

[Shri K. C. Pant]

This is the balance that has been struck. Two-thirds majority is there, but it is there for a purpose, but even if it is simple majority, the administrator can take that into account and remove him if he is satisfied. This provision, I think, is a good balance which has been struck.

MR. DEPUTY-SPEAKER : I shall now put amendments Nos. 9, 10 and 11 to the vote of the House.

*Amendments Nos. 9 to 11 were put and negatived.*

MR. DEPUTY-SPEAKER : The question is :

"That clause 32 stand part of the Bill."

*The motion was adopted.*

*Clause 32 was added to the Bill.*

*Clauses 33 to 53, Clause 1, the Enacting Formula and the Title were added to the Bill.*

SHRI K. C. PANT : I beg to move :

"That the Bill, as amended, be passed."

MR. DEPUTY-SPEAKER : The question is :

"That the Bill, as amended, be passed."

*The motion was adopted.*

MR. DEPUTY-SPEAKER : I am told that the Defence Minister will be a little delayed. In the meanwhile, we will move on to the next item of business.

13.15 hrs.

**ASIAN REFRACTORIES LIMITED  
(ACQUISITION OF UNDERTAKING) BILL**

**THE MINISTER OF STEEL AND**

**MINES (SHRI S. MOHAN KUMARAMANGALAM) : I beg to move\* :**

"That the Bill to provide for the acquisition of the undertaking of the Asian Refractories Limited for the purpose of augmenting supplies of refractories to meet the essential requirements of the iron and steel industry, be taken into consideration."

The Bill before the House is for compulsory acquisition of the Asian Refractories. I shall as briefly and succinctly as I can recount the circumstances that have led Government to come forward with this Bill.

All members must be knowing that refractories play a most important part in the production of our steel plants. They are bricks which are used for blast furnaces, for coke ovens and for all areas in steel plants where we have to put them in for producing durable steel.

In April 1960, the promoters of Asian Refractories obtained a licence for setting up a refractory plant to manufacture 24,000 fine clay bricks with a share capital of Rs. 55 lakhs. Two loans were granted by the Industrial Finance Corporation totalling Rs. 5 lakhs. The IFC had the first mortgage on the concern. In 1966, the plant went into commercial production. But unfortunately owing to losses incurred by the plant, I think mainly because of managerial incompetence, the company ran into trouble, defaulted on the payment of dues and stopped production in May 1968. In March 1968, an application was filed by the unsecured creditors of the company for winding it up. In March 1969, the IFC filed an application for sale of the mortgaged assets. On 19th March, 1969, Receivers were appointed. The plant itself was brought up for auction by the court and the first offer was for Rs. 70 lakhs. Then the Eastern Spinning Mills, a concern in the Birla group, offered Rs. 78 lakhs. It was accepted by the order of the court on 16 December, 1970. The court also directed that the deed of conveyance be executed in favour of the

\*Moved with the recommendation of the President.

Eastern Spinning Mills. However, the Eastern Spinning Mills, as I said, a Birla undertaking, had to apply for permission under the Monopolies and Restrictive Trade Practices Act. At this stage, the Department of Steel in my Ministry decided that it would be better if we could take over the refractories company, the Asian Refractories, inside our own steel complex as it were. Bokaro itself is situated about five miles or so from the Asian Refractories. The Asian Refractories is a company whose products can be entirely consumed by Bokaro. Bokaro's original plan was to import only 4,000 tonnes of refractories. But unfortunately, owing to the comparatively low quality of the refractories produced indigenously by some of the companies, we have had to import as much as 70,000 tonnes of refractories. Bhilai itself imported nearly 50,000 tonnes in 1970 and 22,000 tonnes in 1971. So despite the fact that we are planning in the public sector a 100,000 tonnes-unit of refractories at Bhilai, the feasibility report for which is under preparation, and it will come into production in 1975, with an investment of something is like Rs. 13 crores, we have to take over Asian Refractories to help us in Bokaro. That is the real object of taking this over.

Now we expect that it should be able ultimately to give us somewhere about 36,000 tonnes refractories after we are able to put in additional investment around a crore of rupees or so.

I may mention to hon. members that the equipment is good equipment, very modern, with a tunnel kiln 330 ft. in length which is capable of maintaining a graded temperature at different places producing first-class refractories. Raw materials are available nearby. We therefore think it is a good deal so far as the country is concerned.

How much are we going to pay for this? About Rs. 81 lakhs. Almost all of this, if not all, will go to the IFC. So really speaking, it is from one pocket of the nation to another that this money will go. The Government have already nominated under clause 9 of the ordinance the Bokaro Steel, Ltd., to carry on the

management of the Asian Refractories. The original investment, therefore, will be about Rs. 81 lakhs. We expect that we will have to invest another Rs. 1.4 crores to bring the plant into commission within six months or so, and as a result of all this, save a considerable amount of money for the nation.

Sir, I commend the Bill for the consideration of the house.

**SHRI S. P. BHATTACHARYYA** (Uluberia): Sir, I support this Bill. But I want to know why other refractories also which are not at least running profitably should not be taken over.

Next, regarding the employees, I want to know what is to be done about the employees who are working there. He has not said anything about them in the Bill. What are the Government going to do about the employees who have been working there before this measure came?

The main point is that the State-controlled concerns should be run profitably. Our experience is very bad, and if that experience is not to be repeated, care must be taken to see that the Asian Refractories should be run profitably and properly to set an example, and its past character should be changed. Because I have got some experience regarding the Flex footwear company in Kanpur. I heard it was a profitable concern. Now, it is running at a loss of Rs. 6 lakhs per month. This should not be the case regarding the other State-controlled undertakings and this Asian Refractories, Ltd., should set an example, after it is taken over. That is the main thing.

As I said, there is the question of the employees who have been working there in the past. I suggest that the old employees should be taken in as much as possible.

Mainly, the Government should see that the Government fulfil the requirements of the nation by running the State-controlled refractory. That is the main objective with which we can make our State-controlled factories self-supporting

[Shri S.P. Bhattacharyya]

and not depend on outside for running the industry.

With these few words, I support the Bill.

**SHRI S. M. BANERJEE (Kanpur) :** Sir, let not an impression go out that the Flex Kanpur factory is running at a loss. Before it was taken over by Government, it was running at a loss of Rs. 6 lakhs. Now, its loss has come down to Rs. 2 lakhs.

श्री कमल मिश्र मधुकर (केसरिया) : उपाध्यक्ष महोदय, मंत्री मसोदय ने जो बिल पेश किया है, मैं उस का स्वागत करता हूँ। लेकिन इस सम्बन्ध में अब तक हमारा अनुभव यह रहा है कि जिन प्राईवेट संस्थानों को सरकार अपने हाथ में लेती हैं, उन में ब्यूरोक्रेसी का प्रभुत्व होने, मैनेजमेंट की ठीक ढंग से न चलाने, मजदूरों को व्यवस्था में पार्टिसिपेशन का अवसर न देने और कम्पनी मालिकों को मुआवजा देने आदि के कारण ऐसी स्थिति पैदा हो जाती है कि जिस उद्देश्य से सरकार इस प्रकार के बिलों को लाती है, वह उद्देश्य पूरा नहीं हो पाता है। हम इस बात से सहमत हैं कि प्राईवेट इंडस्ट्री को खत्म करके स्टेट सैक्टर के अधिकार क्षेत्र को बढाना चाहिए। लेकिन हम देखते हैं कि सरकार कम्पनी या मिल के मालिकों के सामने झुक जाती है। बिहार में कोकिंग कोल माइन्ज को सरकार ने अपने हाथ में लिया है। इस में बड़ी गड़बड़ियां हो रही हैं। कल इस सम्बन्ध में बिल आने पर हम अपने विचार प्रकट करेंगे। वहाँ भी हमें यही अनुभव हुआ है।

मैं चाहूँगा कि मंत्री महोदय स्पष्ट रूप से बताये कि मालिकों को मुआवजा देने की क्या जरूरत है और जो संस्थान सरकार अपने हाथ में लेने जा रही है, उस के मैनेजमेंट में किस हद तक मजदूरों के पार्टिसिपेशन की व्यवस्था की जायेगी। अगर ब्यूरोक्रेसी,

नौकरशाही, के हाथ में मैनेजमेंट होगा, तो जाहिर है कि सरकार का उद्देश्य पूरा नहीं होगा। यह कितने आश्चर्य और खेद की बात है कि स्टेट सैक्टर की इंडस्ट्रीज का मैनेजमेंट उन लोगों के हाथ में दे दिया जाता है, जिन का स्टेट सैक्टर के सिद्धान्त में विश्वास नहीं है, जो स्टेट सैक्टर को संबोटेज करते हैं। इस प्रकार के संबोटेज को धीरे धीरे घाउट करना चाहिए और स्टेट सैक्टर की इंडस्ट्रीज का मैनेजमेंट उन लोगों के हाथ में देना चाहिए, जिन का स्टेट सैक्टर में विश्वास है। ऐसा करने पर ही बर्किन्ग ब्लास यह अनुभव करेगी कि सरकार समाजवाद की दिशा में आगे बढ़ रही है।

यथार्थ यह है कि सरकार का जो समाजवाद का एलान है, वह एक होक्स है। वह नारा तो लोगों को ढगने के लिए लगाया गया है। हम लिए मंत्री महोदय अपने जवाब में कंटेगारिकली बतायें कि इस संस्थान की व्यवस्था में मजदूरों का पार्टिसिपेशन किस हद तक होगा, सरकार नौकरशाही को किस हद तक रोकेगी और जिन लोगों का विश्वास समाजवाद में नहीं है और जो पब्लिक सैक्टर को संबोटेज करना चाहते हैं, उन को वीड आउट करने के लिये सरकार क्या कदम उठायेगी। जैसा कि माननीय सदस्य ने कहा है, ऐसी व्यवस्था करनी चाहिए कि वहाँ पर जो वर्कर काम कर रहे हैं उन की छंटनी न हो और उन की सर्विस कन्डीशनज में सुधार किया जाये। इस के अलावा इस संस्थान का काम इस ढंग से चलाना चाहिए कि वह प्रॉफिट में चले। मंत्री महोदय को इन शंकाओं को दूर करना चाहिए और सरकार की ओर से गारण्टी देनी चाहिए।

**SHRI SWARAN SINGH SOKHI (Jamshedpur) :** Mr. Deputy-Speaker, while supporting this Bill introduced by Mr. Mohan Kumaramangalam, I want to make a few observations. It is a good policy of the Government to nationalise and take

over these plants in the public sector but every public sector is going in loss and it is well-known to the Minister... (An Hon. Member : Not every). Almost every public sector undertaking, I may say.

The idea is that it should be kept within the Bokaro steel plant management. It should not be with them. What happens? The Minister must be knowing what happened recently. 6,000 tonnes of refractory, both Indian and Russian made were damaged and destroyed in a mysterious fire at Bokaro steel plant last week. The loss was to the tune of a crore, according to estimates. I think a parliamentary enquiry committee should be constituted immediately to enquire into the matter. The officers, whether the General Manager or the Chairman if he is found guilty should be dismissed. Why this fire?

To my information it was planned sabotage. If these things go on how can we expect the completion of the Bokaro steel plant in time as Mr. Kumaramangalam said last time in Parliament? He is more or less, I think, in the hands of the bureaucratic officers because he is not a technical man himself. He may be a good lawyer.

MR. DEPUTY-SPEAKER : The hon. Member may continue tomorrow.

13.24 hrs.

**STATEMENT RE : LATEST POSITION  
WITH REGARD TO PAKISTANI  
AGGRESSION ON INDIA**

THE MINISTER OF DEFENCE (SHRI JAGJIVAN RAM): Mr. Deputy-Speaker, Sir, this is my third statement on the war that has been forced upon us by Pakistan. I am in a position to tell you and the House that Pakistan has failed to achieve even marginally the objectives it may have set for itself when it launched the pre-meditated assault on our air-fields and ground forces on the evening of December 3rd.

On that evening, Pakistan converted its war on the people of Bangla Desh into a total war on India. Our troops moved into

Bangla Desh from many directions to eliminate the occupying forces from their outer defences. Contact has been established with the Mukti Bahini and the two forces are now acting not only in concert with each other, but under a unified command. In consequence, large areas of Bangla Desh have been freed from occupying forces. The House is already aware of the fall of Jessore, Sylhet and Comilla. The fall of Dinajpur and Rangpur is imminent. The Pakistani forces are pulling out of their strong-points in great confusion, disorder and consternation. The remnants have been ordered to collect in Barisal in the west and Narayangang in the east. Our forces are astride the Padma, the Brahmaputra and the Meghna. The Chief of the Army Staff has already warned the Pakistani soldiers to surrender to our forces as all their escape routes by land, air and sea have been sealed. The Pak Air Force in Bangla Desh has been virtually eliminated by our Eastern Air Command. Our Eastern Fleet has complete command over the approaches to all the ports in Bangla Desh. The people of Bangla Desh are heaving a sigh of relief, and our forces have been greeted with jubilation and universal rejoicing.

Our objective on the Jammu and Kashmir area and the Punjab sector has so far been to prevent fighting on our sacred soil and to eliminate Pakistani outposts threatening our security. The enemy has repeatedly tried to obtain lodgments in the Poonch Sector but without success. On the other hand, our troops have captured four important outposts in the Kargil area. The enemy continues to shell our posts in the Uri and Tanghar areas. The attempt to infiltrate Pakistani saboteurs behind our lines has been frustrated.

Pakistan launched a major attack on our positions in the Chhamb area. I have already informed the House that despite the difficulties of the terrain, our troops west of the rivulet Munnawar Tavi held on bravely to their positions for 72 hours. They were withdrawn to our main defensive positions, east of the rivulet, day before yesterday. The fresh Pakistani attacks on our position has been beaten back with heavy losses. The Akhnoor salient has been