

[Shri K. Lakkappa]

public exchequer and country's economy as a consequence of splitting this Corporation into four units? If the Cabinet decision to split up the Fertiliser Corporation of India is implemented it will benefit only a few officers alone in the matter of their promotions because four independent companies would come into existence requiring four Chairmen/Managing Directors, four headquarters, four Central Training Centres, besides appointments of senior officers like Company Secretaries and Advisers in various fields for each of the companies and four full-fledged managements. This ultimately involves further expenditure on huge establishment. It has always been a white elephant eating into the vitals of the Fertiliser Corporation and the public funds. The present Government always talks of economy and austerity measures. But how they would implement austerity measures on items like transport, telephone, travelling, creation of posts, recruitment etc. synchronizing with the same decision to split up the Corporation. Even the registration of fees of the four companies would be to the tune of about Rs. 2 crores.

This is also what has been stated in the *Statesman* dated 15-7-77:

"One of the main reasons for the decision to split up the Fertiliser Corporation of India into four autonomous corporations is that it is 'monstrously big' and, therefore, 'unmanageable'. At the moment the FCI has seven units in operation and four in various stages of completion with gross assets well in excess of Rs. 700 crores. This is admittedly big but considering the nature of the industry, the FCI's size is modest. In fact, some experts are on record that the FCI could easily manage more than twice the present number of units. All the units with the exception of the Nangal one have been incurring heavy losses which does not necessarily mean that the FCI is badly managed. Alternatively, there is nothing to suggest that they could be turned into profit-making units by the simple expedient of reorganizing the FCI into smaller corporations. On the contrary, the chances are that creating four autonomous corporations in place of one will involve additional administrative and managerial overheads and encourage officials' inherent empire-building tendencies. Locational and tech-

nological reasons have been advanced in favour of restructuring the FCI.

Instead of reorganising the whole thing, streamlining the administration and introducing discipline in the administration, the hon. Minister has taken such steps which will result in the net loss and heavy expenditure by creating these four independent units. Ultimately, not only indiscipline will be curbed but it will also be advantageous to the building up of in-built bureaucracy. Therefore, there is no austerity measure involved in it; there is no simplicity involved in it; there is no administrative convenience and discipline involved in it. If they take such a decision, it will be disastrous to the nation.

Instead of doing this, let the hon. Minister bring about re-orientation and discipline in this sector. There are a few top-level officers who are engineering this sort of a thing. They want to create an atmosphere and want to have four autonomous units in four different regions of the country so that they can get into them and become bosses and enjoy the best of things.

I would like to submit that this is a very unreasonable decision and it is not a wise decision. I would request the hon. Minister to reconsider all these aspects of the matter in the interest of the nation.

#### (iii) RETRENCHMENT OF LABOURERS IN GOVERNMENT DEPARTMENTS OF UNION TERRITORY OF LAKSHADWEEP

SHRI P. M. SAYEED (Lakshadweep): Mr. Speaker, Sir, I would like to draw the attention of the House to a very serious matter which has taken place in my constituency, the union territory of Lakshadweep, where the entire labour force has been drawn from different Departments of the administration. Though it is a very small union territory, the working force in different Departments is considerably large.

The serious incident that has taken place is with regard to the retrenchment of labourers in various departments, specially, the harbour and the Public Works Department and that too is a very small number if at all compared to any other union territory. The retrenchment is to the tune of 150 labourers in all.

What the administration officials are doing is that on the pretext of lack of funds, they are retrenching labour which

has been in continuous service for the last 10 years or 12 years or even 15 years. The thing is, if the service continuity crosses 240 days, as per the labour laws, they have to be permanently absorbed. That is the pretext under which these people are being thrown out every year like this. This is a very serious matter. 150 labourers have been thrown out of employment, that is, 150 families are starving because of this. This is a place where there is no legislative set up, no popular involvement of the people, excepting election of the Members to the Lok Sabha. Therefore, I would appeal to the hon. Minister to see that these labourers are taken back and are absorbed on a permanent basis.

**SHRI JOYTIRMOY BOSU** (Diamond Harbour): This is a very serious matter and the Government should say something about it.

(iv) OBSERVANCE OF CENTENARY YEAR OF 'VANDE MATRAM'

**SHRI SAMAR GUHA** (Contai): Mr. Speaker, Sir, through you, I would like to draw the attention of the hon. Home Minister to the centenary year of Vande Matram, the composition of our National Song Vande Matram. This is not necessary for me to remind the House of the role that this National Song played in the struggle for our independence. This is known to everybody that millions of our people faced lathis, batons and bullets with the words Vande Matram Song in their lips. Many martyrs went to the gallows with the words Vande Matram Song in their lips. This was accepted not merely theoretically as the national song, but the word 'Vande Matram' was christened as our national mantram on the blood of so many martyrs and Vande Matram was accepted as the National Song.

I would urge the Home Minister to take adequate steps so that this Vande Matram Centenary should be observed. A small Parliamentary Committee may be set up and a special stamp in commemoration of Vande Matram Song may be brought out. The mass media and the Information and Broadcasting Ministry should also take notice of it. The Education Minister can also bring out a certain brochure and a national symposium in different parts of the country can be arranged; other programmes can also be organised. I hope the hon. Home Minister will take notice of it and discharge our patriotic duty towards this National Song of Vande Matram which was composed by rishi Bankam Chandra in almost the same year.

(v) CRISIS IN SMALL SCALE AND COTTAGE SECTORS OF THE SHOE INDUSTRY

**SHRI SHAMBHU NATH CHATURVEDI** (Agra): Mr. Speaker, Sir, I had given a notice of call Attention to call the attention of the hon. Finance Minister to the crisis facing the small scale & cottage sector of the shoe industry leading to lay-off and unemployment of thousands of workers as a result of the Central Excise Notification No. 88/77 dated 9-5-77, which reads as follows. I will read out only the operative part of it.

"The Central Government hereby exempt Footwear falling under sub-item I of Item 35 of the First Schedule to the Central Excise and Salt Act, 1944 (1) of 1944 from the whole of duty of Excise leviable thereon provided that:—

- (1) Such footwear is produced by or on behalf of a manufacturer; one or more factories, including precincts thereof, wherein not more than 49 workers are working or were working on any day of the preceding 12 months; and
- (2) That total equivalent of power used in the manufacture of such Footwear by or on behalf of the manufacturer in one of more factories does not exceed 2 H.P."

Then an explanation has been given as a footnote which is the source of all the mischief.

"Explanation:—

Where footwear, manufactured by a manufacturer is affixed with the brand or trade name, registered or not of another manufacturer or is purchased by another manufacturer, it shall be deemed to have been manufactured by or on behalf of such other manufacturer."

The explanation seeks to undo the concession that has been given in the first two paragraphs which I have read out. In operation, the exemption given to the small scale sector and cottage workers has been nullified by this explanation as most of the goods produced in the small scale sector are purchased by the large organizations both in the public and private sectors, and bear their brand names. The total value of the goods thus purchased from the small scale sector is of the order of two to three crores.

With the imposition of this duty, which is being levied on those footwears