

### **Bombay High (Stat.)**

reminder to us with gratitude is the marine seismic survey conducted with the help of a Soviet seismic survey ship during 1964-66 which was on its way back to the Soviet Union after the week that it had to do in our south seas. Detailed seismic and reflection surveys were conducted thereafter with the help of C.G.G. of France and Geophysical Services International of U.S.A. Mitsubishi Soji Kaisha Ltd. of Japan built the Sagar Samrat for us and it was this drilling vessel that discovered oil in the Bombay High structure in February, 1974. For the conceptual Plan for the first phase of the development of Bombay High, we had C.F.P. of France and GEOMAN of U.S.A. as our consultants. Credit is due to the scientists and technicians of ONGC for finalising the Plan. The designs were reviewed by the Engineers India Limited while McDermott of Dubai fabricated the platform and also installed the platform, the SBM and inter-connecting submarine pipelines. The SBM were supplied by the Dutch. Shipping Corporation of India has provided the tanker "Jawaharlal Nehru" which functions as the storage tanker for the Bombay High oil.

I would be failing in my duty if I did not express at this juncture my sincerest gratitude for the constant support and encouragement which I have been receiving from not only our Prime Minister and my other colleagues in Government but also from Members of this august House for all our programmes of the exploration and development of the country's oil resources. I must also in all humility state that while what we have been able to achieve is most gratifying, it only represents a fraction of what still remains to be done in this field. In spite of great advancement in the techniques of oil exploration in all its phases a discovery of hydrocarbon field both on shore and offshore is still mixed up with many imponderable problems. Drilling ultimately proves the positive or negative aspect of all efforts of explorers. I am, however,

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confident that success so far achieved will inspire and spur us to spare no effort in the country's exploitation of required quantity of oil and gas within the shortest possible period.

11:05 hrs.

### **STATEMENT RE. STRUCTURING OF HINDUSTAN STEEL LIMITED**

THE MINISTER OF STEEL AND MINES SHRI CHANDRAJIT YADAV: Mr. Speaker, Sir, I beg to lay on the Table a statement regarding restructuring of Hindustan Steel Limited.

#### *Statement*

As the Honourable Members are aware, the question of restructuring of Hindustan Steel Limited in the context of the formation of Steel Authority of India Limited had been under the consideration of Government for quite some time. Hindustan Steel was originally incorporated in 1954. At present, it has five major operating units under its control—three integrated steel plants at Bhilai, Rourkela and Durgapur, the Alloy Steel Plant at Durgapur and Coal Washeries at Dugda, Bhojudih and Patherdih. The Fertilizer Plant at Rourkela is a part of the steel plant complex.

2. The functions of HSL are essentially confined to planning, direction, control and provision of advisory services to the steel plants and other units under its control. However, when Steel Authority of India was formed in January, 1973, it was envisaged that gradually the work being performed by HSL should pass over to this new Holding Company so that there would be only three tiers operating viz. the Ministry, SAIL and the steel plants/undertakings. There is accordingly at present a certain amount of avoidable over-lapping and duplication of work between SAIL and HSL. This is not in the interest of efficient functioning of large enterprises on sound business and commercial lines.

[Shri Chandrasekhari Yadav]

3. The Steel Plants of HSL are large-sized units in terms of capital employed, turnover, labour employed, their importance to the economy etc. and these plants can justifiably be constituted into separate companies with their own Boards of Management. This would not only vest them with greater autonomy and responsibility but also provide them with new opportunities for developing their own styles of functioning and management, thereby helping to achieve maximum production, productivity and profitability.

4. The Hon'ble Members are fully aware of the substantial improvements which have been effected in the management of the steel plants during the last few years and the marked increase in production, productivity and capacity utilisation which has been achieved, particularly during the last two years. HSL has done pioneering work in planning, executing and managing some of the largest industrial units in the country. I would like to place on record Government's deep appreciation of the good work done by the dedicated band of officers and men of HSL who, through unceasing effort and hard work, have built a sound and firm base for the steel industry in the country. The expertise that has been built up in HSL would continue to serve our steel sector and would be utilised by us by suitable redeployment of HSL staff with SAIL and its subsidiaries.

5. Structural changes which will now be introduced would be broadly as follows:

(a) Bhilai Steel Plant and Rourkela Steel Plant (including Fertilizer Plant at Rourkela) and Alloy Steels Plant at Durgapur will be formed into 3 independent companies with their own Boards of Management. They will be fully owned subsidiaries of SAIL.

(b) Durgapur Steel Plant would continue as the residual HSL and as a fully owned subsidiary of SAIL. This will also be an independent company with its own Board of Management.

(c) The coal washeries at Dugra, Bhojudih and Patherdih which supply prime wash coal to the steel plants will be transferred to the Bharat Coking Coal Limited. The management of these washeries is already with BCCL since 1st April, 1975.

(d) Internal and international sales and marketing will be handled by one company so as to ensure close coordination between domestic marketing and export planning. Accordingly, internal sales will be taken over by SAIL International Ltd.

(e) HSL Liaison Office at London will be transferred to SAIL International Ltd.

(f) The Management Training Institute (MTI) and the R&D Organisation of HSL will be transferred to SAIL.

6. Necessary action is being taken to set up these new companies and to transfer the assets and liabilities of the various units on the basis of audited accounts and in accordance with the provisions of the Companies Act and other relevant enactments. Pending completion of legal formalities, work of internal sales has been transferred to SAIL International Ltd. with immediate effect. Similar action is being taken in respect of transfer of the Management Training Institute and R&D to SAIL. Steel Authority of India Ltd. will continue to coordinate the activities of the new companies and units, to determine their economic and financial objectives/targets and to review, control, guide and direct their performance with a view to securing optimal utilisation of all resources placed at their disposal.

7. Since this is an important matter and the Hon'ble Members have been taking keen interest in the proper working of public enterprises in general and Hindustan Steel Ltd. in particular, I am taking this opportunity of apprising the Members of these important decisions before their actual implementation. We have every hope that

these changes would bring about further improvement in the management and functioning of these units.

11.04 hrs.

# CONSTITUTION (FORTY-SECOND AMENDMENT) BILL

MR. SPEAKER : Now, I take up the Bills for consideration. The first one is the Constitution (Forty-Second Amendment) Bill, 1976.

SHRI DINEN BHATTACHARYYA (Serampore) : Sir, I wrote to you earlier in this connection. Before you take up this matter, I want to make a submission. Sir, originally it was mentioned that it was the Forty Second Amendment Bill. But today it has been circulated stating that it is the Fortieth Amendment Bill. In a hurry, they have made this mistake even while mentioning the Amendment Number. Then you will find that in the Schedule, there are so many Acts. I think there are 64 or 65 Acts which will be included now in the Ninth Schedule, two of which are the most objectionable ones. They are the Prevention of Objectionable Matter Act 1976 which we have very recently passed and the Departmentalisation of Union Accounts Act, 1976. This Act has also been very recently passed. A majority of these Acts are the State Acts. Sir, we are not lawyers and we have not gone through these laws. No statement has been made as to what are these laws for which it is necessary for the Government to include them in the Ninth Schedule. I have no quarrel with the Government on this. If they want to include these laws relating to the land reforms, I have no objection but those things should be circulated earlier. Sir, you might have read in the newspaper very recently that in the West Bengal, the State Government has tried to make a law to the effect that the lands which were transferred in the name of benamdars by all those landlords who had excess lands would be regularised.

That law is coming. There are differences between laws and bills. All of a sudden all these laws are being included in the ninth schedule and we are being asked to pass this Bill. My humble submission is, keep it in abeyance. Let us know what is contained in these Acts and the merits of each Act. Then we can pass a judgment on them. Copies are not available in the library. The copies should be circulated first. You may kindly consider it as you considered yesterday and postpone it.

MR. SPEAKER : I left it to the House yesterday.

SHRI DINEN BHATTACHARYYA : I request Mr. Raghu Ramaiah not to issue any whip. If the members are honest and if they feel there is some justification in my submission, they should not vote for it.

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (DR. V. A. SEYID MUHAMMAD) : Copies have been made available in the Library of Lok Sabha. I do not think it is a matter which should be postponed.

MR. SPEAKER : Have they not been circulated to the Members?

DR. V. A. SEYID MUHAMMAD : These are State Acts and copies are available in the Library.

MR. SPEAKER : These are State Acts and are kept in the Library. The Minister has given a solemn assurance in the House that they are available in the Library. There is no need for postponing it. I cannot use my discretion for postponing the Bill. The minister may move it.

DR. V. A. SEYID MUHAMMAD : Sir, I beg to move:

"That the Bill further to amend the Constitution of India be taken into consideration".