

[Secretary]

members to be appointed by the Lok Sabha to the Joint Committee.”’

12.20 hrs.

**COMPANIES (SECOND AMENDMENT) BILL\***

**The Minister of Finance (Shri T. T. Krishnamachari):** On behalf of Shri B. R. Bhagat, I beg to move for leave to introduce a Bill further to amend the Companies Act, 1956.

**Mr. Speaker:** The question is:

“That leave be granted to introduce a Bill further to amend the Companies Act, 1956.”

*The motion was adopted.*

**Shri T. T. Krishnamachari:** I introduce the Bill.

12.21 hrs.

**METAL CORPORATION OF INDIA (ACQUISITION OF UNDERTAKING) BILL**

**The Minister of Steel and Mines (Shri Sanjiva Reddy):** Mr. Speaker, Sir, I beg 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, be taken into consideration.”

Sir, this is a question which has been pending for a long time. The Metal Corporation has not been able

to utilise the opportunity given to them to exploit the scarce material zinc and lead for the public utility of this country. In this country we do not have very many deposits. It is only in the Rajasthan area where we have some deposits of zinc and lead.

This Company was formed round about 1944, about 21 years ago, and since then it has had a very chequered career. For want of finance, they were not able to expand themselves and now for the last two years, it has reached a stage when they could not even take over the machinery that has come in the port areas. They had also reached a stage when they could not even pay the wages to the labour. My friend pointed out, when I introduced the Bill, why it was necessary to introduce an Ordinance when the Parliament was meeting within a few days. The labour there was not paid wages for two months. Even the bonus which they were paying every year fell due and that was also not paid. They were not in a position to pay wages for two months exclusive of the bonus. I would ask my friend to consider—he is the labour leader himself—how it would be possible to continue the work if two months ordinary wages, apart from the bonus, were not paid to them. Therefore, the situation was so critical that we felt there may be some damage also.

For months together we have been negotiating. Even the Cabinet considered this aspect of taking them over or negotiating with them for putting the mines in working order. The Cabinet Secretary was put on this job. The Cabinet Secretary negotiated with them and they reached some tentative agreements. But then the Company could not agree finally to terms offered by the Cabinet Secretary.

If the mines are not worked at a critical time when we want zinc so badly and we have been importing

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†Moved with the recommendation

Extraordinary, Part II, section 2, dated

of the President.