्धन उन्हें मानना चाहिये जैसा कि जमीन वालों के बारे में जो ठीक समझते हैं वैसा करते हैं, उसमें तो ऐसा नहीं है कि चूँकि उसमें उनका हित नहीं हुआ है, उनका नुकसान हुआ है, वह स्वीकार नहीं करते हैं इसलिए हमें ट्राइब्युनल के सामने जाना ही है कि ट्राइब्युनल को जो निर्णय देना हो वह निर्णय दे। ऐसी स्थिति में हमारी सरकार ने इसमें जो यह प्रावधान किया है कि अगर उन्होंने ना कर दिया तो हमारी सरकार ट्राइब्युनल के सामने जायगी और ट्राइब्युनल के समक्ष कहेगी कि चूँकि इन्होंने ना कर दिया है इसलिये इसका ट्राइब्युनल निर्णय कर दे, यह कुछ न्यायसंगत प्रतीत नहीं होता और इसी दृष्टि से मैंने यह संशोधन दिया है। मंत्री महोदय जिस तरह से कृषकों को समझते हैं उसी तरह से इनको समझें, वह उद्योग के मंत्री हैं मगर मजदूरों का हित देखने वाले हैं, इस दृष्टि से जिस स्टेज पर कृषकों को खड़ा किया गया है उसी स्टेज पर मिल मालिकों को, कारखाने के मालिकों को, उद्योगपतियों को खड़ा कर के उन्हें कहना चाहिए कि अगर तुम्हें असंतोष है तो तुम जाओ ट्राइब्युनल के

सामने, तुम वहां जा कर अपना केस पुट-अप करो कि हम इतना नहीं लेना चाहते तो यह प्राविधान इसमें होना चाहिए।

दूसरा संशोधन जो मैंने दिया है उसमें 36 से 40 लाइन तक को डिलीट करने को कहा है, वे लाइंस इस प्रकार हैं:

"Notwithstanding that separate valuations are calculated under the principles specified in the Schedule in respect of the several matters referred to therein, the amount of compensation to be given shall be deemed to be a single compensation to be given for the undertaking as a whole."

उपसभापति महोदया, इसमें जो मैं इम्प्रेसन ले रहा हूँ वह यह है कि नियम के अनुसार, शिड्यूल के हिसाब से, तय की गई रकमों का अगर एक पक्ष उसको पसन्द आ जाता है और वह स्वीकार करके उसे लेना चाहता है तो हमारी सरकार यह चाहती है कि पूरे का पूरा, एज ए होल, माना जाकर के, एक ही मुश्त उसको रकम दी जायगी। अगर मेरा इम्प्रेसन सही है तो मैं प्रार्थना करूंगा, कि इसमें सरकार को क्या आपत्ति हो सकती है कि यदि जिन-जिन हिस्सों का वैल्यूएशन तय हो जाय और सामने वाला पक्ष उसको लेना स्वीकार कर ले तो क्या कारण है कि हमारी सरकार उसको भी पेन्डिंग रखना चाहती है, कि जब तक और सारी चीजों का निर्णय न हो जाय। इस दृष्टि से मैंने यह संशोधन इस आधार पर दिया है कि यदि हमारी सरकार का इरादा हो कि उसका केवल एक हिस्सा मानकर चलना है और अगर अच्छी मर्शन का एक लाख रुपया तय हुआ, विल्डिगज का दो लाख रुपया तय हुआ, लीज का 50,000 रु० तय हुआ, उन तीन आइटम में से एक आइटम उसका पसन्द आ गया कि विल्डिग के लिये जो आपने तय किया वह ठीक है तो ऐसी स्थिति में उस आइटम की रकम दी जानी चाहिये, उसके लिये इस वारे में नहीं ठहरना चाहिये कि यह सारे के सारे का जब तक वैल्यूएशन नहीं हो जायेगा वह तब तक नहीं

दी जायगी। इस दृष्टि से मैं प्रार्थना करूंगा कि मेरे इस संशोधन को स्वीकार करने का कष्ट करें।

चौथा संशोधन जो मैंने दिया वह इस आशय से दिया है कि हमारी सरकार ने यह प्राविधान किया है कि यदि जो रकम तय हो गई उसकी मुश्त हमने समय पर नहीं दी तो हमको उसको केवल चार परसेन्ट का ब्याज देना होगा। मैंने अपने संशोधन में 6 रु० सैकड़ा का प्रपोज किया है यद्यपि मुझे इससे दिलचस्पी नहीं है कि आप चार सैकड़ा रखें, 3 सैकड़ा रखें या कुछ रखें। लेकिन इस संशोधन को रखने का मुख्य कारण यह है कि हमारी सरकार पर इस बात की लाएविलिटी नहीं आए कि उनको ब्याज देना पड़ेगा और जिन अधिकारियों को कम्पेन्सेशन देना है वे हैरस नहीं करें। तो ऐसी स्थिति में यह अत्यंत आवश्यक है कि हमारी सरकार पर थोड़ा बजन पड़ेगा, तो जो अधिकारी आपकी लालफीताशाही के कारण 'एप्लाई एप्लाई नो रिप्लाई' के आधार पर कुछ काम करना नहीं चाहते और केवल उसको पेन्डिंग रखना चाहते हैं, केस डिसाइड होने के बाद भी उसको पैसा नहीं देना चाहते और दूसरे हम जब लोन इकट्ठा करते हैं तो बाजार का भाव रुपये सैकड़ा या डेढ़ रुपये सैकड़ा प्रति माह के हिसाब से पड़ता है तो क्या कारण है कि हमारी सरकार उसे छः प्रतिशत के हिसाब से न दे, इस दृष्टि से मैंने यह संशोधन रखा है। आशा है या तो मंत्री जो इस बात को स्पष्ट करेंगे कि हमारे यहां इसके अंतर्गत चलने वाले डिपार्टमेंट में लालफीताशाही ज्यादा देर तक नहीं रहेगी और इसको खोला जायेगा और पूरा कम्पेन्सेशन दिया जायेगा अन्यथा उसको 6 प्रतिशत का ब्याज दिया जायेगा। इस आशय से ये तीनों संशोधन प्रस्तुत किये हैं और आशा है मंत्री महोदय इनको स्वीकार करेंगे।

SHRI N. SANJIVA REDDY: Madam, it is not necessary for me to say that we

[Shri N. Sanjiva Reddy]

will have to be just to the other party also. When we take over, compensation has naturally to be paid and when you pay compensation if there is any disagreement between the party and the Government naturally the Government refers it to the tribunal. I do not see anything wrong in that. It is necessary to be fair and it has to be to the satisfaction of the other party also.

The second amendment is to delete the clause. I do not think it will be correct to delete it. How are we to calculate for each item and pay separately? Suppose we agree on the cost of the building and we pay compensation for the building but not for the land? How are we to pay for each item separately? There are so many items, hundreds of items, land, building, machinery, mines, raw materials and so many things. If the Government is expected to pay for each item separately and not for the disputed items, it will not be proper. Compensation has to be paid after a proper calculation for all the items together and the whole amount should be paid together. That will help to reach an agreement quickly. Otherwise if for each item we pay separately I think it will create a lot of confusion.

About the rate of interest, he said that it should be raised from four per cent. to six per cent. It is only a notional figure. The question of interest would arise if within six months after the tribunal has given the judgement the Government does not pay. The question of Government not paying after the tribunal has given the judgement would not arise at all. And there is a period of six months prescribed; that safeguard, that protection is there. Even after six months if the Government does not pay then the question of interest will arise and interest will be given. So there is no point in increasing the rate to six per cent and there is not need to do that because the Government will be in a position to pay. After the judgement by the tribunal there need be no delay of more than six months. So I think my hon. friend should withdraw his amendments and allow this Bill to be passed.

THE DEPUTY CHAIRMAN: What do you propose to do?

श्री विमलकुमार मन्नालालजी चौरडिया :  
दूसरा और तीसरा अमेन्डमेन्ट तो प्रेस करता हूँ,  
चीथे को विदङ्गा करता हूँ ।

THE DEPUTY CHAIRMAN: All right; I will put Amendments Nos. 2 and 3 to vote.

The question is:

2. "That at page 5, for lines 31 to 35, the following be substituted, namely:—

'(b) where no such agreement can be reached, the Central Government shall determine the compensation in accordance with the principles specified in the Schedule, and the affected party may refer the matter to the Tribunal within a period of three months from the date of such determination.'

*The motion was negatived.*

THE DEPUTY CHAIRMAN: The question is:

3. "That at page 5, lines 36 to 40 be deleted."

*The motion was negatived.*

THE DEPUTY CHAIRMAN: Now, Amendment No. 4, he wants to withdraw. Has he the leave of the House to withdraw his amendment?

*No hon. member dissented.*

*\*Amendment No. 4 was, by leave, withdrawn.*

THE DEPUTY CHAIRMAN: The question is:

"That clause 10 stand part of the Bill".

*The motion was adopted.*

*Clause 10 was added to the Bill.*

*Clauses 11 to 17 were added to the Bill.*

*The Schedule was added to the Bill.*

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

\*[For text of amendment, (vide col. 4085 supra.)

**SHRI S. SANJIVA REDDY:** Madam, I move:

"That the Bill be passed."

*The question was proposed.*

**SHRI KHANDUBHAI K. DESAI** (Gujarat): Madam, I feel that the Minister should not have been apologetic about taking over the Metal Corporation. It has been in an absolute mess. I had an opportunity to go to the mines about a year back. Much precious time had been lost during the last twenty years. Particularly I would place before the hon. Minister that metals like copper, zinc, lead, aluminium, etc. are the materials for which we have to pay considerable foreign exchange. The private enterprise is not in a position to exploit it fully in the interests of the country. Therefore the time has come to take it up ourselves. After the experience of the Metal Corporation for so many years it is time that the exploitation of scarce materials is taken over by the Government because they can explore properly, have the necessary smelting apparatus and expedite the refining and other processes necessary to produce these scarce materials which are absolutely essential almost for all industries, particularly the defence industries. That is all I have got to say. The hon. Minister was unnecessarily apologetic about taking over this Corporation. He should have taken it up much earlier.

**श्री विमलकुमार मन्नालालजी चौरड़िया :**  
उपाध्यक्षा महोदया, अब यह विधेयक कानून की शकल ले रहा है और हमारी सरकार के ऊपर एक बड़ी भारी जिम्मेदारी इस कारपोरेशन को चलाने की आ रही है। जो दर्ल.लें यहां पर दी गई और माननीय मंत्री जी ने जो अपना वक्तव्य दिया, उसमें कुछ ऐसा प्रकट नहीं हुआ कि वहां पर व्यवस्था की गड़बड़ होने के कारण वह उद्योग ठीक से नहीं चल सका—मूल कारण उन्होंने बनाए कि धनाभाव के कारण या कोलाबांरेशन ठीक तरह से नहीं हो पाया और उसके पास सोरसेज इतने नहीं थे कि जिसके आधार पर उसको लाभदायक ढंग से चला सकें। एक दूसरा पक्ष हमारे मंत्री जी ने यह भी

बताया कि यह स्केयर्स मैटीरियल है, भारतवर्ष में अधिक पैदा नहीं होता है, विदेशी मुद्रा हमको लगती है इसको मंगाने के लिए। यह यहां से जापान जाता है, जापान में कैडमिया वहीं रह जाता है और वहां से बन कर आता है। इन सारी बातों को देखकर लगता है कि किसी भी काम को चलाने के लिये जब कच्चा माल हमारे यहां पर है, तो उसका ठीक तरीके से उपयोग लेने के लिए एक तो आरगेनाइजेशन की जरूरत थी और दूसरे मैनेजमेन्ट की आवश्यकता थी। अगर हम देखें, जो उद्योग 1944 से अभी तक चला उसकी पूंजी की क्या स्थिति रही? तो 1944 से अभी तक उस कम्पनी ने कई बार रुपया उधार भी लिया, शेयर कैपिटल में भी, पेड अप कैपिटल में भी वृद्धि की, हमारा जो फाइनेन्शियल कारपोरेशन है उसने भी रुपया दिया, राज्य सरकार ने भी रुपया दिया और ज्यों-ज्यों उनको जरूरत पड़ती थी रुपया मिलता गया। प्लानिंग कमीशन ने भी सिफारिश की उनकी रुपया दिया जाये। हमारी सरकार के पास उनकी बार-बार अप्रोच की गई कि हमारी कीमतें बढ़ाई जायें, दुनिया भर को अधिक कीमतें मिलती हैं, हमको कम क्यों मिलती हैं। हमारी सरकार ने 1956 में उनकी कीमतें निर्धारित करने का प्रश्न उठाया क्योंकि उस समय तक हमारे यहां किसी तरह के बंधन नहीं थे, ड्यूटी नहीं थी और इसलिए फ्री कम्पीटीशन था, यह कंपनी उसके कम्पीटीशन में सफल नहीं हो सकी।

सन् 1956 में जब सरकार ने दूसरी बार ड्यूटी लगाई तो क्या उसने लगाने से पहले उनसे मालूम कर लिया था? जब सरकार किसी उद्योग पर ड्यूटी लगाती है तो उसका आधार यह होता है कि इतना माल तैयार करना है और इस माल की कीमत इतने से ज्यादा नहीं होगी। लेकिन सरकार ने इस बात पर भी ध्यान नहीं दिया। इसके साथ ही साथ जब रुपया उधार मांगने की बात आई और इसके बारे में जो सिफारिश की गई

[श्री विमलकुमार मन्नालालजी चौरड़िया:]

थी उस पर भी गवर्नमेंट ने ध्यान नहीं दिया और सरकार ने 1964 में एक कमेटी बिठला दी जो इस कंपनी की सारी बातों के बारे में जांच करे। इन सब बातों को देखने से ऐसा लगता है कि इसमें किसी का कोई वैस्टेड इन्टरेस्ट है जो इस तरह की बातें करवा रहा है। जिस तरह से सरकार और उद्योगों को संरक्षण दे रही और कर्जा दे रही है और इयूटी लगाकर उस उद्योग को देश में पनपने के लिए सहायता कर रही है, उस तरह की बात सरकार ने इस उद्योग के लिए नहीं की। इन सब बातों को देखकर लोगों के मन में शंका पैदा होती है कि किसी उद्योगपति के प्रभाव में आकर शासन इस तरह की कार्यवाही कर रहा है और उस उद्योगपति का इस उद्योग से संबंध है। मैं यह नहीं कहना चाहता हूँ कि माननीय मंत्री जी इससे संबंधित हैं, लेकिन शासन के जो अन्य लोग हैं, जिनके हाथ में इस उद्योग की मशीनरी है, उन्होंने प्रभावित होकर इस उद्योग को समय पर जो लाभ दिया जाना चाहिए था वह नहीं दिया, जिसके परिणामस्वरूप यह उद्योग जो हमारे देश के लिए आवश्यक था, जो विकास करना चाहता था, जिसको स्केयर्स मैटिरियल की जरूरत थी ताकि वह कम्पीटिशन में खड़ा हो सके, इस तरह की कोई सहायता सरकार की ओर से नहीं दी गई। इस उद्योग को चलाने के लिए सरकार की ओर से न पूंजी ही दी गई और न उचित मशीनरी का ही प्रबन्ध किया गया जैसा कि सरकार और उद्योगों को पनपने के लिए करता है। इसका एक मात्र कारण यह है और जिसको चर्चा आम है, इस हाउस में भी बहुत चर्चा है कि कोई उद्योगपति जो इस उद्योग को चाहता था, उसको यह नहीं मिल पाया जिसकी वजह से उसने इनडायरेक्ट-वे में इस तरह की कार्यवाही कराई कि जिसकी वजह से सरकार को यह जस्टीफाई करने का मौका मिल गया कि इस उद्योग को सरकार खुद अपने हाथ में ले ले। इस कम्पनी की ऐसी

स्थिति करा दी गई कि वह दो महीने तक अपने मजदूरों को तनख्वाह नहीं दे सकी और बोनस की तो बात बहुत दूर रही। तो मैं माननीय मंत्री जी से पूछना चाहता हूँ कि आपके विभाग ने इतने दिनों तक ऐसी गम्भीर स्थिति का निर्माण होने क्यों दिया? उसने इतने दिनों तक क्यों नहीं सोचा कि इस कम्पनी की स्थिति खराब होती जा रही है जबकि राजस्थान सरकार ने जिसके शेयर हैं, इस बारे में लिख दिया था और सरकार का ध्यान उसकी विगड़ती हालत की ओर दिला दिया था? जब इस कम्पनी ने सरकार से अपनी कठिनाई को दूर करने के लिए कर्जा मांगा तो सरकार दो महीने तक चुप रही और दो महीने के बाद उसने एक अडिनेन्स निकाल दिया जो कि बिल्कुल ही न्याय संगत प्रतीत नहीं होता है। इन सारी बातों से इस बात की शंका होती है कि सरकार किसी उद्योग को समाप्त करना चाहती है तो शासन के माध्यम से वह इस तरह की हालत पैदा कर देती है जिससे उस उद्योग पर सरकार का कब्जा हो जाय। मैं सरकार द्वारा उद्योग के लिये जाने का विरोध नहीं करता हूँ अगर शासन किसी उद्योग को ठीक तरह से चलाती है तो मुझे कोई आपत्ति नहीं हो सकती है।

इसके साथ ही साथ मैं यह निवेदन करना चाहता हूँ कि सरकार जब इस कम्पनी को अपने हाथ में ले लेगी तो उसकी चीजों के दाम नहीं बढ़ायेगी लेकिन सरकार रैशनलाइजेशन के नाम पर कीमत बढ़ा देती है जो कि उचित प्रतीत नहीं होता है। यह बात मैं इसलिए कह रहा हूँ क्योंकि सरकार यह कम्पनी अपने हाथ में लेने जा रही है और वह फिर रैशनलाइजेशन की बात सोचने लगेगी, जैसा कि वह और उद्योगों में करती आ रही है, उसी तरह से वह इस उद्योग में भी करेगी। इसलिए निवेदन है कि सरकार जिन उद्योगों को अपने हाथ में ले रही है, भविष्य में जिन उद्योगों को वह अपने हाथों में लेगी, उनकी चीजों की कीमत बढ़ाने का प्रयत्न नहीं करेगी। सरकार का

तो यह बर्तव्य होना चाहिए कि जनता को सस्ते दामों पर तांबा, जस्ता, कैडमियम और सल्फ्यूरिक एसिड दे। और सरकार को इस बात की घोषणा करनी चाहिए कि वह सस्ते दामों पर इन चीजों को जनता को देगी। अगर सरकार इस तरह की घोषणा करती है तो तब जनता समझेगी कि सरकार द्वारा लिए गए उद्योग जनता के हित में हैं अन्यथा ऐसा भ्रम होगा कि किसी उद्योग को प्राप्त करने के लिए उसको ऐसी स्थिति में लाकर पटक दिया है। अगर सरकार इस उद्योग की चीजों की कीमत बढ़ाती है तो यह आरोप जनता के मन में घर करना जायेगा कि हमारी सरकार दूसरों के प्रभाव में आकर इस उद्योग को समाप्त कर रही है। दूसरी बात में यह कहना चाहता हूँ कि हमारी सरकार इसका एडमिनिस्ट्रेशन अपने हाथ में ले रही है और इस दृष्टि से...

**THE DEPUTY CHAIRMAN:** Mr. Chordia, please do not make a speech. It is the Third Reading. You cannot make a long speech now.

**श्री विमलकुमार मन्नालालजी चौरड़िया:**  
हमारी सरकार इस काम को...

**THE DEPUTY CHAIRMAN:** This is the Third Reading. You have to keep it within the scope of the Third Reading. You cannot deliver a speech as you would have done at the consideration stage, when you were not in the House.

**श्री विमलकुमार मन्नालालजी चौरड़िया:**  
मेरा नम्र निवेदन है कि सरकार अब इस कारपोरेशन को ले रही है और उसको निम्न तरह से चलाना चाहिए, उसके बारे में मैं कह रहा हूँ क्योंकि अब इसके लिए कानून पास होने जा रहा है।

**THE DEPUTY CHAIRMAN:** What you are saying does not fit into the Third Reading.

**श्री विमलकुमार मन्नालालजी चौरड़िया:**  
अब सरकार इस कारपोरेशन का मैनेजमेंट

अपने हाथ में लेने वाली है और मैं चाहता हूँ कि वह इसको एक आदर्श के रूप में बनाए। इस कारपोरेशन में जितने कर्मचारी हैं उनका भी प्रतिनिधित्व इसके मैनेजिंग बोर्ड में होना चाहिए। हम जब तक कोर्पोरेशन और लेबर के आधार पर इस कारपोरेशन को नहीं चलायेंगे तब तक जनता का इससे हित होगा, ऐसा नहीं लगता है। इसीलिए मैं सरकार का ध्यान इस बात की ओर दिलाना चाहता हूँ कि हमारे कई कर्मचारी ऐसे हैं जो इसमें डेप्युटेशन पर आये हैं। जो कर्मचारी इसमें काम करते हैं उनको तो कानून के हिसाब से बोनस दिया जाएगा मगर जो डेप्युटेशन पर आकर इस कारपोरेशन में काम करेंगे उनको बोनस नहीं दिया जाएगा, यह उचित प्रतीत नहीं होता है। इसलिए यह अत्यन्त आवश्यक है कि जो कर्मचारी डेप्युटेशन में आकर इस कारपोरेशन में काम करते हैं उन्हें भी और कर्मचारियों की तरह बोनस मिलना चाहिए और उन्हें इस लाभ से वंचित नहीं किया जाना चाहिए जो इस कंपनी के दूसरे कर्मचारियों को मिलता है।

मैं आशा करता हूँ कि इन सारी बातों को ध्यान में रखकर सरकार इस कारपोरेशन द्वारा तैयार की हुई चीजों के दामों को नहीं बढ़ने देगी और जनता को सस्ती कीमत पर उनको उपलब्ध करेगी।

**SHRI M. RUTHNASWAMY (Madras):** Madam Deputy Chairman, may I be allowed, at this late stage, to make a brief contribution to this debate? It consists in congratulating the Minister of Steel and Mines on following one of the fundamental principles of the Swatantra Party in bringing this Bill before the House. The Swatantra Party believes in the State entering the field of private enterprise only when private enterprise has failed or when private enterprise cannot undertake certain projects. I am glad that the hon. Minister has followed this very important principle that should regulate every entry of Government into the field of private enterprise. Especially in the field of extractive industry it is necessary that the Government should play, if not the

[Shri M. Ruthnaswamy]  
sole part, a predominant part, because the extractive industry is concerned with the exploitation of the natural and national resources in raw materials of the country. It should not be left to the whims and caprices of the private industry. If private industry can manage any extractive industry, by all means allow it to do so, but in this case it has failed grievously and I congratulate the hon. Minister on bringing forward this Bill.

SHRI N. VENKATESWARA RAO (Andhra Pradesh): Madam, I rise to congratulate the hon. Minister on bringing forward this Bill before the House. It is rather a pity that my hon. friend, Mr. Chordia, has repeated certain allegations, which the Minister has refuted earlier in categorical terms. Be that as it may, I am sure the hon. Minister needs no defence from me. I would, therefore, like to confine myself to saying that it would not be enough to take over the Metal Corporation of India just to exploit the zinc and lead deposits in Rajasthan. The new body should explore the country for non-ferrous metals. I, for one, cannot bring myself to believe that our country is poor in non-ferrous metals. There was a time when foreign experts were saying that no petrol could be found in India. They were saying that India was outside the petrol belt and so there was no likelihood of petrol being found at all in our country.

But once a diligent search was made with the help of Russian and other East European experts we have found ample resources, and I am sure that further exploration would make us very self-sufficient, not only self-sufficient but more than self-sufficient in the matter of oil. Likewise I believe there is every likelihood of finding ample deposits of non-ferrous metals, provided a diligent search is made for with the help of experts, and it should be up to the new body to carry out this exploratory work.

Madam, I would also like to suggest in the present crisis it should be possible for our experts to devise ways and means of substituting non-available metals with those that are easily available in our country. For instance, a metal like copper is scarce and more costly than aluminium. So wherever possible, aluminium should be

used in place of copper. I know an instance where an enterprising manufacturer . . .

THE DEPUTY CHAIRMAN: That is outside the scope of the Third Reading.

SHRI N. VENKATESWARA RAO: I am making just a suggestion.

THE DEPUTY CHAIRMAN: Speak on the Third Reading for or against the provisions of the Bill.

SHRI N. VENKATESWARA RAO: Well, Madam, it should be possible to find substitutes for scarce metals, and I hope that the new body that is taking over this Corporation would have a comprehensive programme to help our country to develop on proper lines in this matter.

SHRI N. SANJIVA REDDY: Madam, I thank the hon. Members for the valuable suggestions they have made. We have been having in mind the suggestions made by my friend, Mr. Venkateswara Rao. Already research is going on in the laboratories whether aluminium could replace copper. About his feeling that India is full of non-ferrous metals provided we search for them, I too have a similar feeling and it is because of this that we are planning aerial surveys, and if we can find them and become self-sufficient, it will be a position about which India would be proud and happy.

My friend, Mr. Chordia, has made some, I will not say allegations but, suggestions. I do not think the position he has stated is correct if I understood his Hindi very correctly. We are attempting to do our best to run the Corporation and produce very good results. It is only for this purpose that this is taken over. A long rope was given to the Metal Corporation and they did not make use of it. The Chief Minister of Rajasthan was anxious that the company should begin producing. Even we, the Central Government, were not anxious to take it over as I said earlier. All possible help had been given. When they have taken crores of rupees as loan, if they do not repay even instalments and the machinery is lying in the docks for years, when they are not able to raise any capital by themselves, which bank, which corporation, which Government will give them? We have been forced by circumstances to take it over. There is

absolutely nothing there and we should not read anything beyond this in the action taken by the Government. I thank the hon. Members for giving valuable suggestions.

**THE DEPUTY CHAIRMAN:** The question is:

"That the Bill be passed."

*The motion was adopted.*

**THE DEPUTY CHAIRMAN:** The House stands adjourned till 2.30 P.M.

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

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The House reassembled after lunch at half-past two of the clock, the VICE-CHAIRMAN (SHRI M. P. BHARGAVA) in the Chair.

#### THE KERALA APPROPRIATION (NO. 5) BILL, 1965

**THE MINISTER OF PLANNING (SHRI B. R. BHAGAT):** Mr. Vice-Chairman, I beg to move:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the State of Kerala for the services of the financial year 1965-66, as passed by the Lok-Sabha, be taken into consideration."

Sir, this Bill arises out of the Supplementary Demands for Rs. 2.84 lakhs voted by the Lok Sabha on the 26th November, 1965, and the expenditure of Rs. 3.82 lakhs 'charged' on the Consolidated Fund of Kerala. The Supplementary Demand Statements presented to the House give the explanations in support of these proposals. It is not necessary for me, therefore, to go into these in detail.

I would, however, like to take this opportunity to say a few words about the developmental activities of the State. The outlay on the Third Five Year Plan of Kerala was

originally fixed at Rs. 170 crores to be financed by a Central assistance of Rs. 109.40 crores and the State's resources of Rs. 60.60 crores. The approved Plan outlay for 1965-66 was fixed at Rs. 41.65 crores of which Central assistance amounted to Rs. 28.90 crores. This raised the total outlay for the five-year period to Rs. 173.22 crores.

In May, 1965, the State Government sent up comprehensive proposals for an additional outlay on certain productive schemes already in progress and on some new schemes having an immediate impact on the development of the State as a supplement to the State Plan already agreed to. These were carefully examined and an additional outlay of Rs. 5.63 crores was sanctioned in June, 1965. This included Rs. 2.35 crores for power, Rs. 1.50 crores for industries and Rs. 1.10 crores for irrigation. An additional assistance of Rs. 30 lakhs has also been sanctioned for minor irrigation works.

The total outlay of the State Plan for 1965-66 now adds up to Rs. 47.58 crores and for the Third Plan period to Rs. 179.26 crores.

Having regard to the present need to step up food production, the Centre has sanctioned under the "Special Development Programme" a sum of Rs. 119.34 lakhs. This amount will be utilised for Agriculture, Animal Husbandry, Fisheries and Co-operation.

Rapid industrialisation is vital to the progress and development of the State. The outlay during the Third Plan period on industries will be about Rs. 14.4 cores. Certain Central Sector projects are also coming up in Kerala. The important amongst these are: the Hindustan Machine Tools which has started production, and the Cochin Refinery which will be commissioned in May next. The Project Report for the proposed Ship Building Yard is likely to be received early next year. The Project Report for the Precision Instrument Project is under examination. It has also been decided to set up a Fertiliser Project at Cochin. A unit of the Hindustan Insecticides, Ltd. at Alwaye for the production of Benzene Hexachloride, a pesticide,