

[Shri T. T. Krishnamachari.]

Insurance Corporation (Amendment) Ordinance, 1957 as required under Rule 71(1) of the Rules of Procedure and Conduct of Business in Lok Sabha.

Statement

Section 11(1) of the Life Insurance Corporation Act, 1956, provided that the terms and conditions of service applicable to employees of insurers who on the passing of the Act became employees of the Corporation should continue to apply to them after the passing of the Act until they were duly altered by the Corporation. Section 11(2) further provided that the Central Government may for the purpose of rationalising the pay scales of such employees alter their terms of service as to remuneration. The terms and conditions were examined by the Corporation and action was taken by them to rationalise them in view of the infinite variety of pay scales and conditions of service prevailing. The alterations made by the Corporation were approved by the Central Government and issued in the form of an order under section 11(2). A recent decision of the Bombay High Court, however, has held that section 11(2) authorises the Government to alter only the remuneration and not other conditions of service; but rationalisation is necessary in respect of all conditions of service. As the order issued by the Government embraced both 'remuneration' and 'other conditions of service,' the High Court had held the order to be *ultra vires* and had decreed that the Corporation do forbear from enforcing the alterations in the terms and conditions of service as contained in the pay scales issued by the Corporation which had the approval of the Central Government. An injunction was also issued restraining the Corporation from enforcing such alterations. It was imperative, therefore, to amend the Act in a manner which would give the Government the necessary powers and also validate the action already taken. If this was not done without delay, great confusion would have been caused in

the working of the Corporation, resulting in a setback to its progress. As Parliament was not in session then, it was necessary to promulgate an Ordinance amending the Life Insurance Corporation Act, 1956 for this purpose.

COAL BEARING AREAS (ACQUISITION AND DEVELOPMENT) BILL— Concl'd.

Mr. Speaker: Now, we shall take up the clause by clause consideration of the Coal Bearing Areas (Acquisition and Development) Bill, 1957. The consideration motion has already been passed.

Clause 2.—(Definitions)

There are no amendments to clauses 2 and 3.

The question is:

“That clauses 2 and 3 stand part of the Bill.”

Shri Mohammad Tahir (Kishanganj): Sir, I have given notice of an amendment to clause 2.

Mr. Speaker: When?

Shri Mohammad Tahir: Unfortunately, I have given notice today. But you have ample power under the Rules. If you allow I will move it now.

Mr. Speaker: Order, order. The practice is that due notice should be given sufficiently in advance and it should be on the Order Paper. It cannot be moved unless the Minister or the sponsor of the Bill is willing to waive notice or accepts the amendment. What is the attitude of Government?

The Minister of Mines and Oil (Shri K. D. Malaviya): Sir, I know nothing of the amendment.

Shri Mohammad Tahir: Sir, under the Rules you have ample powers to give permission to move the amend-

Mr. Speaker: I have got equal powers to refuse permission also. If the Minister agrees there is no objection. He says he has no knowledge of it.

Shri Mohammad Tahir: Then, I oppose clause 2.

Mr. Speaker: Yes; he can do so. Does he want to speak on clause 2?

Shri Mohammad Tahir: Yes, Sir

Clause 2, sub-clause (d) gives the definition of 'person interested'. It says:

"the expression 'person interested' includes all persons claiming an interest in compensation to be made on account of the acquisition of land, or of the acquisition, extinguishment or modification of any rights in or over land, under this Act;"

I think this definition is not sufficient to cope with the situation. Suppose a notification is used under clause 4(1) or clause 9, for instance, against A, B and C. As soon as the notification is issued, suppose one of them dies or all of them die, who will then claim compensation?

An Hon. Member: The heirs.

Shri Mohammad Tahir: So, I want to say, 'interested person' should also include the heirs and legal representatives of such persons.

Unless we include the legal heirs and legal representatives of such persons, I do not think they will be able to claim the compensation, after the Notification is issued. I only want to add this much in order to include the heirs and legal representatives of the interested persons and I want that this should be accepted by the hon. Minister.

Mr. Speaker: Are the legal representatives included in the terms?

Shri K. D. Malaviya: I think they are.

Shri Mohammed Tahir: Suppose there are parties A, B and C. Unless

there is a specific provision that the heirs and legal representatives can also claim, it may not be possible.

Mr. Speaker: That is the general rule. The right passes on to the heirs.

Shri K. D. Malaviya: I have nothing to add. I do not think that it is at all necessary to mention these legal details.

Shri V. P. Nayar (Quilon): As regards clause 2, I do not find any definition for the word 'coal', because in ordinary parlance coal is understood to be not merely the coal which is so understood by the scientist but also peat, lignite, bituminous coal and anthracite and all grades of coal as known by the common man. Is there any definition? Could we not define what is coal and what is contemplated?

Shri K. D. Malaviya: So far as I understand coal lignite is not included in the ordinary sense of the word but as far as the other kinds are concerned they are included in the ordinary sense of the word. I do not think that we need define this word 'coal'.

Mr. Speaker: Lignite is different from coal. There are varieties of coal and grades of coal, but the quality is different.

Shri V. P. Nayar: I have just refreshed my mind by looking at the Scientific Encyclopaedia. Coal is categorized into four, i.e., peat, lignite, bituminous coal and anthracite with grades going up to graphite. There seems to be some confusion. If you get graphite at a particular place, technically it is coal. If you find anthracite then a notification has to be issued. I am pointing this out because these are likely to create conflicting judicial decisions.

Shri K. D. Malaviya: I do not think that technically a detailed definition of the word 'coal' is necessary. I think the word clearly exemplifies all those types of grades which are meant by the hon. Member.

Shri V. P. Nayar: I shall read it as I find it.....

Mr. Speaker: There is no doubt about what the hon. Member has said. The hon. Minister says that no difficulty will arise out of this. Anyhow we will leave it to the House.

The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3.—(Appointment of competent authority)

Shri Mohammed Tahir: With regard to this clause, I want to submit that the words 'Central Government' should be deleted. I think they are not appropriate because as you know in our Constitution in Article 1 it is stated "India, that is, Bharat, shall be a Union of States" and after that in Article 53 you will find that all executive powers of the Union and not of Central Government have been vested in the President. So, all the executive powers are being used by the President and in the name of the Union Government and hence, I submit that the word 'Union' could be more appropriately used in such cases. For instance, in Article 300 of the Constitution, you will find that the words 'Dominion of India' were substituted by the words 'Union of India.' The words 'Central Government' were always used in those days of British rule when the system of Government was different but now the name 'Union of States' has been given in our constitution and therefore in all such cases the word 'Union' would be more appropriate than the words 'Central Government'. I therefore request the hon. Minister to accept this proposition which I have submitted before the House.

The Minister of Law (Shri A. K. Sen): I have been asked to reply by the hon. Minister in charge of the Bill and I shall answer this objection. The words 'Central Government' has

a definite meaning under the General Clauses Act. It is defined under that Act and it means the 'President'. Therefore, whenever the words 'Central Government' are used in any legislation, they mean the President. I do not see any ambiguity in the matter and I know that this is in consonance with the practice of legislation which has been followed by this House for a large number of years, and also in consonance with the legislative practice which has obtained in India prior to the Constitution when the words 'Central Government' meant "the Governor-General in Council". Frankly speaking, I have not appreciated the objection raised by the hon. Member.

Mr. Speaker: He is not aware of the definition of the General Clauses Act. It is not a unitary Government. The words 'Union Government' are more appropriate. In view of what is laid down under the General Clauses Act, the words 'Central Government' would mean the 'President'.

Mr. Speaker: The question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clause 4.—(Preliminary Notification respecting intention) to prospect for coal in any area etc.

Pandit Thakur Das Bhargava (Hisar): I have amendment Nos. 12 and 13 standing in my name. One is alternate to the other. If amendment No. 12 is not acceptable then only 13 will apply. You will be pleased to see the following in the Statement of Objects and Reasons:

"The future development of coal is the responsibility of the State. All new units in the coal industry will be set up only by the State save in exceptional circumstances as laid down in the Resolution."

This means that in future you will have no new units so far as private industry is concerned and the private industry shall have to work only in the existing collieries and in immediately contiguous areas. This field is only now open to the private industry. According to the Statement of Objects and Reasons it is clear that out of the additional 12 million tons in the Second Five Year Plan 10 million tons are to be raised by the private sector. The Government has to see that the additional amount of coal is produced in the country whether by the private sector or by the public sector. When the Government itself has given these limits to the private sector, I think it is its duty to see that that sector also prospers. All facilities should be afforded to that sector to exploit and expand the collieries. If that be so, this Bill ought not to apply to lands which are immediately contiguous to the existing collieries. With that view, I have proposed an amendment which I beg to move:

Page 3,—

for lines 4 to 10, substitute:

"(4) In issuing a notification under this section the Central Government shall exclude therefrom the existing collieries and immediately contiguous areas necessary for the efficient exploitation and expansion of the collieries."

It may happen that Government may take advantage of its position. It is in an advantageous position. It can acquire any land, issue any notification in respect of any land and exploit the minerals. If it thinks that the immediately contiguous lands are very good and profitable, though there may be private collieries exploiting the resources there and they may be thinking of expanding those collieries, and if the Government also thinks of taking possession of those very lands, what will happen? It will be a kind of abuse of authority by the Government so far as the private sector is concerned; it is not warranted. In such cases, I am anxious to see that the Government stays

its hands. It is provided under clause 11 that Government may have its own Government companies. Similarly, private companies also can be benefited. Even today, under the Land Acquisition Act, if the Government thinks so, any land can be acquired for a private company. There may be lands in which private industry may be interested. They may be contiguous also. I want those areas to be excluded.

Clause 4, as it stands, reads:

"(4) In issuing a notification under this section the Central Government shall exclude therefrom that portion of any land in which coal mining operations are actually being carried on in conformity with the provisions of any enactment, rule or order for the time being in force or any premises on which any process or preparation for sale of coal obtained as a result of such operations is being carried on are situate."

I am anxious that even lands which are immediately contiguous to such areas, where the private sector can exploit better by expanding its field of work should be excluded from the operation of this clause.

If that is not acceptable, with your permission, I beg to move my amendment No. 13 which reads as follows:

Page 3, line 10--

add at the end :

"or reasonable areas immediately contiguous to such areas required for the efficient exploitation and expansion of the areas under operation."

It means that existing collieries and lands immediately contiguous to them and which are required by them may also be excluded. Otherwise, it means that the Government has got exceptional powers and it can acquire any land which may be very useful to

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the private industry but which, perhaps, may not be so useful for the Government in the production of coal. Yet, the Government may acquire it. In order to see that these things do not happen, I have brought in these amendments and I hope the hon. Minister will kindly consider them and accept them.

Mr. Speaker: Amendments moved:

(i) Page 3—

for lines 4 to 10, substitute:

"(4) In issuing a notification under this section the Central Government shall exclude therefrom the existing collieries and immediately contiguous areas necessary for the efficient exploitation and expansion of the collieries."

(ii) Page 3, line 10—

add at the end:

"or reasonable areas immediately contiguous to such areas required for the efficient exploitation and expansion of the areas under operation."

Shri Bharucha (East Khandesh): With reference to the amendment moved by my hon. friend, Pandit Thakur Das Bhargava, I am afraid that the amendment is likely to create more difficulties than the troubles which he hopes to solve thereby. In the first place, if we look at the amendment, it says that all contiguous lands should be reserved to private sector. How far will you regard land as contiguous? In other words, how much of the land round about a working colliery has to be left out of the public sector so that it could be exploited by the private sector. There will be endless difficulties with regard to the marketing of the boundaries and the interpretation of the words "contiguous areas";

Even in respect of sub-clause (4) of clause 4 which excludes that portion of land where mining operations

are actually being carried out, I presume that the hon. Minister does not intend to issue the notification under clause 4 in respect of all the lands that might be having coal within them. Therefore, a large scope will automatically be left for the private sector. It must not be presumed that only those lands which are being actually operated upon and those lands contiguous to these are potential coal bearing areas. There may be miles and miles of land in such areas which are not being operated upon by the public or private sector at all. Therefore, the fear expressed by my hon. friend, that the private sector will not be able to contribute its quota of 10 million tons, is unfounded.

I, therefore, submit, Sir, that these amendments are not helpful in the first instance and, secondly, if the State is really anxious to establish a socialistic pattern of society, I am afraid, the first right that the public sector must have is for exploitation of minerals. Already the private sector had decades and decades to exploit minerals, and yet we find that only 30 million tons a year is all the production we have reached so far. The private sector has not shown itself to be competent and efficient. Now, when the State wants to do something in the interest of the country, to raise the output up to 60 million tons by the end of the Second Five Year Plan, I think hon. friends should not object to it.

Shri Mahendra Pratap (Mathura): Sir, I want to say a word on this. I draw your attention to my first speech where I said that we need more men and not laws. In this respect I want to say that the Government should not interfere at every step. Why do you make such laws that coal bearing lands must be taken over by the Government? Why do you adopt such an attitude that public is something different and Government is something different? Let the public work along their own lines. We want that the Government, as it

is constituted, should not interfere with the public at every step. We want that there should be no harassment. We are harassed in every way and at every step by this Government. Laws after laws are made and more Bills are presented. And, what are they? They only bind us more. Sir, I am an Independent and I want the people to be independent; I want my country to be independent. What is he, who is not independent? He is dependent. I do not want the people to be dependents; I want to see that they are independents. Therefore, instead of bringing such Bills, it is much better that the people may be given the initiative to own coal bearing lands and work them. We should only have control to see that the wealth is not used in immoral or improper ways. We should also see that the labour and capital.....

Shri Mohiuddin (Secunderabad): Sir, I rise on a point of order. The points raised by the hon. Member ought to have been raised at the consideration stage and not at this stage when we are considering the Bill clause by clause. I do not think an opposition of the principle of the Bill is called for at this stage.

Mr. Speaker: I think there is force in that argument. The House, having passed the motion for consideration of the Bill, has accepted the principle of the Bill. We are only dealing with a particular clause now, clause 4. Therefore, all that the hon. Member says seems to be out of order.

Pandit Thakur Das Bhargava: Sir, with your permission, I want to say a word. Three arguments have been brought forward against my amendment. In the first instance, it has been argued that the word 'contiguous' is ambiguous; there is no limit fixed and one cannot say how far these immediately contiguous lands will go. But my friend has not just bestowed any attention on the policy resolution itself, which speaks of immediately contiguous lands.

In the second amendment, I have included the words "reasonable areas". This has to be defined. The Government shall find out what are the reasonable areas; otherwise, it is impossible to fix any limit anywhere. Even in the Statement of Objects and Reasons this has been referred to. Therefore, "immediately contiguous land" is sufficiently explicit for the purpose of acquisition; it need not be and cannot be defined further.

Then, the argument has been put forward that the intention of the hon. Minister has been this or that. My friend knows the intentions of the Government and the intentions of the Minister. The intentions of the Minister are as big and as small as the proverbial length of the foot of the Chancellor of the Exchequer in equity. So, I am not concerned with intentions. I only want the law must be perfectly defined.

The third point is about the socialist pattern of society. I do not know where it comes in. When the Government itself has fixed that 12 million tons should be added to the public sector and 10 million tons to the private sector, I do not know where the question of socialist pattern comes. On the contrary, I understand that in all industries when there is competition between the private sector and the public sector, the private sector acts much more economically. Therefore, it is in the best interests of the country that the private sector is also allowed to have its full say in a matter which the Government itself has left to them. 10 million tons have been left over for the private sector and the Government should put no further restrictions in that field. If the Government thinks that in a particular field more coal can be produced, one Minister may take it into his head to see that the private sector does not prosper. We should be fair to both parties. The Government has got very vast powers in regard to those mines. But in regard to worked mines, the Government should not be allowed to acquire those contiguous lands. This is a sufficiently explicit.

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thing and I do not think any conflict can arise on the question of principle. If the hon. Minister, reiterates the acceptance of the principle that the Government is not going to acquire any lands which are immediately contiguous to existing collieries, I will be satisfied. But if he does not do so, then I shall have to persist in my amendments.

Shri K. D. Malaviya: I am afraid I cannot agree with my hon. friend, Pandit Thakur Das. On the other hand, I am inclined to agree with the former part of the observations made by my hon. friend, Shri Bharucha

If we accept the amendments of Pandit Thakur Das, we will be putting ourselves in difficulties and there will be no end to litigation. In view of the fact that a large number of collieries have been existing from many years there are any number of complicated problems that can arise, if we accept the amendments as moved by Pandit Thakur Das. I want to assure my hon. friend that it is not our intention to deny any facilities to the private sector, so far as their existing collieries are concerned nor do we propose to stop them from efficiently expanding for efficiency sake when the right moment for such expansion comes. We have got a target for coal production for the private sector and we do not wish to disturb them in their expansion, which is legitimate. But, if we accept the amendment put forward by Pandit Thakur Das, namely, "immediately contiguous areas necessary for the efficient exploitation and expansion of the collieries", several complicated problems will arise. Neither he nor I at this moment by seeing the surface of a colliery can decide which can really be a contiguous area, so far as such surface is concerned. There are so many other questions involved in it. Therefore, I will not be able to accept the amendments as has been moved by him—neither 12 nor 13. Both of them lead to the same conclusions, namely, excluding these conti-

guous areas from operation so far as the public sector is concerned.

I again repeat the assurance that due regard will be paid to the development of areas adjacent to a colliery in order to maintain its level of production and give it a reasonable life. Taking all these things into consideration and also the fact that we do not wish to hinder the legitimate programme of the private collieries, I hope my friend, Pandit Thakur Das, will be satisfied with this assurance and will withdraw his amendments.

Mr. Speaker: The question is:
Page 3—

for lines 4 to 10. substitute:

"(4) In issuing a notification under this section, the Central Government shall exclude therefrom the existing collieries and the immediately contiguous areas necessary for the efficient exploitation and expansion of the collieries."

The motion was negatived.

Mr. Speaker: The question is:
Page 3,

line 10—

add at the end:

"or reasonable areas immediately contiguous to such areas required for the efficient exploitation and expansion of the areas under operation."

The motion was negatived.

Mr. Speaker: The question is:

"That clause 4 stand part of the Bill".

The motion was adopted.

Clause 4 was added to the Bill.

Clause 5—(Effect of notification on prospecting licences and mining leases)

Shri T. K. Chaudhuri (Berhampore): I beg to move:

Page 3,

after line 21, add:

“(c) All maps and charts and other documents relating to the land, reports about the collection from the land of cores or other mineral samples or about the due analyses thereof and the preparation of any other relevant records or documentary materials shall be surrendered forthwith by the person or persons holding a prospecting licence under the Mineral Concession Rules which authorises him to prospect for coal or for any other mineral in the land or the person and persons holding a mining lease under the same rules.”

This is a very simple amendment. I want that when the right under prospecting licences or mining leases takes effect, the maps, charts and other relevant documents in relation thereto should be handed over to the State, i.e., to the competent authority or other competent agencies of the Government acting on their behalf in this regard. If you look at clause 13 of the Bill, you will find the various items under which the Government intends to pay compensation to persons holding these licences or leases. Sub-clause (ii) of clause 13 (1) reads:

“the expenditure, if any, incurred in respect of the preparation of maps, charts and other documents relating to the land, the collection from the land of cores or other mineral samples and the due analysis thereof and the preparation of any other relevant records or material;”

For expenditure incurred on these items, the person interested in compensation should be reimbursed. But, unfortunately, as my friend, Shri Bharucha, pointed out, these lessees or licenceholders will be under no obligation to hand over these maps,

charts and other documents to the Government, although they are being paid for it. We are going to pay for those documents and also for the preparation of those documents; but the funny thing is that we do not regard it necessary to have those documents ourselves. I think it is a very simple amendment which does not raise any question of principle or any other thing and I do not apprehend that it will lead to unnecessary litigation. When the rights are extinguished we can very well demand that all these documents and reports, maps, charts, etc., should be handed over to the competent authority. Of course, if the Government accepts the principle of my amendment, I would be quite agreeable to have this thing inserted anywhere else, where it might come in, but I thought that perhaps it could be fitted better in clause 5. I thought of clause 4 also, but somehow or other the form in which clause 4 has been couched does not seem to me to be suitable for this purpose. Anyway my only purpose in moving this amendment is that if we pay compensation for a certain item we should at least get proper return for.....

13 hrs.

Shri Supakar (Sambalpur): Some return.

Shri T. K. Chaudhuri: ..at least those things for which we are paying out of public exchequer, and these things should not be left in the hands of those people whose rights have been extinguished.

Mr. Speaker: Amendment moved:
Page 3—

after line 21 add:

“(c) All maps and charts and other documents relating to the land, reports about the collection from the land of cores or other mineral samples or about the due analyses thereof and the preparation of any other relevant records or documentary materials shall be surrendered forthwith by the person or persons holding a prospecting licence under the Mineral Concession Rules which authorises

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“lets him to prospect for coal or for any other mineral in the land or the person and persons holding a mining lease under the same rules”.

Shri Hajarnavis (Bhandara): The amendment seems to be superfluous. Sub-clause (7) of clause 13 says:

“No compensation under this section in relation to maps, charts and other documents shall be paid unless the person to whom it is payable has delivered to the prescribed authority all the maps, charts and other documents.”

I may also draw attention to clause 21 which confers wider powers than are sought to be taken under this clause. All the possible information necessary could be called for by the competent authority under this clause. Therefore, it is not necessary to accept this amendment.

Shri Bharucha: May I submit, Sir, that the amendment that has been moved by my hon. friend Shri Tridib Chaudhuri is very essential. The hon. Member on the other side has pointed out to sub-clause (7) of clause 13. That only refers to payment. It says that payment should not be made until maps, charts and other documents are delivered. The issue really is this: supposing there is a person who is out to defy the Government. He says I do not care for your payment, but I will not give you these things. Sub-clause (7) of clause 13 does not become operative there and the amendment moved by my hon. friend Shri Tridib Chaudhuri is very essential. What is the use of the State again going through the same type of prospecting—as I said on a previous occasion—by trial and error method and then coming to the conclusion after wasting a lot of money that a particular land is not worth exploiting? I therefore suggest that the amendment of my hon. friend Shri Tridib Chaudhuri be accepted, as it is calculated to save the exchequer a lot of public money.

Pandit Thakur Das Bhargava: I also support the amendment of my hon. friend Shri Tridib Chaudhuri Sub-section (7) of section 13 is not sufficient, because it is a negative section that unless these things are given you may not make payment. Who cares for payment if a person is out to defy you? On the contrary public interest of high order requires that all charts should be handed over to Government. In fact, I should think that so far as mineral wealth underneath the ground is concerned, that is already the property of the State Governments, a private person has no right to them, because they cannot now open new units. So, if these maps, charts, etc., are to be of any use to anybody it will be to the State. It is, therefore, absolutely essential that they should be made over to Government. In the public interest it ought to be the rule that they should be made over to Government.

Shri K. D. Malaviya: Sir, I do not think there is any necessity for a legal compulsion for such a purpose, as has been pointed out by my hon. friend Mr. Chaudhuri. There seems to be some misunderstanding over this question. We agree with the objective, that is, all important documents relating to prospecting, survey, etc., should be asked for. And it is generally, and ordinarily, in the interest of the private sector, the lease-holder, to surrender all these maps and charts to Government on payment of compensation according to the law. Now there may be many documents which are not at all necessary for us. They may be wrong or rejected geological maps and they need not be taken by us. But once we make a legal compulsion for the surrender of all those maps which are not required by us, or statistics which we do not require, we have got to pay for them according to the law. Perhaps, many of them will not be needed and we can ourselves without spending any money come to certain conclusions for which we need not pay. Therefore, we need not get into this legal process of compulsion.

Shri T. K. Chaudhuri: May I point out certain practical difficulties? Some years ago a private company, a British concern, the Dunlops, or somebody else, were given a mining lease and a prospecting licence in Korba about ten sq. miles. Now I understand the Government has taken over that area. Are the Government in a position to say that they have got any prospecting report, or reports about the samples, and the geological analysis made? Is the hon. Minister in a position to say that these things have been handed over to Government.

Shri K. D. Malaviya: It is quite possible, theoretically speaking, I should say, for any party to withhold and not to surrender any document, if he does not want to part with it. But if we make this provision in the law, do you think that we can get all this information from him?

Shri Bharucha: Make provision for inspection.

Shri K. D. Malaviya: If he takes it into his mind not to surrender those documents which he does not wish to, then obviously we may not be able to recover them. Speaking generally, I think it will not be difficult for us to obtain all those charts, maps and other information which we may require for our future expansion, or work. Therefore, I do not think it is necessary for us to introduce that legal compulsion into this clause and I am afraid I am not in a position to accept the amendment.

Mr. Speaker: Therefore this amendment is not necessary. The question is.

Page 3—

after line 21 add—

“(c) All maps and charts and other documents relating to the land, reports about the collection from the land of cores or other mineral samples or about the due analyses thereof and the preparation of any other relevant records or documentary materials shall be

surrendered forthwith by the person or persons holding a prospecting licence under the Mineral Concession Rules which authorises him to prospect for coal or for any other mineral in the land or the person and persons holding a mining lease under the same rules”.

The motion was negatived

Mr. Speaker: The question is:

“That clause 5 stand part of the Bill.”

The motion was adopted.

Clause 5 was added to the Bill.

Clause 6.—(Compensation for any necessary damage done under section 4)

Pandit Thakur Das Bhargava: Sir, I beg to move:

(i) Page 3, line 27—

after “tendered” insert:

“or as to the area required by the private sector for the efficient exploitation or expansion of existing collieries sought to be prospected or acquired by the Central Government through the competent authority.”

(ii) Page 3, line 29—

after “Central Government” insert:

“Subject to the other provisions of this Act”

(iii) Page 3, line 31—

after “in this section” insert:

“about the payment of damages or its sufficiency or the person to whom it should be paid or tendered.”

These amendments are very clear. So far as clause 6 is concerned, it deals with two things: payment of compensation and dispute about the sufficiency of compensation. If there is any dispute about the matters does not take away the powers of Government from proceeding under the provisions of clause 4. But at the same time I am anxious

[Pandit Thakur Das Bhargava] that so far as the right of acquiring immediately contiguous lands which may be of great use to the private industries is concerned, it must also be justiciable and if there is any dispute about it, then the dispute may first be referred to the Central Government. If the Central Government does not decide it in the right way, it may be taken to the Tribunal appointed by the Government. And the final authority may vest with the tribunal. If the tribunal decides that the Government ought not to acquire it, Government must release that property even if they issue the notification. With this end in view I have suggested that after the word "tendered", the following be inserted, namely, "or as to the area required by the private sector for the efficient exploitation or expansion of existing collieries sought to be prospected or acquired by the Central Government through the competent authority."

And similarly, where the question is that the Government decision should be final, I want to add, subject to the other provisions of this Act".

In regard to the third amendment, I want that in page 3, line 31, after the words "in this section" the following should be inserted, namely, "about the payment of damages or its sufficiency or the person to whom it should be paid or tendered".

With respect to these matters the order may be final, but in regard to the area which I want should be adjudicated in a judicial manner the order of the Government should not be final. It is very obvious that when there are two competitors in a field we ought to see that one does not get a better chance than the other. And in a country where the law of the land prevails the Government can sue and be sued, and the Government is practically on the same pedestal as an individual in regard to many matters. In regard to this matter I realize, and I also want that the Government should succeed in the production of as much coal as possible. But at the same

time, when the Government has adopted a Policy Resolution and given certain rights to the private sector, I am anxious that there should be no impediment so far as the expansion of the private sector is concerned. I want that the Government and the private sector may be on the same footing that a person who feels interested in a particular land which is immediately contiguous to his existing colliery may be able to take the matter to the tribunal and the tribunal may decide whether it is to be acquired by the Government or not.

That is the basis of all these amendments. I hope the hon. Minister will look to the importance of the matter and accept them.

Mr. Speaker: Amendments moved—

(i) Page 3, line 27—

after "tendered" insert:

or as to the area required by the private sector for the efficient exploitation or expansion of existing collieries sought to be prospected or acquired by the Central Government through the competent authority."

(ii) Page 3, line 29—

after "Central Government" insert:

"subject to the other provisions of this Act".

(iii) Page 3, line 31—

after "in this section" insert:

"about the payment of damages or its sufficiency or the person to whom it should be paid or tendered."

Shri K. D. Malaviya: I cannot accept any of these amendments as these will raise a dispute as to the area required for private purpose for exploitation....

Shri A. S. Sarhadil (Ludhiana) rose—

Mr. Speaker: The question is:

As Hon. Member: The Minister has not finished reply.

Mr. Speaker: Why does the Minister start and then resume his seat?

Shri K. D. Malaviya: Somebody stood up and so I sat.

Shri A. S. Sarhad: I stood up before the hon. Minister rose. I would submit that these amendments, Nos. 14 and 15, are only consequential if amendment No. 12 had been accepted. Clause 4 which has already been accepted by the House, vests the discretion in the Central Government to exclude those portions of any land in which coal mining operations are actually being carried on in conformity with the provisions of any enactment, rule or order for the time being in force or any premises on which any process ancillary to the getting, dressing or preparation for sale of coal obtained as a result of such operations is being on are situate. When you accept the principle that the discretion entirely vests with the Government about exclusion of the portion, then amendments 14 and 15 become absolutely redundant and unless. Therefore, I think in the light of the principle which we have accepted in clause 4, these amendments cannot be accepted.

Shri K. D. Malaviya: I said something like that. It is out of place here. Therefore, I am not able to accept any of these amendments.

Mr. Speaker: I will now put amendment Nos. 14, 15, and 16 moved by Pandit Thakur Das Bhargava to vote.

The question is:

Page 3, line 27—

after "tendered" insert:

"or as to the area required by the private sector for the efficient exploitation or expansion of

existing collieries sought to be prospect or acquired by the Central Government through the competent authority."

The motion was negatived

Mr. Speaker: The question is:

Page 3, line 29—

after "Central Government" insert:

"subject to the other provisions of the Act"

The motion was negatived.

Mr. Speaker: The question is:

Page 3, line 31—

after "in this section" insert:

"about the payment of damages or its sufficiency or the person to whom it should be paid or tendered."

The motion was negatived.

Mr. Speaker: The question is:

"That clause 6 stand part of the Bill".

There is not even a single "aye". I will omit this clause. Hon. Members who want to support this must say "aye".

Shri Bharucha: They do not want to support it.

Mr. Speaker: The question is:

"That clause 6 stand part of the Bill".

The motion was adopted.

Clause 6 was added to the Bill.

Clause 7.—(Power to acquire land or rights in or over land notified under section 4.)

Pandit Thakur Das Bhargava: I beg to move:

Page 4, line 5,

add at the end:

"and no notice for acquisition of such land or rights shall thereafter be issued."

[Pandit Thakur Das Bhargava]

This is a proposition which, I should say, is abundantly clear. If after the issue of the notification under clause 4 Government is in possession of the land for prospecting for three years, and even after three years Government cannot make up its mind whether the land is to be acquired or not, then clause 7(2) comes into operation. Suppose after three years or over the Government gives another notice. Not that I am taking a case which has never happened. I know in Delhi the lands which were sought to be acquired many many years ago have not been acquired so far. They have been there for twenty years and nobody has been allowed to deal with them in any manner. I know of lands in my area in which for years the lands have not been allowed to be transferred—neither acquired nor allowed to be transferred. So far as the public is concerned they may be in suspense for all the time. If the notification is issued under clause 4 and for three years no efforts are made, no notice of acquisition is given, I am anxious that the Government's right to acquire the land should be taken away for ever. If they have prospected and found out once, it is not necessary that the Government may be empowered with a further power that for another three years they issue a notification and sit silent. Once the power is exercised, it should no longer be for the Government to re-issue the notification and keep people in suspense. That is the effect of my amendment.

Mr. Speaker: Amendment moved:

Page 4, line 5—

add at the end:

“and no notice for acquisition of such land or rights shall thereafter be issued.”

Shri Bharscha: I fully support the amendment moved by my hon. friend Pandit Thakur Das Bhargava. Unless this amendment is incorporated, the

clause itself will become redundant, inasmuch as the Government will be able to circumvent this clause which prescribes a limit of three years for the Government to make up its mind whether a particular area will be exploited or not; because, as the scheme of the Bill stands, there is nothing to prevent Government, after it misses an opportunity of three years, to issue a fresh notice on the third or fourth day after expiration of 3 years. And my hon. friend who has moved this amendment is perfectly right. How long are you going to harass a particular mine-owner? While some of us are in favour of public sector, we are not in favour of an inefficient or incompetent government which cannot take decisions once and finally. Therefore, it is very necessary to see that injustice is not done to mine-owners and, what is more, it does not happen that as a result of the vacillating and indecisive policy of the Government, exploitation of land does not take place. It is necessary that some such clause should be put down. Otherwise Government will be able to circumvent this clause which prescribes a three-year limit, and unnecessary harassment will take place. Sir, I support the amendment.

Shri K. D. Malaviya: There is no sanctity about three years. Perhaps there are certain factors which are being ignored by my friends opposite and by Pandit Thakur Das Bhargava. Generally speaking three years are considered to be a reasonable period in which prospecting is supposed to give us some results. If it could be less, surely we would have put two years or one year. We do not want to take all that time and sit tight over it and create harassment for the private sector or for any lease-holder. The point is that the minimum three years' time is considered to be reasonable for prospecting of coal. But that is only one aspect of the detailed prospecting. Sometimes we are led to believe after three years of regular search and prospecting that perhaps

deeper layers or seams of coal may lie under; and if our experts give us that type of advice, then we have to consider whether a fresh notice has to be given and the occupation retained by Government with a view to further prospecting. It is with that end in view that we propose to retain that right. We do not want to surrender that right, and we do not want Government to be tied hand and foot so far as the limitation of three years is concerned. We have said that our intention is not to harass the parties. We only want to know more about the area, and if three years are not considered adequate then Government do propose to extend that period till we know much more about the surface and sub-surface and the deep seams that may or may not lie under it.

Therefore, I will not be able to accept this amendment.

Shri Bharucha: Then, why put in three years? Don't put in any period.

Shri K. D. Malaviya: It may be too diffuse.

Mr. Speaker: The question is:

Page 4, line 5—

add at the end;

"and no notice for acquisition of such land or rights shall thereafter be issued."

The motion was negatived.

Mr. Speaker: The question is:

"That clause 7 stand part of the Bill."

The motion was adopted.

Clause 7 was added to the Bill

Clause 8—(Objections to acquisition)

Pandit Thakur Das Bhargava: I beg to move:

(i) Page 4, line 14—

add at the end:

"except in regard to lands immediately contiguous to existing collieries."

(ii) Page 4, line 28—

add at the end:

"or in any existing colliery whose immediately contiguous lands are sought to be acquired."

I need not make any speech.

Mr. Speaker: Does the hon. Minister accept them?

Shri K. D. Malaviya: No.

Mr. Speaker: The question is:

Page 4, line 14—

add at the end:

"except in regard to lands immediately contiguous to existing collieries."

The motion was negatived.

Mr. Speaker: The question is:

Page 4, line 26—

add at the end:

"or in any existing colliery whose immediately contiguous lands are sought to be acquired."

The motion was negatived.

Mr. Speaker: The question is:

"That clause 8 stand part of the Bill."

The motion was adopted.

Clause 8 was added to the Bill.

Mr. Speaker: There are no amendments to clauses 9 and 10.

Clauses 9 and 10 were added to the Bill.

Clause 11—(Power of Central Government to direct vesting of land or rights in a Government company)

Pandit Thakur Das Bhargava: I beg to move:

Page 5—

(i) line 19, for "a Government" substitute "any";

[Pandit Thakur Das Bhargava]

(ii) line 24, omit "Government"

(iii) line 28, for "a Government" substitute "any";

(iv) lines 28 and 29, for "the Government company" substitute "The company";

(v) line 32, omit "Government" where it occurs for the second time; and

(vi) line 38, omit "Government".

You will be pleased to see, Sir, that in clause 11 and even in clause 2, a Government Company has been defined and the idea is that a Government company can have the land acquired for production of coal, etc. I am not opposed to this idea that if the Government takes it into its head, there will be a Government company which will do it. At the same time, I want to know why the Government has not taken powers to acquire certain lands for private companies. Under the present law, so far as private companies are concerned, Government may acquire lands if the Government consider that the lands are necessary for the production of coal. This clause will give rise to a feeling that the Government are abdicating these powers and Government will not be able to acquire those lands. I am rather anxious that clause 11 may be liberalised and the Government may be enabled to acquire lands both for Government companies as well as private companies. My humble submission is that Government and the Prime Minister have said many a time, that they want to see that the private sector also prospers, and both these sectors have no antithesis and they are not opposed to each other. I do not see why the Government, in proper cases, are not able to acquire these lands for the private company. Why should the Government abdicate these powers. I am anxious that these powers may be used for the purpose of the private companies when there is a proper case for the

exercise of these powers. At present they can do so. Only clause 11 gives rise to the view, by implication, that they are giving up this power. These powers should be retained so that the Government may acquire for private companies also in proper cases. All these amendments are intended to give effect to this view.

Mr. Speaker: Amendment moved:

Page 5—

(i) line 19, for "a Government" substitute "any";

(ii) line 24, omit "Government"

(iii) line 28, for "a Government" substitute "any";

(iv) lines 28 and 29, for "the Government company" substitute "The company";

(v) line 32, omit "Government" where it occurs for the second time; and

(vi) line 38, omit "Government".

Shri A. S. Sarhadi: The amendment moved by the hon. Member is, obviously, opposed to the principle of the Bill. It extends the ambit of public sector. The principle underlying the Bill is to demarcate the public sector from the private sector. To substitute "any" for "Government" would certainly extend the private sector, which would be not in consonance with the principle of the Bill. As such, this question should have come at the time of the consideration motion. Of course, this is irrelevant here. Yet, taking into consideration the principle of the Bill which has been accepted, this amendment would be opposed to the principle of the Bill.

Shri K. D. Malaviya: The object of this Bill is to create a pattern of conditions in which the Government can take control of coal fields by working

them themselves. This we wish to do by creating Government companies. The six amendments that have been moved by my hon. friend Pandit Thakur Das Bhargava tend to confer on the Government powers to create private companies too for some of the objects that we have in view. We do want the private sector to flourish side by side with the public sector. But, the object of this Bill is not to create those conditions for the private sector within the scope of this Bill. Therefore, I consider these amendments are out of place here. We have no intention to take these powers with a view to giving them over to private companies. I am therefore, unable to accept the amendment.

Mr. Speaker: The question is:

Page 5—

(i) line 19, for "a Government" substitute "any";

(ii) line 24, omit "Government"

(iii) line 28, for "a Government" substitute "any";

(iv) lines 28 and 29, for "the Government company" substitute "The company".

(v) line 32, omit "Government" where it occurs for the second time; and

(vi) line 38, omit "Government".

The motion was negatived.

Mr. Speaker: The question is:

"That clause 11 stand part of the Bill".

The motion was adopted.

Clause 11 was added to the Bill.

Clause 12 was added to the Bill.

Clause 12— (Compensation for prospecting licences ceasing to have effect rights under mining leases being acquired, etc.)

Shri T. B. Vittal Rao (Khammam):
I beg to move:

Page 7—

omit lines 4 to 20.

Shri Bharucha: I beg to move:

(i) Page 6—

for lines 5 to 20 substitute:

"Notwithstanding any law for the time being in force, where a prospecting licence ceases to have effect under section 5, there shall be paid to the person interested compensation, the amount of which shall be a sum made up of the following items of reasonable and bonafide expenditure actually incurred in respect of the land, that is to say,—

(i) the expenditure, if any incurred in respect of the preparation of maps, charts and documents, relating to land the collection of cores or other mineral samples and the due analysis thereof and the preparation of any other records or material, provided that the total payment under this head shall not exceed Rs. 2,000/-;

(ii) expenditure, if any, incurred in respect of any other operation necessary for prospecting carried out in the land, provided that the total payment under this head shall not exceed one tenth of such expenditure."

(ii) Page 6, line 23—

omit "(iii) and (iv)".

(iii) Page 6, lines 38 to 41.

(iv) Page 7, omit lines 1 to 20.

(v) Page 7, omit lines 29 to 34.

Mr. Speaker: These amendments are now before the House. The others numbers 7, 10, 11 and 21 have not been moved.

Shri T. B. Vittal Rao: By my amendment, I want to delete the provision for the payment of interest on the amount spent by the colliery owners for prospecting. Usually, when a colliery owner spends some money on prospecting, he includes that amount as a legitimate expenditure in the revenue account. Since the Government has decided to pay that amount, I want only to point out that in the original balance sheet, the amount spent on prospecting is charged to revenue and deducted in the profit and loss account. This amount is taken as a legitimate expenditure. As a matter of fact, this amount should not be paid. Instead of going to the capital account, it is charged to the revenues in most of the collieries. By my amendment, I want that no interest should be paid to these people. Already, the Government have restricted the payment to some extent, that is, that the amount should not be more than 50 per cent. of the compensation payable under sub-clause (i) and (ii). Therefore, interest should not be paid. Moreover, these colliery owners have been making good profits all these years at the cost and exploitation of labour whose conditions today are most deplorable. Therefore, I want the deletion of the payment of interest at 5 per cent. It is not even the bank rate of 4 per cent, as it was raised recently from $3\frac{1}{2}$ to 4 per cent. I do not know how this figure of 5 per cent has been computed. I commend my amendment for the acceptance of the House.

Pandit Thakur Das Bhargava: Before my hon. friend proceeds to speak, I have one question. The proviso says:

"Provided that the total sum payable under this clause shall not exceed one-half of the total amount referred to in clauses (ii) and (iii)."

I want to know whether the words "under this clause" mean clause 13, or sub-clause (iv) of sub-clause (2). I have not been able to follow.

Shri K. D. Malaviya: Clause 13, (ii) and (iii).

Pandit Thakur Das Bhargava: It is said that the total sum payable under this clause shall not exceed one half. Is it clause 13 or sub-clause (2) or sub-clause (iv) of sub-clause (2) of clause 13.

Shri K. D. Malaviya: It relates to (ii) and (iii) of sub-clause (2) of clause 13.

Pandit Thakur Das Bhargava: Then this is wrong. "This clause" would mean clause 13. The meaning is not clear to me. If my friend's amendment is there that this interest clause should be omitted, thereafter the proviso also will go away. If the Mover of the Bill thinks that this sum should be half of what is given in sub-clause (iv) of (2), then the idea will be that the interest will not equal more than half; otherwise, if the words "this clause" are there, then it would mean that the entire amount will be less than half of what is given in clause 13.

Shri K. D. Malaviya: The idea is that the total amount of the interest will not be more than 50 per cent of the expenditure accepted by the Tribunal.

Shri Dasappa (Bangalore): If you will permit me, I would like to say that the clause as it stands means that the valuation should be made of the various items of expenditure including interest, and when it comes to a question of payment, then it shall not amount to more than 50 per cent of the total which has been worked out. It cannot be a mere question of bringing into operation the *damdapat* rule regarding payment of interest when the amount of interest that is payable should not exceed one half of what may be due by way of interest. I am sure it is perfectly clear that the whole of the amount payable under this clause should not exceed more than what you arrive at by way of evaluating the items of expenditure under the various clauses including interest. That is fairly clear.

Pandit Thakur Das Bhargava: I do not dispute the provision, whatever may be in your mind. The question is whether the language will convey that meaning. The words are: "The total sum payable under this clause"—"this clause" means clause 13.

Shri K. D. Malaviya: There is an omission here it seems. It should read:

"Provided that the total sum payable under this sub-clause (iv) (which relates to interest alone) will not exceed one half of the total amount referred to in clauses (ii) and (iii)."

Pandit Thakur Das Bhargava: So, the amendment will be moved by the hon. Minister?

Shri K. D. Malaviya: Yes, I beg to move:

"Page 7, line 18—

for 'clause' substitute sub-clause (iv)"

Shri Bharucha: That will not be correct.

Mr. Speaker: "Sub-clause" will mean sub-clause (iv). That is the intention.

Pandit Thakur Das Bhargava: It will be clause 13, sub-clause (2), sub-clause (iv):

Mr. Speaker: Under clause 13, there is sub-clause (2) and it has four entries. I shall say Entry No. (iv).

Shri Dasappa: As it is worded, every paragraph is a clause now, and when it becomes an Act it becomes a section. So, when this is enacted into law, this proviso can only refer to clause (iv), it cannot refer to any other clause. Read that way, it would mean that the total sum payable under this clause (in the shape of interest) shall not exceed one half of the total amount referred to in clauses (ii) and (iii). So, it will read perfectly all right. My point is there is no sub-clause here. You cannot use the words "under this sub-clause" because

there is no sub-clause, there is only a clause. When there is no sub-clause, there is no point in trying to use that expression.

Shri K. D. Malaviya: I only wish to clarify that there is no harm if we insert the words I suggested.

Mr. Speaker: When the Bill becomes law, the clauses become sections and sub-clauses become sub-sections, and entry (iv) will therefore be a clause. There is no ambiguity in this Hon. Members will kindly see that if this becomes law, clause 13 will become section 13; sub-clause (2) will become sub-section (2) and this item (iv) will become a clause. So, it may stand as it is.

Shri Mehruddin (Secunderabad): Does the hon. Minister withdraw his amendment?

Shri K. D. Malaviya: Yes, I withdraw.

Mr. Speaker: I have not yet put it to the House to withdraw it.

Shri Bharucha: In moving my amendments which completely alter the scheme of compensation, my object is to prevent the frittering away of public money in the purchase of so-called licensing, prospecting or lease rights.

First of all, let us examine sub-clause (1) of clause 13 of the Bill. Let us, in the first place, appreciate the fact that there is a distinction in law between a licence and a lease. If we talk of acquiring the rights of a licensee, really what we mean is that that particular licensee has not got any interest in the property, but merely the right to do a thing in or upon that property which, but for that right, would be unlawful. Therefore, when we are talking of acquiring a licensee's rights, we are not on so firm a footing, but still this Government wants to pay compensation which I am sure the House will regard as excessive. For obtaining these licensing rights what the Government wants to pay is expenditure incurred

[Shri Bharucha]

in obtaining the licence. A man may have paid a sum which may be reasonable and *bona fide*, but of a character which, from the moral standpoint, may not bear examination. Still, Government would be paying all these moneys that the licensee paid to acquire those rights.

Secondly, with regard to the preparation of maps, charts and plans, and other documents, and the collection from the land of cores or other mineral samples, analysis etc., as I said on a previous occasion, when a licensee acquires a licence and prospects for coal, he generally indulges in a type of gamble. When the gambler has lost his everything he has staked for a higher stake, where is the need for the State to come forward and say 'Now, you have gambled and lost in prospecting; we shall take over these things, and for mere right of licence, we will be paying you so much'? Not content with that, even the expenditure, if any, incurred in respect of construction of roads or other essential works on the land will be compensated for. Practically, if a mine has failed or bears the prospect of failing, Government step in and pay for it. At the stage of prospecting, where is the need for paying compensation? At the end of prospecting, Government may come to the conclusion that the particular area is not worth exploiting, but then you have paid the compensation; you have lost the money. Is it not enough that one gambler has lost? Why should Government indulge in the same gamble over again at public expense and lose over again? Why can Government not profit by a little more careful framing of the law, to get the advantage of the experience of the previous prospector? What is there to prevent Government from saying that they shall enter upon any land and do certain things, including requisitioning of maps, plans and mineral reserves, provided that if at the end they find that it is not worth while doing so, they may return the

documents, mineral samples, analysis and everything else to the mine-holder and say 'Here are your maps, charts etc. We do not think it is worth our while to go ahead with the prospecting.'

Therefore, what my amendment seeks to do is this. If Government insist upon having these particular clauses, which, I say, are totally unnecessary, then it seeks to limit their expenditure in the case of maps, plans, mineral samples, analysis and everything else to a sum not exceeding Rs. 2,000. If the conscience of this Government is so very soft that they will not take maps, plans etc. which may be practically useless, except at full payment, then let them at least limit this expenditure.

Secondly, if the expenditure is incurred largely on prospecting which is not carried out, let the legislation limit that expenditure to one-tenth of the amount actually spent. The reason is simply this. When a man has borrowed for prospecting purposes and incurred an expenditure and then he finds the spot worthless or his venture on the verge of collapse, what is the sense in paying the whole amount back to that man in order to take the results, which are virtually worthless. So, with regard to this power under the scheme of the Act, which relates to licensees, I submit that this amendment of mine will at least safeguard people's money from being squandered away unnecessarily.

Now, we come to that aspect of the scheme which relates to either the acquisition of the lease, that is to say, the interest in the land, or the purchase of the land itself. And here, we find what wonderful clauses have been incorporated in this Bill by a Government which claims to be bent upon establishing a socialist pattern of society. If the interest in the lease has to be acquired, then so many items have to be paid for, including reasonable and *bona fide* expenditure

of the nature referred to in clauses (i) and (ii) and (iii), which I have described above, and also the *salami*, if any, paid for obtaining the lease.

Now, what is this *salami*, excepting that it is a premium or probably an illegal expenditure, or probably an illegal gratification, paid by the lessee to the lessor for acquiring it? It may be, for all I know, a legitimate premium which may have been paid. But I ask this House whether if a particular lessee has had to pay a premium, assuming legitimate premium, for acquiring a particular lease in a mine, is it necessary for the State to do the same thing over again? Why should it be necessary for the State to do so, when the State has got powers to acquire land, when the State has got powers under the Industries (Regulation and Development) Act, when the State has other powers of not paying enough compensation, particularly when this House has enacted a change in the Constitution by means of the Constitution (Fourth Amendment) Act, whereby it is laid down that inadequacy of compensation shall not be a justiciable issue? When the State stands in such a position as against a private lessee, where is the need for paying the *salami* back to the lessee or the owner of the mine? As I said, this is waste of public money. Government are not out to nationalise these mines, but they are out to benefit gamblers who have staked and lost in mine-operations.

One of my other amendment says that clause 13 (2) (iii) at page 7 should be deleted, because that also lays a duty on Government to pay to the mine-owner, the expenditure, if any, incurred by way of payment of dead-rent or minimum royalty during any year or years when there was no production of coal. This is a very strange clause. I wonder whether the Minister in charge did not even think of this case, that there may be a mine-owner who on account of his negligence, stupidity, inefficiency, mismanagement or anything else has not

chosen to carry on mining operations on his land; he may have been sleeping over his lease for ten years, but under the terms of the lease, he may have been legitimately required to pay to the mine-owner or land-owner certain sums of money or minimum royalty every year. Now, is it the intention of this Government that they should pay to that defaulter as a premium on his negligence, as a premium on his default, all the rent that for years together he had to pay, because he remained idle and would not exploit his own property? Such a man is a sinner against society, because he has not given the benefit of the minerals to the society at large. And Government want to pay compensation for his default. I call it nothing less than a premium on defaults and negligence, and not only that, but this Government want to pay interest on premium on negligence and default. That is outrageous.

The clause says further that interest on this should be paid, and there is the proviso, about which, at least in my mind, still some doubt lurks. That proviso reads:

"Provided that the total sum payable under this clause shall not exceed one-half of the total amount referred to in clauses (ii) and (iii)."

But the Minister forgets that it is not merely clauses (ii) and (iii), but also the previous clauses because clause (ii) refers to the previous clauses, and it reads thus:

"any reasonable and *bona fide* expenditure of the nature referred to in clauses (i), (ii) and (iii) of sub-section (1)...."

Therefore, the interest is not merely on this, but on everything mentioned in the whole clause. So, it is not enough to say merely 'clauses (ii) and (iii)', because clause (ii) includes clauses (i), (ii) and (iii) of sub-clause (1).

Shri K. D. Malaviya: It is one-half of all expenditure.

Shri Bharucha: That is the implication, That is what I am trying to convey.

13-51 hrs.

I have been trying to bring this to the notice of the Minister in charge that he is not only wasting public money in paying *salami*, but also in paying interest on *salami*, premium on default, interest on premium on default, interest on.....

Shri T. B. Vittal Rao: Interest on dead-rent.

Shri Bharucha: ...dead-rent—and everything imaginable. I wonder which fool of a mine-owner or a lessee who has gambled and lost will not accept these terms.

Therefore, I submit that the amendments which I have moved are designed to conserve public resources. If the Government cannot make up their mind—the Bill does not seem to have been drafted from the legal point of view with accuracy and precision, as it ought to have been drafted, and from the economic point of view, it does not seem to take notice of the economic conditions of this country—I would appeal to the hon. Minister, if necessary, to refer this Bill to a Select Committee on his own motion and see that these clauses are properly re-drafted in order at least to see that public money is not wasted on people who have gambled on mining and lost.

Shri K. D. Malaviya: The effect of the series of amendments moved by my hon. friend is not only to change the amount of compensation but to controvert the very basic principles on which we stand to acquire private property. The fact is that Government are compulsorily taking away certain rights of the private sector—whether it is the right of prospecting in a field or right of mining in a field or certain rights which have accrued to the party as a result of certain contracts made with the State Government or any other party.

The implication of such contracts and agreements is that he has incurred certain expenditure and there is a liability set on it. The underlying policy which we have for our guidance is that rightly or wrongly—wrongly, if you like, but I say, rightly—wherever land will be acquired, rights will be acquired, we shall pay reasonable and fair compensation. Now, having committed ourselves to this basic policy, we cannot go back on it. We stick to it because we think it is the just thing to do. It is not as if we want to pay illusory compensation or such quantum of compensation which we cannot justify in anybody's eyes.

My hon. friend has referred to certain specific items in the list of things for which we are going to pay compensation. He has referred to the word 'gambling'; perhaps he prefers 'gambling' to 'prospecting'. I think it is through lack of understanding that the word 'gambling' is used. Prospecting is the consequential result of certain scientific and technical studies of the area in question. If my hon. friend were a mine-owner or a person who was interested in mining, he would just not put his money at a place which has no basis for prospecting. Prospecting is only undertaken when certain geological indications are in evidence; otherwise, one would not do it. Even after preliminary prospecting, detailed prospecting would have to be done. If I fail by putting a number of shot holes in an area of two or three or four square miles, somebody else might come and succeed after spending another sum of money and get coal or any other mineral. Therefore, 'prospecting' and 'gambling' are not to be....

Shri Bharucha: Different.

Shri K. D. Malaviya: ...used in a similar sense. 'Gambling' is much more different from 'prospecting'. If a party has spent some money on

prospecting and wasted it, because he was not able to find positive results with regard to coal or other mineral. It does not logically follow that the other party—Government—will also fail in their attempt to locate certain seams of coal. But this is going into the details of it. The fact is that a party has spent some money in prospecting and the fact that we are going to compulsorily acquire the rights of that party necessitates, under compulsion of our basic policy, payment of a reasonable sum for the rights that we are taking from him.

Similarly, the word 'salami' has been ridiculed. Personally, the word is jarring to me also. 'Salami' is nothing but translation of the word 'royalty', and if the word 'royalty' is heard smoothly by the hon. Member, there is no reason why the word 'salami' should not be so felt.

Now, prior to 1949, before the Mineral Concessions Rules were promulgated, *salami* was a legitimate charge which was paid by the leaseholder to the proprietor of the land, and he could not have acquired the rights of mining, unless he had paid the *salami*.

Shri A. S. Sarhadl: On a point of information. The word 'salami' is defined neither in this Bill nor in the General Clauses Act. Then where shall it be interpreted from?

Mr. Deputy-Speaker: The hon. Member wants to know how, when a dispute arises as to whether a particular thing is *salami* or not, it shall be interpreted?

Shri A. K. Sen: It is just like not defining 'rent' in any subsidiary legislation. There are certain expressions which need no definition like rent, royalties, *salami* etc.

Shri Bharucha: 'Rent' is defined.

Mr. Deputy-Speaker: Yes.

Shri A. K. Sen: Then well and good. Even if it is not, it is not necessary, because one knows what rent is.

If 'salami' is not defined in the Act, it will bear the ordinary meaning which that word bears. It is a word of very well known import.

An Hon. Member: No, no.

Shri A. K. Sen: Of course it is.

Mr. Deputy-Speaker: That does not carry us any further. Suppose there is some dispute as to what 'salami' is, whether a particular money is 'salami' money or not. Then how shall it be interpreted?

Shri A. K. Sen: It will be interpreted by the court, just like 'royalty' being interpreted. The court will define what royalty is. 'Royalty' is the word used in the south; it is an English word; 'salami' is the Hindi word which means 'premium' in English.

Shri V. P. Nayar: We in the south do not know what 'salami' is.

Shri A. K. Sen: 'Royalty' is also not in the language of the south.

Shri V. P. Nayar: But it is in the dictionary.

Shri A. K. Sen: 'Salami' is there in Wilson's Glossary. It means 'premium'.

Shri V. P. Nayar: Does he at least have a copy of it?

Mr. Deputy-Speaker: Let us proceed further.

Shri K. D. Malaviya: I was referring to the merits of the question raised by my hon. friend. The Mover desires that expenditure incurred in respect of the construction of roads or other essential works on the land, if such roads or works are in existence, should not be paid. He also wants that payment on account of expenditure incurred in respect of preparation of maps etc. should not exceed Rs. 2000. I do not understand why this limit of Rs. 2000 has been made. Why not Rs. 1000; why not Rs. 500, Rs. 100 or even Rs. 10? He has been gracious enough to limit it to Rs. 2000. As a matter of fact, he does not know what

(Shri K. D. Malaviya)

he is talking about so far as imposition of these rules are concerned.

Mr. Deputy-Speaker: We should presume that every hon. Member knows what he is talking about.

Shri K. D. Malaviya: I withdraw it.

Shri Mohammed Tahir: I want to know what would be the extent of expenditure in obtaining a licence as per item (i) of sub-clause (1) of clause 13.

Mr. Deputy-Speaker: That might not have been worked out so far.

Shri K. D. Malaviya: If I may be permitted to say so, all these matters will be decided by the Tribunal when all the facts are before the Tribunal. The maps, charts, information, the distance of roads constructed, the houses and other expenditure that had been incurred by the party will all have to be explained by the party before the Tribunal and then the quantum of compensation will be assessed by the Tribunal and that will be the award of the Tribunal.

14 hrs.

I was referring to this limit of Rs. 2,000 with regard to the procurement of maps, charts and other documents. It might be too little and might appear ridiculous. Sometimes, the geological maps alone might cost much more than that. Then, prospecting, obviously, could be presumed to cost much more than Rs. 2,000. If we do accept the principle of reasonable and fair compensation for the rights that we acquire, then we cannot put limit to the expenditure incurred by the party. All that has got to be left to the Tribunal before which all information will have to satisfy that the expenditure that has been shown to have been incurred has been legitimately incurred. If, for instance, a party produces a list of expenditure which, in the eyes of the Tribunal, is not correct, then, obviously, the Tribunal will reduce it. So far as the Government is concerned, they have a minimum picture of the compensation for the procurement of maps, charts etc.

Looking at this picture, I do consider that this sum of Rs. 2,000 may be wholly inadequate.

With regard to interest, there also is a question of policy. Once we agree to compensation and to purchase certain rights by paying a certain amount of money, it is not reasonable for the House to presume that interest thereon will be eliminated from the picture. Interest is not going to be paid in full as it will be evident from the proviso to clause 13, where it is said:

"Provided that the total sum payable under this clause shall not exceed one-half of the total amount referred to in clauses (ii) and (iii)."

We have to arrive at this figure by assessing 5 per cent for the first 5 years and then 4 per cent for the next 4 years. After 9 years, the question of payment of interest at the rate of 5 and 4 per cent ceases and this proviso starts operating and if the amount becomes half the total sum spent, it stops. Therefore, as I said before, having accepted the principle of payment of a reasonable and fair compensation, it seems necessary for the Government to include the item of interest also in the whole picture.

The Tribunal and the Court will be there to decide every demand that is put forward by the party, whether it is excessive or not. The Government will scrutinise the documents and other papers and accounts put forward by the party and will not agree to anything which they do not consider legitimate. I, therefore, consider that the series of amendments, Nos. 1 to 5 put forward by my hon. friend Shri Bharucha cannot be accepted by us because they go contrary to the basic principle enunciated by Government.

Mr. Deputy-Speaker: I would still appeal to the hon. Minister to just consider whether it is not necessary to define this 'salami' because it has different connotations in different parts of the country. At least in the

north, it has the meaning of illegal money got from the leasee by the lessor. It may have a different meaning in the south. But it should be stated that in mining areas it will have a distinct meaning. Something, perhaps, might have to be stated. If the hon. Minister does not think it necessary, I have no quarrel with him. I will proceed.

Mr. Deputy-Speaker: The question is:

Page 6—

for lines 5 to 20 substitute:

"Notwithstanding any law for the time being in force, where a prospecting licence ceases to have effect under section 5, there shall be paid to the person interested compensation, the amount of which shall be a sum made up of the following items of reasonable and bonafide expenditure actually incurred in respect of the land, that is to say,—

(i) the expenditure, if any, incurred in respect of the preparation of maps, charts and documents, relating to the land, the collection of cores or other mineral samples and the due analysis thereof and the preparation of any other records or material, provided that the total payment under this head shall not exceed Rs. 2,000/-;

(ii) expenditure, if any, incurred in respect of any other operation necessary for prospecting carried out in the land, provided that the total payment under this head shall not exceed one tenth of such expenditure."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 6, omit lines 38 to 41.

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 6, omit lines 38 to 41.

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 7, omit lines 1 to 20.

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 7, omit lines 28 to 34.

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 7, omit lines 4 to 20.

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 13 stand part of the bill."

Shri Sonawane (Sholapur—Reserved—Sch. Caste): What has happened to 'salami', Sir? The hon. Law Minister said.....

Mr. Deputy-Speaker: It stands as it is.

Shri Sonawane: As the Law Minister said, if 'salami' means in simple language 'royalty', then, why not substitute royalty for 'salami'? The whole thing can be got cleared.

Mr. Deputy-Speaker: It is too late. We have put it to the hon. Minister to consider it. If he does not think it necessary, then, it cannot be helped.

Shri Ranga (Tenali): In the south, some of us used to think that 'salami' is a kind of bribe given to an officer or a landlord.

Mr. Deputy-Speaker: That is what I asked the Minister to consider; that it has different meanings in different parts of India and therefore it is necessary to have some definition.

Shri K. D. Malaviya: I beg to submit that this word 'salami' is specifically associated with the payment of a sum at the time of acquiring some rights in the mine.

Mr. Deputy-Speaker: If it is said that this money that is given to the owners of the land from whom the

[Mr. Deputy-Speaker]

area is acquired, there would have been clear.

The question is:

"That clause 13 stand part of the Bill."

The motion was adopted.

Clause 13 was added to the Bill.

Clause 14. (Method of determining compensation)

Pandit Thakur Das Bhargava: Sir, I have an amendment to clause 14, amendment No. 22, which reads as under:—

Page 9—

after line 19, insert:

"(6A) The Tribunal shall on the application of any person interested in any existing colliery that any lands immediately contiguous to such colliery is necessary for the efficient exploitation or expansion of the colliery should not be acquired decide the dispute and if the decision is against the Government the Government shall release the same or acquire it for the existing colliery."

I have already given some grounds in respect of other amendments which are equally applicable to this amendment also. My submission is that there are two parties, the Government and the persons in the private sector. When you take away anything from the private sector, there must be full satisfaction given to the private industry that they are not in any way prejudiced. It is just necessary that this matter should be decided by the Tribunal. In all matters of acquisition, I know it is the Central Government that decides that it is necessary to acquire. In a matter of this kind where the competition is between the Government and the private sector, it is necessary that the judge should be given the power to see whether it is fairly and equitably necessary for the Government to acquire the land without any prejudice any proper to the private industry. The hon. Minister says that so far as

he or any of his successors is concerned or the Government is concerned, they will behave in a proper way. We know that the Minister himself is not responsible for this kind of acquisition. They see the papers coming from below and say ditto to it. They do not know how the thing is working. If any report is made by the subordinate officer it is accepted. The subordinate officer may only be motivated by a regard to the interest of Government alone and he might have thought it profitable to acquire. Then, what happens? The Central Government acquire that. Where in such circumstances the private industry should go.

First of all, it is unfair that the Central Government itself is the person whose decision will be final. I think there may be cases of actual victimisation.

14 hrs.

It is necessary that this power should be given to the judicial authority. The Government itself have appointed the Tribunal. What objection can the Government have if the Tribunal decides? Every person may be satisfied that the Government are not abusing its powers in relation to the private industry. I would therefore like that this matter should be justiciable and the Tribunal should be the last authority to decide whether a particular land ought to be acquired. This is a peculiar legislation in which the competitors are the Government themselves and persons in private industry. I think that in a case like this the Government should accept this amendment and give proof of its being open and just responsive.

Mr. Deputy-Speaker: Amendment moved:

Page 9—

after line 19, insert:

"(6A) The Tribunal shall on the application of any person interested in any existing colliery

that any lands immediately contiguous to such colliery is necessary for the efficient exploitation or expansion of the colliery should not be acquired decide the dispute and if the decision is against the Government the Government shall release the same or acquire it for the existing colliery.

Shri Dasappa: However desirable the amendment of the hon. Member may be, my fear is that it cannot be brought here under this particular clause, because we have already passed clause 8 on page 4, and the explanation there makes it very clear to what extent objection could be effective.

The explanation says:

"It shall not be an objection within the meaning of this section for any person to say that he himself desires to undertake mining operations in the land for the production of coal and that such operations should not be undertaken by the Central Government or by other person."

If my hon. friend, Pandit Thakur Das Bhargava wanted this particular amendment which he has now placed before the House to be effective, I think the proper place would have been here under this particular clause 8. But now no person will be able to lodge an objection to the effect that it is necessary for himself or that an individual area or land is required for himself for the purpose of either expanding his own concern or for any other purpose. It prevents him from stating such an objection. I felt absolutely that the explanation practically takes away whatever advantage sub-clause 1 of clause 8 would have given. I am afraid, therefore, this particular amendment is not in place under this particular clause.

Pandit Thakur Das Bhargava: I did bring an amendment under clause 8 also, but my hon. friend did not support me then on this point.

Shri A. S. Sarbadi: The same objection is applicable to amendment No. 22. Amendment Nos. 14, 15 and

22 are complementary to amendment No. 12. Amendment No. 12 has been rejected and the principles underlying clause 4 have already been accepted. The clause lays down that the discretion vests with the Government to exclude that portion of land in which mining operations are being carried on and it is for the Government to judge whether the coal operations are being carried out or not. This amendment is contrary to the principle which has already been accepted by the House in clause 4.

Shri K. D. Malaviya: I have nothing to say in reply to what Pandit Thakur Das Bhargava said because clause 4 has already been accepted by the House.

Mr. Deputy-Speaker: The question is:

Page 9-

after line 19, insert:

"(6A) The Tribunal shall on the application of any person interested in any existing colliery that any land immediately contiguous to such colliery is necessary for the efficient exploitation or expansion of the colliery should not be acquired decide the dispute and if the decision is against the Government shall realise the same or acquire it for the existing colliery."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 14 stand part of the Bill."

The motion was adopted.

Clause 14 was added to the Bill.

Clause 15 and 16 were added to the Bill.

Clause 17—

(Payment of Compensation)

Shri Bharucha: This clause relates to payment of compensation and I beg to move:

Page 9-

for lines 32 to 35, substitute:

"17(i) Any compensation payable under this Act shall be ten-

dered or paid to the persons entitled thereto in transferable bonds bearing interest at 4 per cent. per annum and maturing after 15 years."

Clause 17 of the Bill refers to payment in cash. What I feel is that after having been so generous with public money, the Government should at least do something with regard to the mode of payment. It is not a new thing which I am introducing in this House. In Bombay State, as I already stated, we abolished the *inamdars* and *jagirdars*. We made the payment in transferable bonds bearing only 3½ per cent. interest per annum. The idea is that the State will not be required to pay a large sum of money immediately and if the transferable bonds are made available, the State will conserve its cash resources. This system of payment has been followed by several State Governments and no great injustice has been done. While moving this amendment I trust the hon. Minister will consider it.

Mr. Deputy-Speaker: Amendment moved:

Page 9—

for lines 32 to 35, substitute:

"17. (1) Any compensation payable under this Act shall be tendered or paid to the persons entitled thereto in transferable bonds bearing interest at 4 per cent. per annum, and maturing after 15 years."

Pandit Thakur Das Bhargava: So far as this clause is concerned on page 10 we find the following:—

"Provided further that no person who has received the amount otherwise than under protest shall be entitled to take any matter under this Act before the Tribunal."

Here I would only wish to say that this is too technical and very harsh. Any person who does not know the

law and does not protest cannot go before the Tribunal. This is too hard and too technical and I would beg the hon. Minister to consider this matter and not to press for the "full pound of flesh from a person who does not know that his failure to protest would take away his right. To say that if a man is dissatisfied he may get justice from the Tribunal and then to deprive him on such a technical ground is not correct.

Shri K. D. Malaviya: The amendment moved by my hon. friend, **Shri Bharucha**, suggests that in lieu of cash compensation payment should be made in transferable bonds bearing interest at 4 per cent. per annum and maturing after 15 years. The actual payment of compensation arising out of these deals will not be very appreciable. It does not appear to be very fair or reasonable for the Government to start introducing the system of payment of compensation after 15 years in transferable bonds bearing 4 per cent. interest, when the payment in question is not quite substantial or the sums involved are not quite big. As I said, I do not know the actual figure but each year the amount is not likely to go beyond Rs. 20 or 30 lakhs. For such paltry sums, it does not seem to me reasonable if Government were to use bearer bonds instead of cash. I submit that this amendment cannot be accepted.

Shri Bharucha: Will your credit suffer?

Mr. Deputy-Speaker: The question is:

Page 9—

for lines 32 to 35, substitute:

" 17. (1) Any compensation payable under this Act shall be tendered or paid to the persons entitled thereto in transferable bonds bearing interest at 4 per cent. per annum and maturing after 15 years."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That clause 17 stand part of the Bill."

The motion was adopted.

Clause 17 was added to the Bill.

Clauses 18 to 28 were added to the Bill.

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

Shri K. D. Malaviya: I beg to move:

"That the Bill be passed."

Mr. Deputy-Speaker: Motion moved:

"That the Bill be passed."

Pandit Thakur Das Bhargava: Sir, I do not want to say much on this subject now.

Mr. Deputy-Speaker: That would also be my request.

Pandit Thakur Das Bhargava: I shall submit only two points for the consideration of the House.

Mr. Deputy-Speaker: But it is not known how big one point may be!

Pandit Thakur Das Bhargava: They are very small. In clause 9(2) (a), it says: ".....shall state the district or other territorial division in which the land is situate and its approximate area...." This is the first time that in a case of acquisition I have seen a provision like this. This will lead to any amount of complications.

Shri Ranga (Tenali): Supposing the survey is not complete. (Interruptions.)

Pandit Thakur Das Bhargava: This is a supposition without any valid basis. You should be exact and you must insist on definite pieces of land to be described.

Shri K. D. Malaviya: At the moment, they will not be able to give a definite location of the area.

Pandit Thakur Das Bhargava: There is no provision for subsequently giving the area, etc. There will be endless litigation as a consequence. You may say that so much had been acquired while the other man will say that so much has not been acquired. This factor may be taken into account while making the rules so what you may say that so much has been acquired definitely, at least subsequent to the acquisition.

Mr. Deputy-Speaker: This can be provided for in the rules.

Pandit Thakur Das Bhargava: I only want that there may be no litigation.

The Government requires three years for prospecting etc. Yet my hon. friend will not agree to accept my amendment. After the period of three years, no further powers should remain with the Government. When the Government requires a period of three years for this purpose, the time given for appeal under clause 20, though we have just now passed it, is only thirty days and under clause 20(2), the time is further less, viz., twenty-one days. That is not proper. I would request you to consider it from the point of view of the person who will be aggrieved by these orders. The time is not sufficient. Even in the third reading stage he may make it three months. I would request him, if this is not possible now, to elongate this time in any way, by rules or orders so that more time is given.

Dr. Melkote (Raichur): Sir, I want to draw the attention of the hon. Minister to one or two points. It is said in the Statement of Objects and Reasons that the aim of this Ministry is to produce about 60 million tons of coal during the Second Plan period. Particularly with regard to coal, it is not a very easy affair. Prospecting and taking it out from the bowels of earth would need at least three years. From 39 million tons to 60 million tons is not an easy or small affair. I would, therefore, plead with the

[Dr. Melkote]

Minister that the sanction to the different coal mining areas where this increase has to take place be given very quickly.

So far as the South is concerned, except lignite, only the Singareni collieries are producing about 1.5 million tons. We have been assured about Rs. 8 crores during the Second Plan period and it is expected that they would produce at least three million tons. At one time, I believe, they were asked whether they could produce as much as four million tons and they perhaps accepted that target also. Coal is in short supply in the South and the needed coal has to be got from the North for use in the industries or railways. Quite a considerable amount is shipped from Calcutta to the southern ports of Madras and other places from where it is distributed to other places. Due to congestion in the railway lines, much of the coal needed in the South is not being obtained at the right time. I would, therefore, plead with the Minister that if the Singareni collieries are capable of producing four million tons during the Second Plan period, more money should be utilised in these collieries to obviate railway congestion and to make it possible for the south to have sufficient coal. May I hope that the Ministry would pay attention to these points. Thanks Sir.

Shri Bharucha: There is one small point.

Mr. Deputy-Speaker: He has been fighting quite valiantly and still he has a point?

Shri Bharucha: There is one point. As my hon. friend, Shri Nayar, pointed out, coal has not been defined. I would request the hon. Minister to consider the desirability of defining it in the rules that might be made because the word 'coal', as it stands, includes several things. It includes 'lignite'. In fact, scientists say that chemically and structurally, there is no difference between coal and diamond. Both are carbon.

Shri K. D. Malaviya: That will be defined.

Mr. Deputy-Speaker: That is conceded.

Shri K. D., Malaviya: There is nothing for me to say now except to thank the hon. Members of the House for the advice we got. I can assure my hon. friends sitting over there that we are keenly alive to the problem of increasing the production of coal and also the development of the Singareni coal fields. We are examining the question as to how best we can avoid wastage of time and get to the immediate task of expending production to the target before us. With regard to the provision of three years for the period of prospecting, there is some misunderstanding about it. We do not propose to sit for three years prospecting if we can do it in six months' time. In some collieries, we have done very quick prospecting and we do not want to waste any time and that is why we have introduced the Bill in this session. The object is to attain the target which we have set before ourselves: twelve million tons for the public sector.

I can also take this opportunity to assure the House that, so far as the private sector is concerned, we shall be giving all facilities to them to develop and do the job so that the private sector may achieve its target of ten million tons. We shall see to it that it does not suffer from any handicaps. I hope that both of us will keep to this programme and fulfil our allotted task.

Mr. Deputy-Speaker: The question is:

"That the Bill be passed."

The motion was adopted.