



# THE WORKING CLASS

MONTHLY JOURNAL OF THE CITY

## BHARAT BANDH ON 9TH SEPTEMBER

### – A Spectacular Success

□ M K Pandhe

**N**otwithstanding malicious propaganda by the Government of India through the state owned electronic media, from the available reports from all over India, it is clear that the bandh on 9th September was a grand success. More than ten thousand activists were arrested by various state governments to suppress the bandh. More than 3000 in Tamilnadu alone! Police resorted to lathi charges in nearly 50 places injuring over 150 activists including women and children. Despite these repressive measures the millions of people all over the country magnificently responded to the call of bandh.

According to press reports, the bandh was total in W.Bengal, Tripura, Kerala and Bihar while in Tamilnadu, Andhra, Maharashtra, Karnataka and Punjab it was near total. In Orissa, Assam, UP, Madhya Pradesh, Rajasthan, Gujarat, Delhi and Haryana, the bandh created considerable impact, though due to opposition of Cong(I) and the BJP in some parts of the states, the shops could not be closed down. The normal life was disrupted in varying degrees in all the states. Though the organisers of the bandh never claimed that it was cent percent success in all the states it stands out distinctly clear that the bandh was more prominent than any bandh action organised in the country in the past.

The bandh was a planned organisation. For nearly 5 months all the mass organisations viz. trade unions, kisan organisations, agricultural workers' unions, organisations of women, students, youths, artists, intellectuals were campaigning all over the country since the 15th April convention at Delhi. Hundreds of state level, local level, industry level conventions were held in this period popularising the struggle against economic policies of the Government of India and danger of communalism. Lakhs of copies of the resolution adopted in the Delhi convention were

printed in all languages and distributed throughout the country. The 19th August programme of courting arrests was participated by 10 lakh activists in India in which all mass organisations of all affiliations enthusiastically participated.

Though the preparations for the bandh were spearheaded by the Platform of Mass Organisations, the firm support given by the left front and NF parties was an important development. Despite the machination of the BJP and the Central Government to depict the bandh call as CPI(M) sponsored, the people in general welcomed the support by the left-NF parties to the call for bandh.

The Cong(I) and the BJP campaign that the bandh was politically motivated failed to cut much ice among the people. These parties cadres were not seen actively campaigning against bandh except in some cases. As a matter of fact, in many industrial centres the INTUC and BMS workers participated in the action which only showed how the discontent against these policies has been growing among the ranks of these organisations. Despite threat of Bal Thakerey in Bombay that Shiv Sena activists would physically foil the attempts to organise the bandh, Shiv Sena activists were not seen on the road opposing the bandh.

According to the estimates made by the Sponsoring Committee of Indian Trade Unions, over twenty million workers participated in the industrial strike making this the biggest ever nationwide action of the working class in the annals of the trade union movement of India. During the strike of 16th June 1992, fifteen million had participated, thus more than 5 million workers were brought into the vortex of struggle during the last one year.

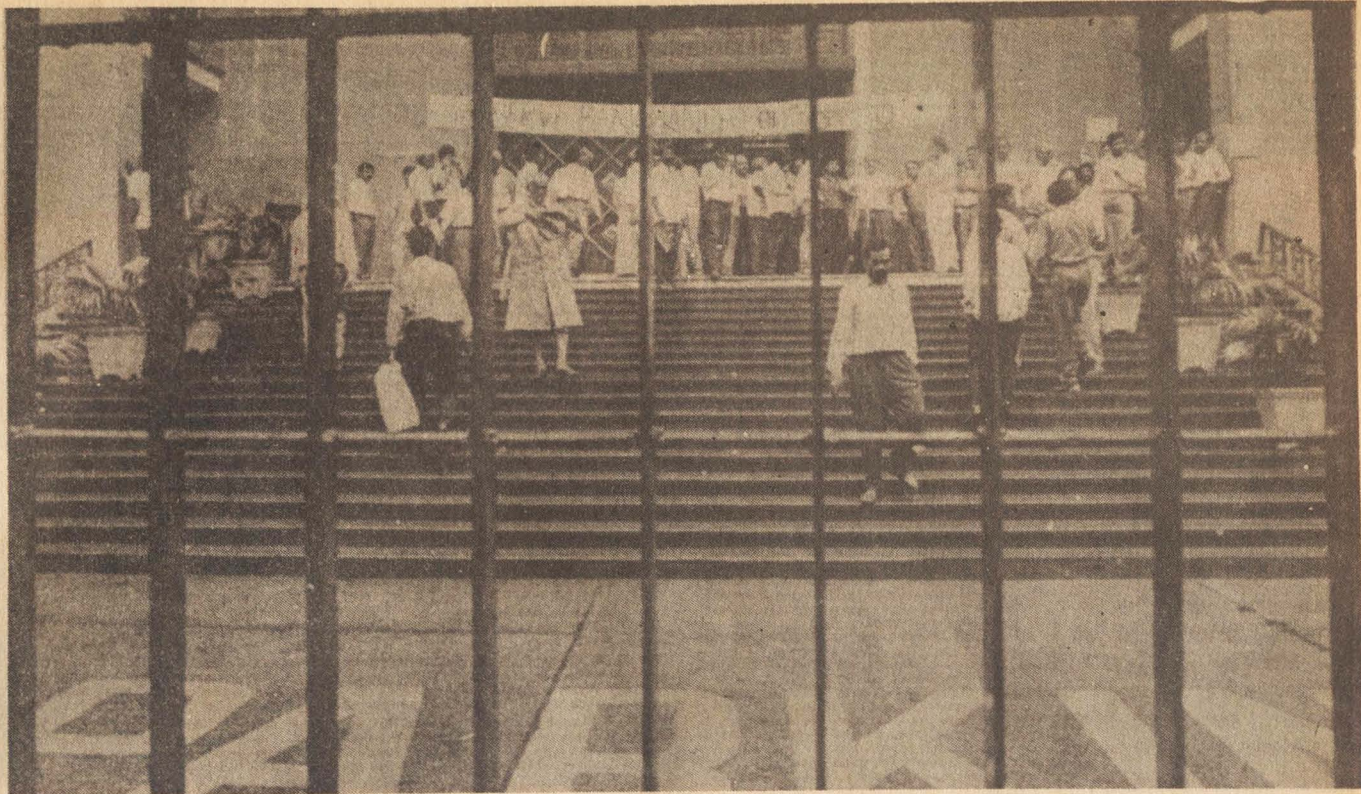
The biggest single contingent in the industrial strike was that of the State Government employees.



**Workers demonstrating at Nawadah, Bihar on Bharat Bandh Day - TOI**



**Rasta Roko at Bombay - TOI**



**In Delhi Reserve Bank employees strick work during the Bharat Bandh on Thursday. — HT**

The reports received from all the states by the All India State Government Employees Federation, over 60 lakh state government employees, teachers working in government run schools and employees of the undertakings owned by the state governments participated in the strike. Never before, the state government employees resorted to strike action in such a massive manner in the past.

The strike in the banking sector was nearly total. Except, some branches of State Bank of India, the 8 lakh employees in all the banks downed their pens on 9th September. Despite efforts to undertake transactions, no bank could function normally all over India. The employees of the insurance companies also observed strike paralysing the entire insurance sector.

Most of the fertilizer factories were closed on the day. In the oil sector complete strike was observed in northern, southern and eastern zone while in eastern zone it was partial.

As per call of the All India Defence Employees Federation over 60 defence production units were completely closed in the country. The strike this time was much better than last strike.

The seven lakh coal workers participated in the

strike in a massive way. Except in Singareni collieries, where AITUC withdrew the strike at eleventh hour, the strike in all coal companies was successful.

Two and a half lakh steel workers went on one day strike on 7th September opposing privatisation of IISCO and disinvestment in steel in which the INTUC and BMS unions also participated. In Durgapur, Ally Steel Plant, IISCO and CMO Calcutta, the workers again struck work on 9th September 1993.

The employees of Indian Airlines observed complete strike on the day. From Calcutta airport no flight could operate while from Bombay only 7 flights out of 34 could be operated, that too with the help of pilots! The private airlines did not operate the flights on the day. The strike in Air India was however 50 percent only.

The Bangalore and Hyderabad based public sector units were totally paralysed except HMT unit at Bangalore.

The Central Government employees joined the strike in a big way. The postal and telecom employees played a leading role in the strike. The postal services and the RMS were completely paralysed while telecom services were not operative in several centres. The income tax and audit employees also



**Demonstration in Okhla market in New Delhi on Thursday — Pioneer**

joined the strike in a massive way. In several centres the central Government employees held big demonstrations protesting against the economic policies of the Government of India and the danger of communalism.

Though the railway employees did not join the strike the rail services were greatly disrupted on the day. The railway strike was complete in W.Bengal, Bihar and Kerala. Many long distance trains were cancelled by the railway authorities officially. The Central Government employees and the railway employees have announced an indefinite strike from 12th of October to press their longstanding demands including that of merger of DA into basic wages.

One of major feature of the bharat bandh is the participation of large number of unorganised workers in this countrywide action. Recent strike on 14th July of the unorganised workers has roused big section of these employees. Their increasing participation in the struggle against economic policies of the Government of India reflects the prevalent resentment among them. In Delhi the small scale industries organisation officially announced their decision to join the bharat bandh in protest against frequent break down of power supply in the state.

Participation of the sick units in both public and private sectors including those which had been referred to BIFR is also significant. The workers of NTC mills despite threat of closure and retrenchment joined the strike in good strength. The workers in electricity generation and distribution section joined this mighty action more than any other time in the past.

The peasants masses swung into action in a big way on the bandh day. They along with the agricultural workers organised road blocks and rail blocks in many areas all over India and effectively obstructed normal traffic in the rural areas. The tall claim made by the Union Labour Minister that the rural masses did not participate in the bandh was based on his wishful thinking. Several demonstrations of rural poor were organised on the bandh day when they expressed their Dunkel proposals and other aspects of the economic policies that hit the rural masses.

The women activists participate in the picketing in the industrial areas and township. Several of them were arrested by the police while some got injured in lathi charges on the bandh day. In Delhi the police men virtually house arrested Brinda Karat and Indrani



**Workers taking out a procession from Azadpur bus depot during the Bharat Bandh in the Capital on Thursday – Patriot**

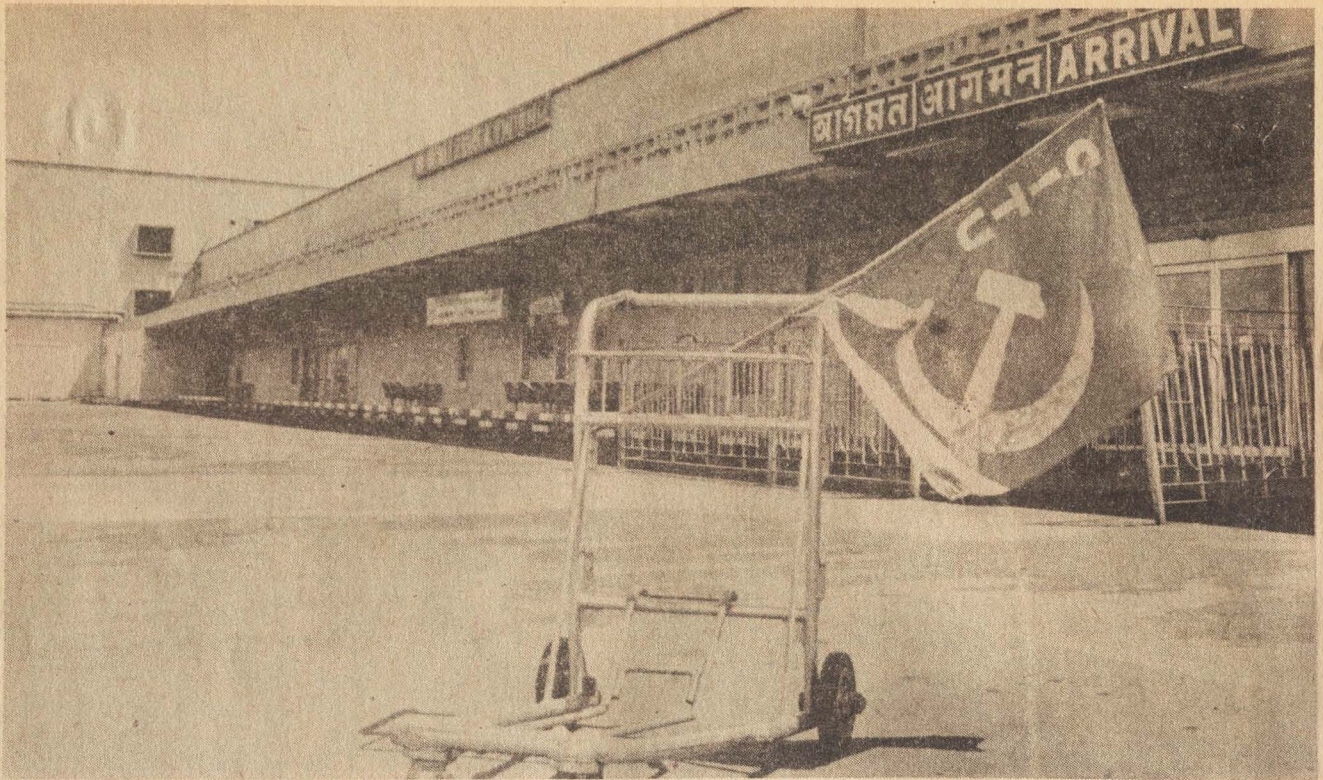
Majumdar on the bandh day deploying a large police force in and around party state committee office. Reports indicate that in several place women participated in good strength to block the road traffic.

The students and youth organisations organised countrywide strikes in universities, colleges and schools. According, to an estimate by the SFI over 2 million students participated in the bandh action. In Maligaon Assam an SFI leader Mujibur Rehman was seriously injured in police firing whose conditions is stated to be critical. A large number of students participated in "rail roko" and "Rasta Roko" agitation, while several courted arrests. The youth movement in India played its meritorious role in the bharat badh day when they resorted to picketing in several places. Innumerable artists through many cultural troupes organised street plays and campaigns through many songs composed on the occasion to popularised the bharat bandh. A number of young artists came to the forefront during the campaign. Their campaign again communalism along with attack against the economic policies of the Government of India drew wide acclaim from the general people. They could cover newer areas in the campaign and in a popular style they effectively popularised the slogans of the

bharat bandh. The role played by these artists and their troupes cannot be exaggerated.

Thus the cooperation of all mass organisations on common slogans has given new impetus to the struggle. Through series of joint programmes organised in different states a new sense of unity emerged in the struggle. Despite different affiliations, the mass organisations worked together against the dictates of the World Bank and the IMF. The united campaign launched jointly by them simultaneously highlighted how the communal forces are diverting the attention of the people from the issues. The campaign for bharat bandh has really highlighted the real issues facing the people of the country. Tremendous possibilities of advancing this united movement and opened up for the secular and democratic movement in the country.

The historic bandh has received general support from the people though it was partial in some states due to opposition of Cong(I) and the BJP. If only highlighted the hollowness of the Union Home Ministers claim that the Bharat Bandh was a flop and people in India generally ignored the bandh call. People everywhere were recaptive to the campaign against the economic policies of the Government of



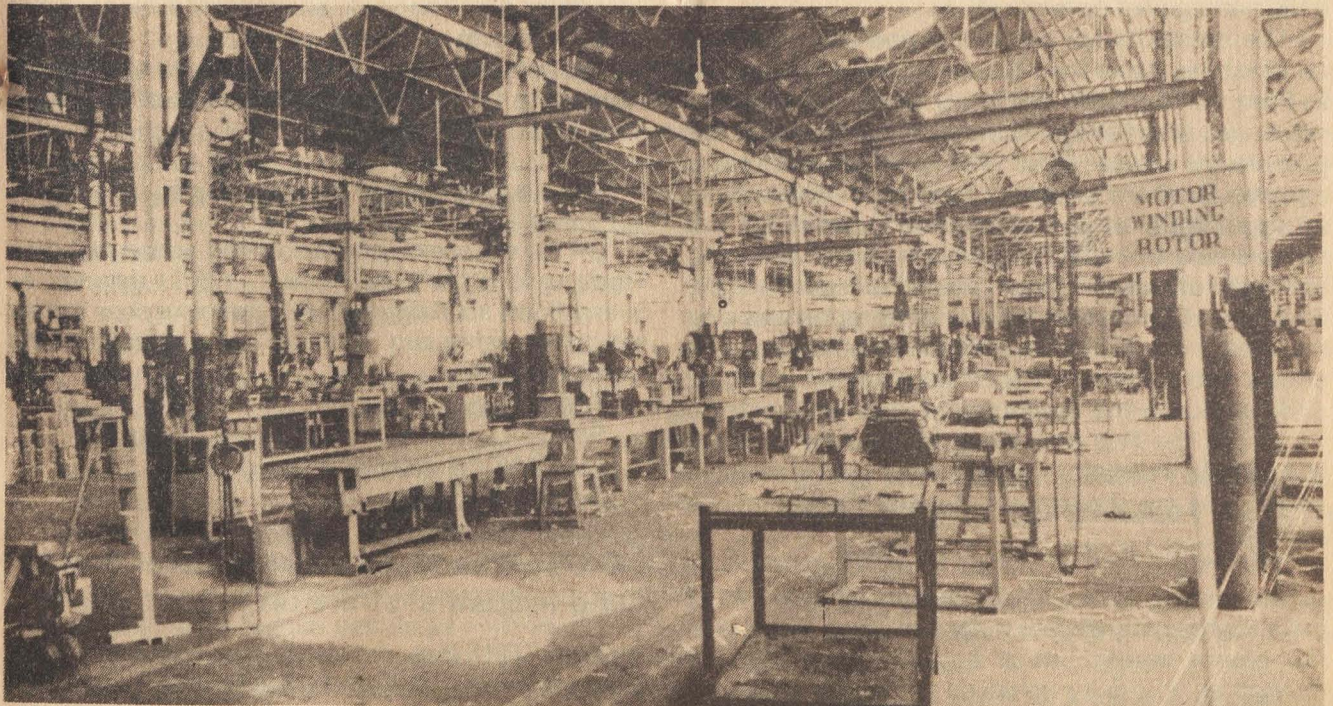
Calcutta Airport on Bandh Day.



Howrah Station, one of the most crowded railway station in the world, on Bandh Day.



Big procession take place on Bharat Bandh Day at Calcutta.



GEC Factory at Garden Reach Calcutta demonstrating total strike on 9th September.



**Balilas Road, Howrah, a busy small scale Industrial Sector totally closed.**

India and against communalism.

The bharat bandh call was supported even from outside India. More than 20 meetings were organised in France. The CGT and other trade unions send messages of greetings to the working class and the people of India. The WFTU in its message congratulated the people of India for their relentless struggle against the economic policies of the Government of India. Solidarity meetings were held by trade unions and democratic masses in Italy, Switzerland, Greece and Sweden. Support was also received from Australia, Philippines and Nepal. It shows the immense importance of the struggle understood by the democratic movements outside India. For the first time since independence, such widespread solidarity was received by the struggle conducted by the people against Government's policies.

The platform of mass organisations has congratulated the working class and the people of India for the magnificent response given by them to the bharat bandh call. It has called on them to strengthen the unity achieved in this struggle and prepare for even bigger struggle against these draconian policies and communalism so that unity,

integrity and independent economic development of the country can be served.

The people of India will not allow India's economic freedom to be mortgaged at the altar of the World Bank and the IMF.

### **MESSAGE FROM WFTU**

On the occasion of great united action of Indian Trade Unions on 9 September, WFTU extends its international solidarity and wish them success in their struggle to safeguard. The rights and interests of the working people.

Faternally,

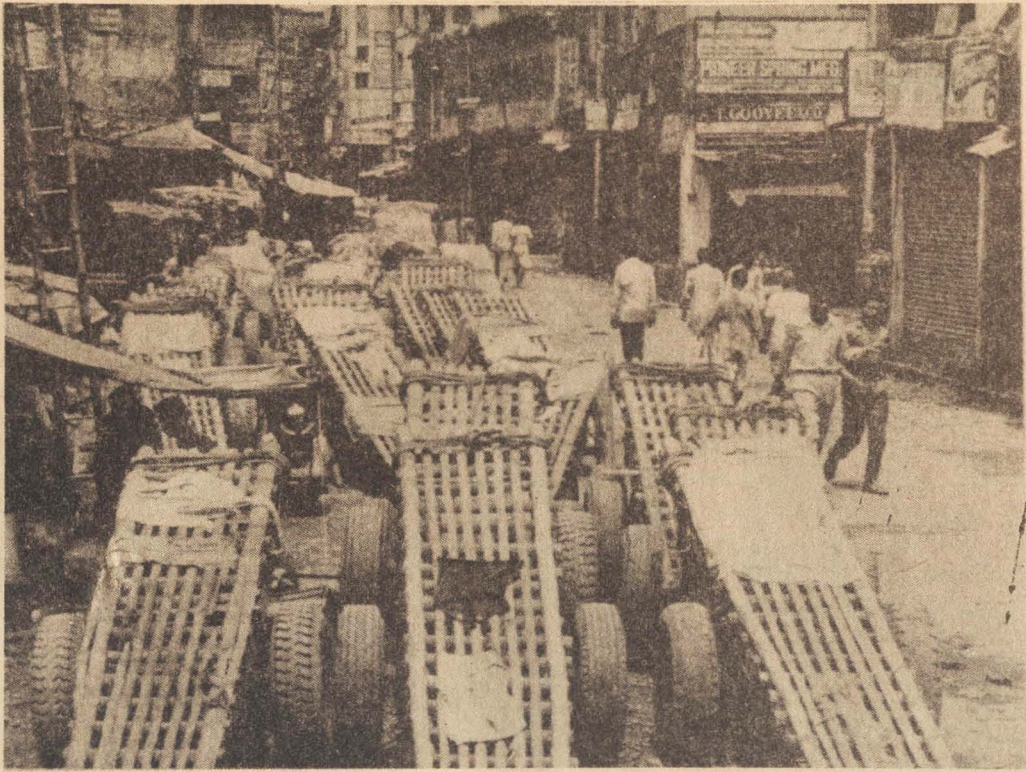
Sd/-

ALEXANDER ZHARIKOV

General Secretary.

### **CGT, France, supports Bharat Bandh and Industrial strike on September 9.**

The CITU has received the following long telegram from CGT, France, the Central Trade Union Organisation of France of international repute, extending its support to the call of Bharat Bandh and



**Burra Bazar the busist business centre of Calcutta completely closed on 9th September.**

Industrial strike given by our National Platform of Mass Organisations, on September 9 against the economic and industrial policy of the Narasimha Rao Government.

Earlier, CGT extended support to the 19th August Jail Bharo programme and had protested to the government of India against the police repression unleashed on the demonstrators in different parts of the country on 19th August.

Paris Telex De Montreuil 183/171 31 1630  
CITU, 15, Talkatora Road,  
New Delhi-110 001

On occasion Bharat Bandh and General strike on September 9 French CGT extends warmest greetings to Indian workers and their unions, united against harmful government economic policy and danger of communalism. In France as in India public sector is seriously threatened by privatisations, meaning new jobs lost when unemployment reaches more than 3 millions and increased deterioration in living conditions for French people as a whole.

Gains obtained after years of struggle are challenged, essential sectors such as health and education are threatened.

More than ever trade unions should strengthen

their cooperation for defence of workers' interests attacked everywhere in world today. Therefore sharing your preoccupation and in support of your rightful demands, CGT wishes full success to demonstrations and strikes of September 9. We are convinced they will mobilize millions of India workers.

CGT assures you full solidarity to struggle for rights and liberties for safeguard of public sector, for democracy and end to communal strike in your country, the first victims of which being workers and poorest sections of population.

Montreuil, 31/08/1993

J P Page

Head International Dept.

Member CGT Executive

### **CITU REPUDIATE FERNANDES'S STATEMENT ON BHARAT BANDH AND TRADE UNION UNITY.**

Reacting to the statement of George Fernandes to the effect that the 9th Sept "Bharat Bandh" was "failure as a whole" and alleged "arrogance" and "Squabbling and conflicts" in trade unions preventing broad based unity on the issue of Bharat Bandh, M K Pandhe, General Secretary, CITU has expressed



**Com. Jibon Roy addressing a rally at Gaziabad on the eve of Bharat Bandh.**

surprise that Fernandes made such statement from Calcutta where the Bandh was total. He also has noted that Fernandes's own colleague Michael Fernandes has supported the bandh and has helped in organising successful bandh at Bangalore. Pandhe has noted the negative role of HMKP union at Bombay. Pandhe has expressed his shock that instead of supporting the bandh Fernandes has chosen to attack the forces who led the strike.

While pointing out the positive role of CITU in uniting the working class pandhe has invited suggestions from Fernandes for further strengthening the unity and has hoped for a positive role of HMKP.

The full text of the letter is produced hereunder:

"The Delhi edition of the Indian Express on 11th Sept has quoted you stating that the 9th September Bharat Bandh has been "failure as a whole". I am surprised to note that you have made such a serious comment at Calcutta where the bandh has been total. The support extended by your own colleague Com Michael B Fernandes has surely helped the success of the bandh at Bangalore.

However, it is a well known fact that despite the

false propaganda by the electronic and official media, repressive measures of the ruling party and government machinery and opposition by the pro-ruling class and pro-communal forces, the Bharat Bandh has been a spectacular success. It would have been much more successful had your unions in Bombay BEST and among taxi drivers would have struck work on that day.

Further, I must make it clear that the CITU has never been "arrogant" as alleged by you. In fact CITU has been playing a positive role always in uniting the working class in its struggle.

In case you have any positive suggestions to improve the functioning of trade unions we can discuss the matter and sort out all the outstanding issues. Instead of going to the press you could have talked to us so that the unity of the working class is further strengthened.

Even now there is a need to further strengthen the TU movement in the country to fight the economic policies of the govt of India. I hope you and the HMKP would positively contribute in this matter so that our struggle become much more stronger. I hope you will seriously ponder over the matter".

# THE STEEL WORKERS' STRIKE ON 7TH SEPTEMBER

□ TAPAN SEN

The steel workers have created history, in the sense that this is for the first time in the trade union movement of steel industry all the trade unions irrespective of the affiliations got united in a strike action through out the steel industry on 7th September '93 to protest against govt of India's unscrupulous and overenthusiastic move to privatise the Indian Iron & Steel Co(IISCO) and scandalous disinvestment of shares of Steel Authority of India Limited.

The unprecedented unity of the trade unions of steel industry against privatisation and disinvestment did not develop all on a sudden. It is through the experience of day-to-day struggles and from their gradual realization of the real face of the so called liberalisation policy of the govt, the steel workers in shop floor levels, in yard and in the offices, created condition for compelling even the most vascillating elements in the trade union movement to join the common platform of struggle. No doubt the workers of IISCO set the trend by forming " Save IISCO Committee" comprising of all the trade unions and the Officers Association to agitate for revival of this pioneer steel making unit.

Thanks to the crude manner, the govt of India sought to bring a natural death to IISCO and thereby create a ground for its handing over to private sector, the steel workers could easily conceive the depth of the conspiracy. Thanks to the overzealous drive of the persons in power to clunch the deal of handing over assets worth more than Rs.16000 crores to a scrap dealer at a price something more than Rs.16000 crores to a scrap dealer at a price something more than a hundred crores of rupees, that the real intention of the deal makers and the hidden beneficiaries of the entire deal, in the power that be could no more remain hidden to the mass of the steel workers and the people.

It is still strong in the remembrance of the steel workers that since the day of nationalisation in early seventies, the IISCO was never favoured with any capital investment to revamp its plants and machineries, to update its technology. The steel workers cannot forget the bungling made by the successive governments and the big bosses in SAIL in deciding on the modernization schemes of IISCO, ultimately deciding for selling out the plant.

The trade unions - yet all the trade unions representing all the major central trade unions signed

a memorandum of settlement on 12.7.89 with the mangement of SAIL for manpower readjustment in the context of clear commitment from the authorities for moderanisation of IISCO within SAIL (Public Sector) frame work. And they were cheated. When the persons in authority sought to wash off their hands that they have no money to modernise IISCO and hence the privatisation to facilitate its modernisation. But the real story is different again. As per terms almost finalised by the steel ministry to hand over IISCO for modernisation by M\s Mukund, no investment would be made for coming three year. After the third year the Mukund Co. would raise Rs.2000 crores from the market to start modernisation work. Most interestingly, the Govt of India refused to offer the same terms to SAIL for modernization of IISCO when asked for by all the Central trade Unions and IISCO Unions. Intention is clear. The entire deal is not for modernizing IISCO but for allowing the taker to make fortune out of its huge including its land, machineries, mines and township.

It is in the background of this realisation of the real face of the govt policy of liberalisation as designed by the Fund/Bank masters, which has emboldened the govt and persons in the helm of affairs to legitimatise this unprecedented loot, legalize the scandalous deal in share off-loading leading to huge loss to public exchequer as CAG pointed out, the steel workers got united in a common platform with their banners of all shades and symbols to cry a halt to these disastrous moves. The impact of the unity is so wide that not only the national trade union centres viz. INTUC, AITUC, CITU, HMS and BMS, but also the steel executive federation of India shared the common platform to give a strike call all over the steel industry on 7th September , 1993.

The strike was massive, even though the officers could not finally stick to the decision for strike. The workers responded to strike call magnificantly in almost all the steel centres from Rourkela to Bhandrabati from Bokaro to Salem, from the iron ore mines at Kalta to Bolani to the Steel stockyards at the remote southern point of Coimbatore and Cochin. Strike was overwhelming in the steel plants of Bokaro, Rourkela, Durgapur, Burnpur, Kulti Works, Salem. The VISL workers' response to strike was total. Even in Bhilai Steel Plant the production was affected severely.

In the iron ore mines of Kalta, Puranpani, Bolani, Gua etc mass of the workers joint the strike action. The offices and stockyards of the central marketing organisation of SAIL at the major cities like Calcutta, Bombay, Madras, Ahmedabad, Nagpur, Ghaziabad, Indore etc. wore a vacant look with the mass of the employees staying out of office and the officers expressing solidarity wearing black badges. More than seventy percent of employees of central marketing organisation of SAIL participated in strike. On the whole, the strike of 7th September in steel industry was a resounding success whatever the steel ministry claims in its well published statement in the print media. All said and done, the govt spokesmen and steel ministry could not deny that the strike action has left cognizable impression on production and sale. Although the strike is over, it is just a beginning for steel workers of its united struggle to stall privatisation of public sector steel industry and they have to go a long way since the govt is yet come back to sense.

The steel strike is also exemplary in the sense that to resist privatisation of IISCO, the workers of all other still healthy units of public sector steel industry, joined strike action, giving magnificent expression of solidarity. It is also trendsetter, in the sense that, it has broken the barrier between the workers of different trade union affiliations and brought into the fold of struggle even the workers and the unions having political allegiance to the ruling party, to strike against the Govt policy.

And the whole experience prompts one to the inevitable conclusion that the kind of awareness regarding the dangerous fall-out of the govt policy among the ranks of the workers which ultimately led to demonstration of unprecedented unity of all the unions in steel sector, if properly nourished and developed will all seriousness would definitely make it possible to successfully stall and resist the onslaught of IMF designed policies on the public sector steel industry.

## **CITU Congratulates steel workers for successful strike against privatisation of IISCO.**

**C**ITU congratulated the steel workers all over India for their massive participation in the strike in steel industry on 7th September '93 to protest against privatisation of Indian Iron & Steel Co Ltd (IISCO) and

the scandalous disinvestment of shares of steel authority of India Ltd(SAIL), and Govt's negative attitude on wages and pension. For the first time in the history of trade union movement in steel industry such massive strike took place, at the call of all the central trade unions viz INTUC, CITU, CITU CONGRATULATES STEEL WORKERS FOR SUCCESSFUL STRIKE AGAINST PRIVATISATION OF IISCO.

CITU congratulated the steel workers all over India for their massive participation in the strike in the steel industry on 7th September '93 to protest against privatisation of Indian Iron & Steel Co Ltd (IISCO) and the scandalous disinvestment of shares of Steel Authority of India Ltd (SAIL), and Govt's negative attitude on wages and pension. For the first time in the history of trade union movement in steel industry such massive strike took place, at the call of all the central trade unions viz INTUC, CITU, AITUC, HMS, BMS etc and the trade unions in the steel industry, which demonstrated the all out unity of the entire workforce in the steel industry to struggle against ill conceived policy of privatisation and disinvestment.

According to reports received from different steel plants and offices all over the country the strike was overwhelming in the steel plants of Durgapur, Burnpur, Bokaro, Rourkela and Salem and the SAIL offices in the major cities like Calcutta, Bombay, Madras, Ahmedabad, Indore, etc and more than seventy percent employees of Central marketing Organization of SAIL joined the strike. In the iron ore mines of SAIL workers responded to strike call magnificently. The steel plant of Bhadrabati (VISL) strike was total. Even in Bhilai Steel Plant, production was severely affected due to strike.

It is unfortunate that the Steel Executive Federation of India, inspite of being a party to the joint decision for strike in steel industry could not implement the decision. But the executives and officers have expressed their solidarity by wearing black badges and observing hunger strike in the steel centres.

Nevertheless, the unprecedented unity of steel workers and the unions shown by the strike actin, demonstrated the firm resolve of the steel workers of the country to stall the govt move for privatisation and disinvestment and the govt of India must come to sense and refrain from such disastrous move, and take suitable steps to ensure quick modernisation of IISCO within SAIL set up.

# MAGNIFICENT STRIKE IN FINANCIAL SECTOR

□ Ashis Sen

September 2, 1993 has witnessed a massive strike by employees and officers of banks, LIC, GIC and such other institutions throughout the country, in every nook and corner, unprecedented so far in the annals of the financial sector.

The call was given by the Joint Action Committee (JAC) of trade unions in banks, insurance and other financial institutions, comprising Bank Employees Federation of India (BEFI), All India Insurance Employees Association (AIIEA), National Confederation of Bank Employees (NCBE), All India Bank Officers Confederation (AIBOC), All India Reserve Bank Employees Association (AIRBEA), National Confederation of General Insurance Officers (NCGIOA), All India Regional Rural (Gramin) Bank Employees Association (AIRRBEA), All India Nabard Employees Association and several others. Ignoring directives from their leaders to break the strike, members of AIBEA/AIBOA and their cohorts in LIC took part in the strike in over-whelming numbers.

Earlier this year on March 29 as well as on April 30, 1992 there were two such strikes. But, why such a situation has been forced upon the financial sector work force?

The urge for pension as a post-retirement social security measure has been agitating the employees and officers for long time. Very low wages of earlier years and consequential limited accumulation of employer's contribution to provident fund make it literally impossible for a retiree to make both ends meet after superannuation.

The demand for introduction of a pension scheme with contribution from both the employers and the employees was raised as an additional retirement benefit besides provident fund and gratuity. This is nothing new. Government has years back agreed to this in steel, oil and coal industries. Even in State Bank of India, the largest bank, pension as a third retirement benefit is in vogue without any contribution from the employees though with certain unwarranted ceiling which has to be removed.

The managements and the Govt have been resisting the third benefit demand for no reason whatsoever notwithstanding given a clear-cut formula of a viable scheme contributed by both sides. The situation aggravated when Reserve Bank unilaterally declared a scheme in lieu of Bank's contribution to provident fund and this was a severe damage to the interests of employees other than those few due for immediate retirement. More than 80% of the employees/officers therefore rejected it.

Thus ensured an intensified movement for a contributory pension as third retirement benefit under the auspices of Coordinating Body of financial sector unions later transformed into Joint Action Committee, with added demands of immediate negotiations for wage-revision which became overdue in November, 1992, bonus for all by removing the restrictions on eligibility and stopping of all measures to privatise banks and insurance.

In the height of momentum gathered, the Finance Minister met a delegation in August 1992 followed by a discussion between unions spearheading the movement and the managements of Indian Banks Association (IBA), LIC, GIC, RBI but ended in a fruitless discourse due to illogical posture of the managements. What came to be known is a separate negotiation conducted by the IBA with All India Bank Employees Association (AIBEA) for ushering in a pension scheme on the model imposed in RBI but overwhelmingly rejected - a model of pension in substitution of employers' liability for provident fund contribution. This means the managements will take away their contribution to PF accumulated to the tune of Rs.3000 crores in banks and another some Rs.5000 crores in insurance. This is preposterous. AIBEA was approached several times requesting not to be a party to such a step and join the united movement for the common cause of 3rd retirement benefit. But surprisingly they appeared to be most worried about the health of the banking industry and its incapacity to pay, ignoring genuine interests of the employees.

The projected two day strike by the JAC on 11-12 May, 1993 was deferred on specific commitment of IBA that any pension scheme will be worked out by consensus only and acceptable to all unions in banking industry. IBA exposed its betrayal within a few days when it came to an understanding with AIBEA for a pension by surrender of PF. The Finance Minister told a JAC deputation as late as 26 June, 1993 that it is unethical to deal with one union to the exclusion of others but gave no direction for dialogue with JAC. This lays bare the hypocrisy and hollowness of Government's postures. On the other hand, the Minister-in-Charge of Banking, instead of arranging negotiations, with JAC seeing the mood and determination of the strike, threw threatenings over the TV and other media to the participants in 2 September strike.

In collusion between themselves, AIBEA and IBA are understood to be going ahead for unfettered

computerization, no wage- negotiation and no recruitment in return for a pension surrendering PF.

Joint Action Committee reviewed the entire developments on 4 September, 1993 and decided to further intensify the struggle. Preparations are on for the second warning strike on 4 October and indefinite strike from 2 November, 1993 unless the Government and the managements realise in the meanwhile having seen the sweep and magnitude of 2nd September strike, the determination of the financial sector employees and officers and come forward for a negotiated solution of the issues by initiating dialogue with the J A C which represents 75% to 80% of the total workforce of 12 lakhs in this sector.

***Press statement issued by Ashis Sen MP, General Secretary, Bank Employees Federation of India and Secretary Joint Action Committee of Trade Unions in Banks, Insurance and other Financial Institutions.***

Today's strike by the employees and officers in banks, LIC, GIC and other Financial Institutions in response to the call of the Joint Action Committee (JAC) has been complete all over the country and unprecedented in the financial sector. This is notwithstanding the overt threats by the Minister of Banking & Insurance and the Indian Banks Association through press, TV and radio. Significantly the overwhelming majority of AIBEA-AIBOA members also joined the strike despite leaders' opposition. On behalf of Bank Employees Federation of India (BEFI) we congratulate all participants for successful implementation of the call.

Witnessing the mood and determination of the employees and officers, the GOVERNMENT and the Managements must realise that confrontation is not the way to react. They should commence immediate dialogue with JAC to sort out the issues and reach a negotiated settlement on Pension as an additional retirement benefit, overdue wage-revision, bonus to all and stop moves for privatisation.

If they do not, the second warning strike will take place on 4 October followed by indefinite strike from 2 November, 1993.

## **2 September 1993 Strike Report - Statewise**

- Bombay** Rally before the office of IBA inspite of heavy rains. Strike complete in banks LIC and RBI. AIBEA had no morale to oppose.
- Bangalore** 4000 rally before State Bank of Mysore Except a few branches of Canara Bank

in the city manned by senior officers the strike is total in all other banks.

- Calcutta** Complete strike in all banks, LIC etc including RBI.
- Madras** No bank functioned. large rallies before State Bank and LIC. RBI closed.
- Cochin & Trivandrum** No bank functioned although in a few branches some AIBEA members entered. Big rally held. RBI full strike.
- Guwahati,** Strike total including IIBI Shilling, Aizawal.
- Delhi** Strike complete excepting certain foreign banks. RBI functioning closed. LIC strike total. Rally of 3000 before State Bank, Parliament Street.
- Jaipur** Strike beyond expectations. AIBEA did not intervene to break. Large rallies held in all important Centres.

## **PREPARATIONS FOR 4TH OCTOBER STRIKE**

The Joint Action Committee has chalked out the following programme in preparation for the next strike on 4th October demanding pension as third retirement benefit, wage negotiations and against privatisation of the financial sector:

- 15.09.1993:** Mass deputations shall be taken to the Zonal Managers/Divisional Managers/ Deputy General Managers/Top Executives of Banks, Insurance companies, Reserve Bank of India and other financial institutions.
- 20.9.1993 :** Peaceful Morcha/Procession may be taken out jointly at the capital centres and submit memorandum to the
- 22.09.1993** State Chief Minister/Governor and solicit their intervention for settlement of issues. Local JAC may fix a date depending upon the availability of one of the authorities referred to.
- 29.09.93** Rallies/demonstrations to be held before respective offices by the constituents of JAC.
- 29.9.93 :** Badge wearing.
- 4.10.93 :** Full-day strike
- 5.10.93 to 1.11.93 :** Non-cooperation/work-to-rule.
- 2.11.93 :** Indefinite strike.

*Contd. on page 15*

# Petroleum Industry Employees to Launch Massive Campaign Programme All Over The Country

The two day national seminar unitedly organised by all the functioning central trade unions in the industry viz, INTUC, CITU, AITUC including NCOA and NGOs has decided to launch a massive campaign unitedly throughout the country to voice strong protest against the indiscriminate privatisation of the petroleum industry and re-entry of the oil cartels in this vital sector of the industry.

A national awareness day would be observed to focus the attention of the country in general and the employees of the industry in particular as to how the current oil policy of the GOvt is going to seriously affect the self-reliant growth of the oil industry, which again, in turn, would also affect the general economic growth of the country. The seminar has also decided to organise unit level, company level and regionwise seminars to be jointly organised by the participants organisations of the seminar.

A Steering Committee with Dr M K Pandhe, CITU, Raja Kulkarni, INTUC, Y D Sharma, AITUC with provision to co-opt some more members, has been constituted which shall inter alia take necessary steps to formulate an alternative policy on petroleum to be submitted to the Government.

The seminar was held on 1st and 2nd Sept'93 at the Constitution Club, New Delhi and was attended by about 130 delegates who came from all the major Units/Branches of the different public sector undertakings functioning in the petroleum industry.

Eight well studied papers presented in the seminar were (1) Facing the Emerging Oil Crisis in India (2) A Note on Refinery and pricing - Some Questions (3) Role of Workers in Attaining Self-Reliance in petroleum in India (4) Moving away from Oil (5) Alternative 8th Five Year plan in Oil and Natural Gas : Some Comments (6) National Petroleum Policy Needs Reorientation (7) Social Effects of Industrial Restructuring in Indian Petroleum Industry and (8) Oil Cartels Staging Come Back in India.

The papers quite exhaustively dealt with the questions of Oil and natural Gas scenario in India, Refinery and pricing, Demand Management, Technology, Marketing, etc.

Those who presented the papers and those participated in the discussion included prominent Scientists, Geologists, Engineers and ofcourse the eminent trade union leaders from the Central Trade Unions and also from within the industry.

The seminar was also addressed by Gopeshwar, General Secretary, INTUC, Dr M K Pandhe, General Secretary, CITU, Raja Kulkarni, President, National Federation of Petroleum Workers (INTUC), Y D

Sharma, General Secretary, All India Petroleum Workers' Federation, K Ashok Rao, President, NCOA, Dr O N Anand of the Indian Institute of Petroleum, Dehradun, Chimanbhai Mehta, M.P., Gaya Singh, M.P., Chittabrata Majumdar, Secretary, CITU.

The Chairman & Managing Director of IOC, The Director (Personnel) of ONGC and Oil India Limited also addressed the seminar.

The seminar which was held for the first time in the history of the Petroleum industry has generated tremendous enthusiasm amongst the participating trade unions who have in one voice declared to carry forward the message of the seminar at the grass root level.

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*Contd. from page 14*

## CITU CONGRATULATES BANK AND FINANCIAL SECTOR STRIKE

The secretariat of the Centre of Indian Trade Unions warmly congratulates the employees and officers of the banks, insurance and other financial institutions for launching a successful strike on September 2 demanding pension as a third retirement benefit.

As per reports the strike has paralysed work in RBI, SBI, Insurance and other financial sector entirely. IT has shown the genuineness and legitimacy of the demand for pension as a third retirement benefit apart from contributory provident fund and gratuity.

The strike has further exposed fraud of the so called new pension scheme as formulated by the Govt of India. The threat issued by the Indian Banks Association to the employees and officers have further exposed the hollowness of their argument in favour of the pension scheme and the so called agreement arrived with some other unions. The CITU warns the Govt and the Indian Banks Association against any retaliatory step against the striking employees and officers.

The CITU is confident that the bank employees and officers will further consolidate their unity and bring all other employees under the banner of the struggle to bring further success in their forthcoming strike on 4 October and then indefinite strike from 2nd November if the Govt and the Indian Banks Association still refuse to settle the legitimate demand for pension as the third retirement benefit. The CITU is further confident that all employees of the financial sector will join enmasse in the Industrial Strike and Bharat Bandh on 9 September against the Govt's economic policy. It appeals to all trade unions to lend their support to this strike in the interest of the employees of the financial sector.

# OIL CARTELS STAGING COME BACK IN INDIA

□ SWADESH DEV ROYE

The cover page of the Annual Report (1992-93) of the Ministry of Petroleum and Natural Gas bears a clear depiction of the ongoing oil policy of the Government. The picture in the cover page clearly manifests Government's open door policy by a similitude wherein shutters of a door have been shown wide open with a picture of globe before it and a drop of oil in the bottom. The message is amply clear.

The main thrust of the new policy has been to do away with the commanding role of the country's dominant public sector industry and to go back to the sad old days when foreign multinational companies used to completely dominate the oil scenario of our country. In short, the new approach is a complete reversal of the time tested policy which was evolved and being pursued with self-reliance in this strategic sector as the goal. That we could attain 73% self-sufficiency in crude oil production amply justifies the faith reposed on our public sector oil industry.

The situation has been correctly described when it has been pointed out that "India's petroleum scene has turned full circle in less than two decades. All major oil companies-Burmah shell, ESSO, and Caltex were nationalised between 1974 and 1976...with the objective of insulting the oil sector from foreign influence...."

But the scenario has now changed. With liberalisation, the Government throw open this sector to... multinationals not only in refining but also in exploration and oil production."

## DIFFERENT PHASES

The century old oil industry in the country has come across various distinct phases. It obviously took off as a private sector and continued as such till few years past our independence became a joint sector within a decade of the country's independence and ultimately the entire oil sector was nationalised and till the country came under the clutch of IMF/World Bank it was fully controlled by the public sector.

Although this paper is aimed to discuss the effect of the current policy in the matter of attaining self-reliance in oil and natural gas, a comparative study of the salient features of the different phases of the oil industry would be helpful to understand implication of the current policy.

## INDIA'S PAST EXPERIENCE WITH MULTINATIONAL OIL COMPANIES

The same multinational oil companies who are getting red carpet welcome from the Government played a dubious role while they were at the command of India's oil sector.

There are many evidence to prove that multinational oil companies abandoned exploration work in given fields on the plea that the field is dry and no prospect for oil. Even they did not share with ONGC, the vital informations they obtained during exploration, but still, subsequently ONGC scientists carried out drilling and struck oil from the same field.

In the refinery field also the experience had been one of betrayal by the multinationals. The conditions they demanded were (1) Government would not nationalise the refineries for 30 years; (2) The import of crude for the refineries and the refining of this crude would also remain in the hands of the foreign oil companies for 30 years; and (3) The distribution of refined products would also be left entirely to the oil companies for the same period. They refused to accept and refine the then Soviet crude oil and refined products were almost wholly imported from the Arabian Gulf region, principally from sources owned and operated by the concerned foreign oil companies or their affiliates, for purpose of pricing, it was assumed that the crude oil and the products had originated from the Gulf of Mexico and, therefore, billing to the Indian affiliates was made on a notional basis of f.o.b. Us East Cost price plus freight therefrom to India." It has been estimated that India has incurred millions of dollars foreign exchange on all these accounts due to the mischievous role of the foreign oil companies.

## THE IMPERIALIST PRESSURE

The imperialist agencies and their yesmen in the country have been active ever since the independence to see that India does not attain self-reliance in oil and petroleum production. Shri H N Kaul in his book " K D Malaviya and the Evolution of India's Oil policy" has noted " When oil was struck in Cambay in Gujarat, international oil companies in Britain and the United States became concerned at the prospect of India being freed from her dependence on them. Pressure was then mounted,

through the World Bank and Lord Mountbatton." Mr Eugene Black of the World Bank in a discussion with Shri Morarji Desai remarked that the oil industry in India has the most potential for foreign capital investment. Dr Arun Ghosh in his article has also noted that " B K Nehru from Washington sent frantic messages in regard to the need for a flexible policy (knowing to the dictates of American oil companies) in the interest of 'aid' for India's development." In January 1961 the World Bank President Eugene Black told Nehru: "pull back your on going public sector policy on oils." Thus it has been very rightly said that public sector oil and petroleum industry in India had to overcome the machination of the most powerful foreign oil companies as well as opposition from a section of the Cabinet colleagues of Nehru and some bureaucrats.

### **THE SUPPORT OF THE SOCIALIST CAMP**

It is a well recognised fact that without the help of the former Soviet Union and other socialist countries, the establishment and development of the public sector oil industry in India would have been rather impossible. H N Kaul in his book has quoted K D Malaviya "But for the Soviet Union's assistance and promptitude India would not have found oil." The country having failed to get useful help from the western developed countries had to approach the socialist countries like USSR, Rumania etc who readily responded. USSR helped with deep drilling rigs, training of Indian experts. Rumania also helped with rigs and both the countries helped to build the three premier public sector oil refineries of India---Guwahati, Barauni and Koyali. The most valuable contribution of the Soviet Union is the guidance it rendered to India in the discovery of "Bombay High." It has been reported that "in 1964-67 a Russian seismic ship "Akademic Arkhangelisky" at the invitation of Government of India first located the large "Anticlinal Structure" alongwith several other structures in Arabian sea. The Russian Geologists also gave the impression that these structures might be developed in "giant' oil field."

### **THE GLORIOUS ROLE OF PSU IN OIL SECTOR**

The performance of the public sector in the oil and petroleum industry is surely glorious. The country has achieved a lot in various directions under public sector in oil industry.

Under the foreign oil companies the search for oil and natural gas was insignificant and the country's requirement used to be met through import. In 1979-80 oil and petroleum products used to be 35 per

cent of the total import bill of the country. but with the increasing efficiency of our public sector the import content came down to 13.80 per cent. The crude oil production went up to 34.09 MMT in 1989-90 against a meagre 0.26 MMT in 1950-51. The production of natural gas in 1991-92 has been 18.645 billion cubic meters as against only 1.4 BnM3 in 1970-71. The refinery crude throughout has been 51.42 MMT in 1991-92 against only 0.26 MMT in 1950-51. The refinery production reached to 48.57 MMT in 1990-91.

### **THE ACHIEVEMENTS DURING SEVENTH PLAN**

The ONGC and Oil India completed exploratory drilling of 2324.49 thousand meters during the Seventh Plan period against its target of 2820.8 thousand meters which is 82% of the target. However, the geological reserve accretion of 1536 million tonnes of oil and oil equivalent natural gas was achieved against the originally anticipated target of 1453 million tonnes.

The total cumulative production of crude oil during the Seventh plan was 157.13 million tonnes and that of natural gas was 59.65 billion CuM. The total refining capacity at the end of Sixth Plan was 45.55 million tonnes and increased to 51.85 million tonnes at the end of the Seventh Plan.

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### **INDIA CAN BECOME SELF-RELIANT**

With the established oil reserve in the country India can become self-reliant in crude oil production. Experts from the Dehradun headquarters of ONGC have opined that, given the oil reserve position the country can go for production of its total crude oil requirement. It is said that out of 1.72 million square KM of potential hydrocarbon bearing areas located

both at offshore and onshore only about 20 percent areas are somewhat explored. The reserve to production ratio in India at present is 23 against the acceptable norm of 15 and hence there is ampler scope to increase the production from the established fields in the country.

The world average of exploratory wells drilled for per 10,000 square KM is 100 wells whereas in India it is only 11. In the Indo-Gangetic area of 300,000 square KM only about 11 wells have been drilled. As per report in USA more than 500 wells are

drilled for every 10,000 square KM of oil bearing area. It is, therefore, evident that there is sufficient scope to increase the production of crude oil in our country from the discovered fields only by increasing the density of wells and reserve to production ratio.

Another important consideration in this connection is the allocation of fund. The crude oil production in the country could cross the 30 million mark during the end of Sixth Plan and it is precisely during that period only the plan outlay for this sector was increased from 24.9 percent to 28.1 percent. However, the Seventh Plan did not see any increase in allocation of fund for this sector percentage wise, rather in real terms it decreased, due to devaluation of rupee and escalation factor.

This factor, along with others, definitely had its contribution in the reduction of crude oil production in the country. Therefore if our public sector undertakings in the oil sector are given due policy and financial support, then they can evidently play decisive role in attaining self-reliance in oil production. One should not forget that ONGC and Oil India could increase the indigenous production to 73% of the country's requirement in 1985.

### **THE BEGINNING OF THE SURRENDER**

The decision to open the door of oil sector to the foreign and indigenous monopoly capital was taken by the Government in the first half of eighties. From the early eighties, news of the Government's intention to allow the private capital to enter our oil sector started appearing in the press.

The declaration by the Central Government to the effect that Assam would have a oil refinery in the joint sector was commented upon by the Business Standard on 17th August 1985—"a major change in policy."

Now one thing has to be noted that 1985 is the year in which the public sector oil companies' achievements were most praiseworthy. The crude oil production reached 30.17 MMT and the index of self-reliance went up to 73%. Consequently the

refinery throughout also increased. Then why the beginning of privatisation of oil sector started in that year? Moreover, the next five years also witnessed continuous increase in the production of crude oil, refinery throughout and production as well.

### **THE IMF LOAN CONDITIONALITIES**

The first big amount IMF loan was taken by the Govt in the year 1981. One of the CONDITIONALITIES of that loan was that the oil and natural gas sector of the country must be opened to the foreign oil companies. Therefore, the privatisation drive of oil sector by the Govt since then was precisely in fulfillment of the IMF loan conditionalities. However, till the announcement of the new economic policy, the privatisation of oil sector was not done through any formal policy pronouncement. In other words it did not take the shape of any declared policy.

But the oil policy currently pursued by the Central Govt under the regime of structural adjustment conducive to globalisation of the economy to be governed by the market forces is obviously the integral part of the new economic policy formulated and pursued at the dictates of the IMF and World Bank under the conditionalities of the current loan.

### **THE UNTENABLE ARGUMENT**

The Govt is trying to justify the invitation to the foreign oil companies on the logic that with their participation the crude oil production of the country would be increased which in turn has to reduce our import of crude oil.

But how far the present policy of the Government would contribute to increase in crude oil production is very much doubtful. Because one reason advanced for reduction of oil production in the country is that, after Bombay High no new big discovery has been made by ONGC. Going by that argument, the country should intensify its efforts for new discovery. But the foreign oil companies are not willing to undertake that job. Only the discovered fields are offered to them by the Government. This should, for the time being increase the production of crude oil, but in the long run this is not going to solve the problem of shortage of crude oil in the country.

In this connection it should be noted that the ONGC and Oil India employed its own skill and capital in the discovery of the fields and the same discovered fields are now handed over to the foreign oil companies with the condition that we shall have to buy the crude oil produced from the country's soil at

international prices.

## **UNENDING FAVOUR OF FOREIGN COMPANIES**

At the initial stage of the move for privatisation, indication was that the foreign companies would have to go for exploration of new fields. But with the passage of time the MNCs are imposing more and more stringent conditions and the Govt is accepting them in total disregard of the interest of the country. Balraj Mehta in his article published in the Financial Express on 10.5.93 has noted that "Bids for the fifth round of frantic invitations for oil exploration by foreign companies due.... The terms for this round were set, after foreign consultations rated them as among the best that any country had offered. The official hope is that foreign oil companies, ousted from India two decades ago, will at last respond and stage a triumphant return".

In reply to questions in the Lok Sabha the petroleum and Natural Gas Minister Satish Sharma has said that 13 foreign oil companies have already allowed to enter our oil sector under the current open door policy. These include the US multinational Caltex and Dutech Shell. Another US company Mobil. The oman oil company. To attract more foreign oil companies the petroleum Ministry under the leadership of the Minister himself has been conducting series of presentations about the concessions being offered to the foreign oil companies. America, Japan, London, Korea and Germany have already been covered for the purpose. More are on the card.

The latest position is that in addition to offering discovered oil fields with buy back terms at international prices, the foreign oil cartels are being allowed to participate in the refining activities, lay their own pipeline, own marketing network with free pricing mechanism, equity participation in the public sector oil companies etc. But this is not the end of it. It has been advocated by the champions for the cause of foreign oil companies that "it may be necessary to offer preferential facilities to foreign companies....setting up of joint ventures with government oil companies and Indian private sector companies for development of proven oil and gas fields on a pre-emptive basis should be encouraged".

"The tax structure, import duty structure on equipment and customs clearance including FERA restrictions, to aid...investment...must be eased".

## **SOME OF THE PROJECT ALREADY GIVEN TO PRIVATE SECTOR**

M/s Reliance Industries given letter of intent for setting up a 9 MMTPA refinery in WEst Coast, Gujarat.

Another 5 MMTPA refinery at the same location to M/s International Petroleum SA(BVI) of Switzerland. M/s Ashok Leyland-Goteo for a 6 MMTPA refinery at Paradeep in Orissa. M/s Essar Investment Ltd for a 9 MMTPA refinery in West Coast, Gujarat. M/s Reliance India Ltd to set up a 5 lakh tonne per annum tube refinery in Gujrat. M/s Harisons Malayalam to set up a lubrication oil plant at Cochin.

So much is the pressure from the Fund/Bank that the Govt has withdrawn its approval from ONGC for the development of the discovered fields and offered to the private companies. The project are---Panna, Mukta, Bombay High-L-II, L-III, Heera phase- II etc.

The Govt also decided to allow the private sector in the marketing of kerosene, LPG and LSHS by permitting it to import and market the same independently and in parallel to the marketing of these products by the public sector companies. It has further been reported that in response to parallel Marketing system 20 parties including multinationals like Caltex and ELF have shown interest in importing kerosene and LPG in addition to major industrial groups like ESSAR, SPIC etc. Moreover, the Govt has promised the private sector to help them with the infrastructural facilities of public sector, such as, storage, bottling etc.

That the foreign oil companies would be more interested in the refinery work is evident from the observation of the India Economic Update, a Dalal Street journal publication. It has noted that more than 50 per cent of the foreign capital will go for "refining capacities alone". Because according to the journal "petroleum refineries in India are attractive investment opportunities for entrepreneurs". It has further noted " A 12 per cent post-tax return on networth translate into a 24.87 percent pre-tax return in India. Not many industries in India offer this sort of return. And lastly-"local crude is available at less than one-third the price of imported crude".

## **THE QUESTION OF RESOURCE CRUNCH**

This has become almost a weapon in the hands of the Centra: Govt particularly to demolish the public sector and invite private sector in those areas of our industries which were reserved exclusively for the former. The oil and petroleum industry has also become prey to this weapn. That there is surplus fund available with the large number of public sector is evident from the fact that Rs. 24,660 crores under the portfolio Management Scheme has been invested by 98 PSUs and that too in some cases it is with the private financial services as has been suffaced in a call attention motion disucssion in the parliament in

its just concluded session. It has been said that this surplus fund of the public sector are being used to play in the market and that too in some cases at a lower rate of interest than that of the bank rate! Thus given the honest will of the Central Government, considerable fund requirement of PSUs could be met from within the sector. More so, that oil sector needs top priority attention is beyond any controversy. It would be worthwhile to note that as per report in the news paper for every \$1 increase in the price of crude oil per barrel implies an additional Rs 400 crores foreign exchange out go from the country.

Again, one should not forget that despite the down trend in production of crude oil, the "ONGC had reported a surplus of Rs 1,300 crores in the Eight Plan." Another factor noteworthy in this connection is that the government of India pay to ONGC Rs 968/- per tonne for the imported crude oil. This also implies that even if we allow ONGC and Oil India to double the price they charge to the Government still it will be beneficial to the national exchequer. As already indicated, it may be once again pointed out that when foreign companies alongwith ONGC would produce crude oil jointly, the government shall have to pay four times more to the foreign company than ONGC as per the 'production sharing contract.' Therefore the economics of inviting foreign oil companies particularly for exploiting discovered oil field in our country must be examined and re-examined from the above considerations.

### THE KAUL COMMITTEE

The scrutiny of the terms of reference of the Kaul Committee would clearly show that it was constituted to remove the legal hurdles in the way of privatisation of ONGC to be initiated through the process of disinvestment. Now that the Parliament has approved the conversion of ONGC into a corporation under the Companies Act, 1956 the status of a premier organisation constituted as a Statutory Body in 1959 by an Act of Parliament has been relegated to a govt undertaking to be easily swallowed by the foreign oil cartels. For further facilitating the process, the committee has recommended restructuring of the entire ONGC into three corporations. However, although the Govt has right now not accepted that idea, it does not necessarily mean that this step shall not be taken in future also. Similarly the recommendation to go for a separate autonomous body with all the research organisations is designed to do away with the R&D activities in this basic, vital and strategic sector of the industry. Because in the name of resource crunch this shall become the first victim.

In para 1.15 of the abridged version of the Kaul Committee Report it has been mentioned that-"The committee also met representatives of some foreign firms, who were in Delhi in connection with the Fourth Round Bids..."

A similar situation has been narrated by another Kaul, not 'PK' but 'HN' in his book as referred earlier in this discussion. I am too much tempted to quote the relevant lines from the book-- "even as Kalinin and Tagiev were still in India, Malaviya "somewhat suddenly" received a message from the American Embassy in connection with the "accidental" arrival of an oil expert from the United States.....But Nehru became circumspect, advising Malaviya that he might be careful in his dealings with the American oil expert who "accidentally" came to India."

While appreciating the off loading of jobs, the committee has recorded "It is heartening that the Commission(ONGC) has in the past taken steps to shed off some of the service activities by giving it on chartered hire in the various disciplines." In this regard the Committee has suggested "the same trend be followed and a switch over from departmental to contract services may be accelerated..."

### DISINVESTMENT OF EQUITY SHARE

Disinvestment of shares have taken place in the oil industry also alongwith other PSUs. But ONGC was an exception because of legal hurdle. Now, with the hurdle removed, ONGC(Oil) and Natural Gas Corporation) is going to enter the capital market. The Economic and Political Observer dated 26th June 1993 came out with the news---"ONGC mega issue to hit market soon." The notable feature is that the govt has decided to allow foreign companies to participate in equity ownership in ONGC. In fact Nomura Research Institute of Japan has already conducted study in India in this regard. Moreover, the Observer dt 30.8.93 has also reported that ONGC is inviting bid for a partner to work jointly in Bombay High.

It is, therefore, not difficult to understand that ONGC is going to become a joint venture with any prospective foreign oil company(s) immediately a full fledged private company under the control of any foreign oil company singularly or in collaboration with any indigenous monopoly house.

However, the position for other public sector oil companies are going to be no better than what has been said about ONGC./ The Times of India on 17.8.93 has reported that "An official committee set up by the Petroleum Ministry has recommended that

the Government bring down its holding in public sector oil companies to 26 percent. The Committee, headed by former energy secretary Mr T R Satischandran set up to suggest ways to bring in accountability and autonomy in oil sector PSEs, submitted its report quite some time ago. But the Government has kept it in close wraps." The report of the committee pertained to all the ten public sector oil companies excluding ONGC but including IOC, Oil India, BPCL, HPCL, etc.

### THE MULTIFACED DANGER

From the above discussion it will be noticed that the petroleum and natural gas policy of the Central Government, which is a corollary of its new economic policy, has brought multifaced danger for the country in general and for the industry and its employees—workers and officers alike, in particular.

Considering the importance of the oil sector for the economic progress with industrial development, the entry of the oil cartels going to be dangerous for the country. Once this sector is out of the hands of the government and controlled by the foreign multinational companies in collaboration with the monopoly capital of the country, the planned economic development of the country on sustained basis would be rather impossible.

Apart from this aspect, oil sector has got tremendous strategic importance on the question of the defence of the country. The way our oil fields and the vital scientific data are handed over to the foreign powers, it may cost the country heavily. A very pertinent question arises here is that, under the pretext of Official Secrecy Act even the state government were not allowed to know the information pertaining to the activities of ONGC/OIL in their respective states, let alone other organisations or individual scientists. But now all these practices are given a good bye for the benefit of the foreign oil companies! How the oil sector is preserved to meet any unforeseen danger can be well understood from the fact that the USA has got 10% of the total known source of oil reserve of the world, but they meet their requirement from outside sources and preserve their own reserve for obvious reasons. Therefore, the oil policy of the Central Government is fought with danger for the economic and political sovereignty of India.

In addition to the above, this policy shall not help in the over all development of the petroleum and natural gas industry of our country. The main reason

for this is, as has been already noted, since the foreign oil companies are totally reluctant to invest for exploration of new fields and are only interested to capture the discovered fields, the work of discovery shall suffer seriously. Without discovery of new fields even sustenance of crude oil production keeping pace with the requirement of the country is difficult. Moreover, complete commercial outlook of the foreign oil companies would violate the norms and forms of extracting wealth from the nature.

The refinery sector shall have to face stiff competition with the foreign oil companies under extreme unequal condition. Because these companies would be equipped with most modern technology. The result *inter alia* would be that the indigenous refineries with old and aged technology shall not be able to compete in the price war under the regime of market economy and free pricing mechanism and may become sick.

Lastly, the danger for the employees shall come from various sides. The work of the existing public sector oil companies is likely to shrink due to indiscriminate permission given by the govt, the foreign oil companies to enter every sphere of activities of the petroleum and natural gas with most sophisticated technology would render substantial number of employees surplus and shall face the threat of retrenchment. Under these circumstances the service conditions of the employees shall face erosion and trade union rights shall be suppressed by coercive method.

### BUILD UP UNITED MOVEMENT

The immediate steps need to be taken to safeguard the petroleum and natural gas industry from being fully thrown into the clutch of the oil cartels due to the policy of the Central Government is to launch a vigorous campaign to educate the democratic people of the country regarding this dangerous policy and its serious effect on the nation. Such massive campaign can be effectively launched by the united movement of the working class alongwith other organisations of officers, scientists, technologists, engineers etc.

But the foremost role shall have to be played by the employees of the petroleum and natural gas industry unitedly, irrespective of rank, affiliations and sphere of activities or for that matter no barrier should be allowed to come in the way in forging the unity. Because united movement is the only way to reverse the dangerous policy of the central government. □

# CONVERSION OF ONGC INTO A CORPORATION

(Abridged version of the speech of Com. E. Balanandan in the Parliament)

The oil issue has two dimensions. One is, countries like Iraq, if they revolt, subdue it and-if you cannot subdue it, then sabotage it. In a country like India, the single biggest danger is that those who did not want India to become self-reliant in the oil sector may now try to come in through the backdoor of privatisation. I would like to get a very categorical assurance from the Minister that under to circumstances will he face us with a fait accompli saying, "we came to a conclusion and a corporation was formed by an Act of parliament and after that they sold shares and some shares were calndestinely passed on somewhere else and ultimately we find some people with 5 per cent and then 10 per cent, later on more capital is needed and one day we find that 51 per cent equity has been cornered by a multinational oil company.

This is a very important legislation being brought now. The bill has been passed by the Lok Sabha and we are asked to okay it. This bill was introduced in the Lok Sabha to substitute an ordinance. The Minister explained that there was a process of a committee having gone into the restructuring requirement in the ONGC. A Committee headed by Mr. Kaul had been appointed. That Committee's two-staged report has been considered by the Government. The only one fact which has not been told by the Minister was that the exigency for bringing in this Bill and the Ordinance was not because the Government of India wanted to do it. The bankers' the Asian Development Bank, who gave the loan wanted that the ONGC should be made a company.

They wanted that the ONGC should be converted into a corporation. They gave us a date line, that is, before the end of June. Therefore, the Government of India came out with an Ordinance on the 2nd July, two days after the date-line given by the Bank was over. What is the necessity of this Bill? The necessity of this Bill arose because the World Bank and the Asian Development Bank gave us a loan of \$750 million; and agreed to give us the second tranche of \$125 only if the ONGC is converted into a corporation. But our Minister claims that he is bringing this Bill, based on the recommendations of a Committee. Nowadays what what is the purpose of a committee? We have seen many committees, the Narasimham Committee, the latest Goswami Committee and today another committee. Whatever condition the World Bank stipulates for giving us a loan, you agree to it and create an alibi for this and say that a committee had been constituted to

consider this matter. The committee gives its report recommending conversion of ONGC into a corporation. Now ONGC is sought to be demolished and a corporation is sought to be created under the Companies Act. The World Bank or the Asian Development Bank dictates to you what kind of company India should have. We the Indians have no right to decide. They will decide and they will tell us by what date you should do it. The date line has been given by them. The Government of India, the free India has to accede to their dictate.

Now, by converting the ONGC to a company, can they increase production? The only point that they are putting forth is that by making it a company, it can earn more money from private hands by selling shares, etc. and the company's viability can be improved and, therefore, production can be improved and, therefore, production can be improved. This is their case. As Shri Gujral has pointed out, the first phase of the programme is to disinvest 20 per cent of the shares of the company in India which has done a wonderful job for the development of our oil industry. Now it is going to be a company and the company is going to be slowly privatised. This is the plan. What is the effect of this privatisation project? Today, for the ONGC, the cost of production of oil per tonne is Rs.968/-, according to the price of 1989. The international price then was Rs.2200/-. Therefore, the ONGC was selling oil at fifty per cent of the cost and we are buying oil from abroad at double the cost.

What is the story of ONGC ? As my friend, Mr. Gujral has pointed out, ONGC is one of the biggest public sector undertakings having a place amongst the out 500 companies in the World. What is the work they have done? At the time of independence the indigenous production was 2 million tonnes of crude oil. Then ONGC came into the field . In 1989-90 our productions of crude oil increased to 34 million tonnes. ONGC could attain self-sufficiency in crude oil production up to 73 per cent. Whereas the oil used to be 35 per cent of our total import bill with the indigenous production of oil increased, it came down to 9.81 per cent.

All the multi-nationals are staying a come back. The 40 discovered by the ONGC spending thousands and thousands of crores of rupees, are going to be given to foregin multi-nationals. Large multi-national companies are going to come in a big way to enter into the field. I can give the names of these people.

*Contd. on page 25*

## EXCERPT OF SPEECH OF JIBON ROY, M P IN THE PARLIAMENT IN THE DEBATE ON SICK PSU

Sir, I have gone through the statement made by the Hon. Minister. It is nothing but about NRF (National Renewal Fund). It has not dealt with even the question of how many revival plans have been sanctioned during the last two years by the BIFR. GOVERNMENT has not given that figure. But we know that not a single plan has been sanctioned during the last two years.

Sir, I represent the trade union movement. My constituency is the trade union movement. Our experience has been that lack of political will on the part of the Government is the main enemy to the revival of sick public sector units. You may take the horse to the water, but you cannot make it drink. The Govt has no sense of direction, no political will to guide the BIFR what should be the way to deal with the sick industrial units referred to the BIFR.

Anyone who is intimately connected with the developments and the sequence of events that take place in the BIFR once a case is referred to the BIFR knows the position. The moment an industrial unit is referred to the BIFR, an ominous signal goes out from the Finance Ministry to the banks and other financial institutions and, immediately, all round, all advances will be stopped to the sick units referred to the BIFR. All orders will be stopped. Even prestigious industrial units like MAMC and HEC do not get Govt orders or public sector orders. For example, Coal India did not place orders with MAMC and HEC and, therefore, these and other industrial units are moving almost to the brink of disaster.

Sir, there are nearly 50 cases from the Central public sector undertakings pending before the BIFR, involving more than four lakh workers. Every time the Industry Ministry will be present in the BIFR as a promoter, and in the first meeting it will say that the Government has no money and, therefore, it cannot act as a promoter.

Consequently, the IDBI is asked to act as the operating agency. The IDBI will call the private sector, and the private sector will enter to fish in the troubled waters. Their main objective, main aim, is to usurp the land of the public sector. They want to sell it in the market. We are also getting serious reports from those industries which are not being referred even to the BIFR.

A dangerous signal has come from the BHEL. In the question Hour the hon. Minister was saying that the BHEL was not getting orders because of competition. The fact is completely different. This year the Industry Ministry itself has lessened the capacity utilisation of the BHEL by 50 per cent. Next

year the BHEL's capacity will be further reduced. For the next three years the capacity utilisation of BHEL for the power sector has been fixed at 30%, 8% and 5%. It means that by 1997 the BHEL will be wound up unless something else is done. Is it because of competition, Sir? The Industry Ministry's Report itself says that because the import is tied up with the IMF loan, orders could not be issued to the BHEL. Therefore, its capacity utilisation is being slashed.

We would like to know from the Hon. minister what steps they are taking to tackle the sickness arising out of globalisation and out of the loan tied-up with imports. We have information that the Government of India is bringing capacity from abroad giving a guarantee of 15 per cent profit on the investment. In that case what should be the investment for creating a capacity of one megawatt? That figure has been fixed at Rs.4.25 crores against the BHEL's offer of only Rs.1.20 crores. Is it competition? Is it globalisation? Are workers to be blamed for that?

Mr. Vice-Chairman, Sir, the steel workers have a serious complaint against the Steel Ministry and the Finance Ministry. Their complaint is that there is discrimination against the SAIL in favour of a consultant. Sir, you know, the IISCO is a prestigious, premier unit in the steel industry. It is having a property of Rs.16,000 crores. It is having not one but more than five captive mines, the best coking coal mines and the best iron-ore mines. It is being handed over virtually free of cost, at Rs.134 crores. Rs.134 crores will be advanced by the SAIL. The new concept is that it will give some interest on the loan advanced by the IISCO. Now the trade union movement raised the question why these financial packages being extended to the contractor will not be extended to the Steel Authority of India. The reason is simple. Therefore, one of my friends has said that on the 7th of September the entire trade union movement in the steel industry, including the BMS, INTUC the CITU and all others, is going for a nation-wide strike against this policy.

That is why, Sir, it is not a problem of the BIFR alone. It is not some concession here and there. It is a matter of policy, what policy the Govt will pursue on the question of public sector and whether you like the public sector or not.

I would humbly say that the blind pursuance of a policy dictated by foreign powers has already led the Government further away from the policy which it had announced in July, 1991, although in the same direction. That is why we find that the competition is not the end. The foreigners are grabbing the

economy of our country as it has happened in the case of the BHEL. Therefore, the Government has to decide. If the Government is genuinely in favour of the public sector, the hon. Industries Minister should reiterate here the commitments made by the Prime Minister and the Finance Minister on earlier occasions that the public sector will remain, and the reiteration must be in real terms. It should ensure that the embargo on the release of funds to the public sector referred to the BIFR will be lifted, orders will be provided to those public sector units whose cases have been referred to the BIFR; and orders will also be given to other public sector undertakings. It has to be reiterated that industries like the BHEL will be protected from the outsiders. At the same time the Government should assure that it will adhere to the revival plan given by the BIFR and the Govt will sanction the required money for their revival. Otherwise the BIFR in its own reaction will bring about a total bewilderment.

In this context I would like to refer to the recommendations of the Goswamy Commission. Its views on the role of the trade unions are being coloured with pre-decided notions. Its main objective is to wind up the sick industries altogether to give way to the movement of capital from less profitable areas to the more profitable areas. This will result in flight of capital from one place to another. There are two directives of the Goswamy Commission. One is to shift the role of the BIFR from reconstruction or rehabilitation to winding up the public sector units. The second is to bring about *laizzez-faire* in the matter of their closure. It is not a question of sickness alone, it is giving an open passport for flight of capital from one place to another and in the process "hire and fire" of the workers will continue.

Two points are being raised again and again. It is only to hit the workers. One of my colleagues was talking about the NTC. In the history of the last two decades, this Government in order to help some of the monopoly houses had hit the industries, including the NTC, fall into that category. The very same Government has been now blaming the workers for the failure of these units and has been raising the bogey that the public sector itself has to be liquidated.

The question of the cooperatives also has been raised. I would request the hon. Minister not to draw the working class to a mirage.

In a state of globalisation, against like BHEL is collapsing. Do the Members feel, do the Government feel that cooperation will succeed? Even the Government is talking of co-operatives! Till now the Government did not put forth a single opinion in this regard.

Finally, I will mention two more points. One relates to the commitment. The hon. Prime Minister and the Labour Minister have made commitments on a number of occasions, before the trade unions and

even before the Chief Ministers in categorical terms that in those cases where the management and the union are able to come together and prepare a viable plan jointly, they can place it before the BIFR; and the BIFR will automatically sanction it and ratify it. I have the figures. First of all, the Ministry of Industry does not allow the management to sit with the workers and with the trade unions on this agenda.

Secondly, wherever the management and the trade union are coming together to place a common proposal, the Government is not considering those cases. At least I know a dozen cases where joint proposals have been placed before the Government. For example, the Bengal Immunities, Smith, the Bengal Chemicals, Bharath Brakes, Cycle Corporation of India and many other companies have placed joint proposals before the Government and before the BIFR. They could not finalise a single case because of the resistance from the Ministry of Industry.

Lastly, on behalf of the trade unions I would like to assure the Government that trade unions are ready to discuss everything with the Government except the NRF or the Exit Policy. Under no circumstances with the Exit policy be accepted by the trade unions. We can discuss it with BIFR. In many places negotiations have taken place with the BIFR. In many places negotiations have taken place with the BIFR. Workers also have made sacrifice. But govt's stand in altogether negative.

The question is where the govt is leading to. They must clarify the position and review their stand with this. I thank you.

## **Sponsoring Committee supports strike decision by Central Govt. Employees**

*(In a statement issued on 11th September the Sponsoring Committee supported the decision of the Central Govt and Railway Employees to go on indefinite strike from October 12. The strike however was withdrawn following an agreement. We are publishing hereunder the statement - Ed).*

The Sponsoring Committee of Indian Trade Unions welcomes the decision of the National Joint Council of Action comprising unions of the Central Govt employees and the Railway workers for their decision to go for an indefinite strike from 12th October '93 to press for their urgent and long-standing demands for merger of DA into Basic pay and others.

The Sponsoring Committee has been consistently organising struggle against the disastrous anti-people and anti-worker policies of the Govt of India and making all efforts to unite the entire trade

union movement. It therefore extends its full support to this struggle of the Central Govt Employees and the Railwaymen.

Sponsoring Committee is of the opinion that the issues involved in the struggle are part and parcel of the struggle against the disastrous economic and industrial policies of the Govt of India which should be defeated through united movement of the entire working class. It therefore is confident that in the days to come the central govt employees and Railway Workers would increasingly participate in joint struggle against these policies of Govt of India. The Sponsoring Committee appeals to the Govt of India to accept all the just demands of the employees and the Railwaymen without any delay.

The Sponsoring Committee further calls upon all the trade unions and working class in general to extend active support to the struggle of the employees and observe 12th October '93 as "All India Solidarity Day" with the central govt. employees and Railwaymen by holding demonstrations, gate meetings and various other forms of actions and by sending telegrams to Prime Minister of India in support of their legitimate demands. □

## COMRADE SUKUMAR SENGUPTA

Comrade Sukumar Sengupta, an veteran freedom fighter and one of the stalwarts and builder of the communist movement of India passed away after a sudden heart attack at Calcutta on 16.9.93, at the age of eighty.

Comrade Sengupta plunged into the freedom movement in his teens and spent in British prison few more than a decade being sentenced for life imprisonment. He joined the Communist party in the thirties while in jail and since then till his death he devoted his life for building up the communist movement in the country for emancipation of masses from exploitation.

Com. Sengupta was an outstanding organiser of the democratic struggle of the people, and played the role in developing the communist party from its nascent stage and leading the movement in Kuduapur district of West Bengal. He was the state committee member of CPI(M) till his death. He was also one of the leaders of the struggle against revisionism which led to formation of CPI (M) and also played a dominant role in the fight against sectarianism.

Com. Sengupta's eventful political life spread over through more than six decades, is a source of constant inspiration to the entire democratic movement. CITU mourns the death of Comrade Sengupta and conveys condolences to the comrades and his family.

*Contd. from page 22*

The Mobile American Multinational Company is allowed to start a lubricant plant in India. The Shell, an Anglo-Dutch multi-national company is allowed to start an oil refinery jointly with Bharat Petroleum and the French multi-national company, Fench Socite Nationally Al Aquitani, is also coming to the country. The Gulf Oil Company, a Hinduja company, and Petrosil, A Goenka company, are going in for a joint venture with the American multi-national corporation, Pence Oil. In Assam, there is going to be a joint venture with Caltex and the Assam Government has decided to establish a three-million tonne oil refinery and so on and so forth.

That India can become self-reliant in crude oil production is evident from a study report given below:-

"According to a study out of 1.72 million sq. km of potential hydrocarbon bearing areas located both at off-shore and on-shore, only 20 per cent areas are somewhat explored." That means, the rest is there. "The world average of exploratory wells drilled per 10,000 sq. km are 100 wells. But in our country it is only 11 wells. In the USA more than 500 wells are drilled for every 10,000 sq. km oil bearing area. In the Indo-Gangetic area of 300 000 sq. km only 11 wells have been drilled."

Therefore, what is the position? If the Government of India wants to develop self-sufficiency in oil, they can do it. 48,000 employees are employed in this industry. They include engineers, scientists and technicians of world rank who can complete in any field in the oil technology. According to me, national wealth does not mean oil wealth only. It includes personnel also who are employed in this industry. We have 48,000 trained people in this industry. We have 48,000 trained people in this industry. They also constitute national wealth. I do not know whether the Minister also thinks in the way in which I am thinking or not.

**THE DEPUTY CHAIRMAN:** Please conclude.

Therefore, this act of the Government of India is a sell-out to the multinationals and this act of the Government is to be opposed by every sensible Indian. Our national wealth is silently being attempted to be transferred to the old foreign multinationals on the plea that we are having a necessity of restructuring. If restructuring is required to be done, it should be done. We are not against it. But restructuring for what? If you resort to it in order to increase our production in the field of petroleum, petro-chemical industries and oil, we will support you. But you are inviting multinationals.

Our oil wealth is being transferred to the multinationals and they are going to sell that oil at the international rates. Therefore I strongly oppose this bill. □



# A P STATE BEEDI WORKERS CONVENTION

□ Dr K Hemalatha

**T**he Andhra Pradesh State Beedi Workers Convention was held at Warrangal on 22.8.93. About 200 beedi workers attended the convention. N Prasada Rao, General Secretary, CITU, A P Committee and Chairman of the Reception Committee welcomed the delegates. Vimal Ranadive, Secretary CITU and Secretary All India Co-ordination Committee of Working Women inaugurated the convention.

Vimal Ranadive in her inaugural speech said that the owners and contractors were exploiting the poor working women and earning huge profit. Owners were not implementing properly the beedi and Cigar Act. They were not issuing identify cards. They also denied maternity benefits to the Working Women. The Provident Fund deducted from the wages was not deposited in the account.

The Secretary of the State Working Women's Co-ordination Committee, K Hemalatha placed the report. She explained the working conditions of the beedi workers in the state. She said that the minimum wages were not being paid to the workers in many districts. The reports included the charter of

demands which included fixation of Rs.35/- per 1000 beedis with VDA as minimum wages by the government, sufficient tendu leaf to be supplied, 20% bonus, work guarantee for six days in a week with weekly paid holidays, scheme for provision of old age pension, implementation of welfare measures and abolition of contract system etc.

13 delegates including 7 women participated in the discussion on the report.

The report was unanimously passed. It was decided to hold a dharna in front of the Assembly during the winter session. Resolution on communal harmony, minimum wages, welfare laws, and september 9th Bharat Bandh were passed. A 14 member organising committee with Hemalatha as Secretary was formed. N Prasada Rao summed up the deliberation. He welcomed their decision to form a state union. He explained the dangers posed by the economic policies of the government and the threat to national unity posed by the communal forces led by RSS and BJP, and called for united struggle against them. □

## Kisan Sabha to Launch Movement For Land Reform

**T**he All India Kisan Council of the All India Kisan Sabha meeting at Delhi on 27 and 28 September will decide action programme to oppose Dunkel Proposals, for land reforms and against the negative aspects of the Draft Agricultural Policy Resolution of the Govt of India.

The meeting will also take stock of the land movement being conducted in Bihar, AP and other parts of the country. The meeting will review success of the 9th September Bharat Bandh and participation of the peasantry in it. In the 19th August Jail Bharo, lakhs of peasants courted arrest alongwith the workers.

The movement for implementation of land reforms is vigorously going on in Bihar where the Kisan Sabha units have captured 22,000 acres of surplus land and distributed it among the landless and poor peasants in the Purnia, Dharbanga, Samastipur, Khagaria, Supaul, Bhagalpur, Sitamarhi, Nalanda, Madhubani, Champaran, etc.

Landlords and criminals aligning with the local police has let loose a severe repression on the Kisan Sabha Cadres. Com.Govind Prasad, the peasant leader of Nalanda District was brutally killed by the police while leading a peaceful demonstration on August 12 at Nalanda. Similarly Com Maheshwar Singh another popular peasant leader was murdered in Dharbanga District on 18th August by criminals hired by the landlords. Com Guneshwar Singh was another leader murdered in Sakhmohan village of

Samastipur on 13 August by Congress supported criminals. 11 Kisan Sabha cadres were thus murdered in Bihar in the land movement in the past 1 year. Despite promises the Bihar Govt has failed to implement land reforms in the state or plugging the loop holes in the ceiling laws. Similar movements are being launched in A.P. and Rajasthan.

In a statement the Kisan Sabha drew the attention of the Central Govt to the havoc created by floods in many parts of the country and also to the draught and famine conditions prevailing in several other parts. The Kisan Sabha demanded adequate relief, immediate compensation to the affected people and a comprehensive insurance scheme covering all crops throughout the country.

The Kisan Sabha expressed serious concern over the indefinite fast launched by Comrade Sheopat Singh, the Central Kisan Council member since 25 August last at Hanumangarh in Sriganganagar District of Rajasthan demanding adequate compensation to the flood affected peasantry of the district. The Kisan Sabha demanded immediate intervention of the Central Govt and provide compensation at par with those of Haryana and Punjab. Apart from launching movement for land reforms and campaign against Dunkel proposals, meeting of the Kisan Sabha will chalk out further plans of joint movement with the working class and other mass organisations against the government's economic policy. □

## North Zone Conference of Peerless Employees

The 3rd Northern Zonal Conference of All India Peerless Employees Union was held in Jalandhar on 3rd & 4th. Sept 1993. Over 100 delegates from all units under Northern Zone attended the delegate session

Basudev Acharya, MP, CPI(M) and vice president, All India Peerless Employees Union in his inaugural speech described the Govt's Economic and Industrial Policy. He said, these policies will ultimately lead the country to total destruction. He urged upon all the members to raise voice against it, fight it and asked every one to participate in the Bharat Bandh on 9.9.93

P K Ganguly, Secretary, CITU spoke on the national, international, govt's economic and industrial policies. He criticised the role of the IMF and World Bank. He highlighted the significance of Bharat Bandh on 9.9.93 against all these adds and he urged all the members present in conference to persuade other people also to participate in the Bharat Bandh. He professed that all the workers, the kisans, women's organisations students and youth will participate in the Bharat Bandh on 9.9.93. He further urged for unity of all mass organisations to defeat the RSS-BJP-VHP's divisive role and drive for a fascistic Hindu Rashtra.

Anudeb Ghosh, General Secretary, All India Peerless Employees Union spoke on the present situation of the Peerless Company and the latest development of the Charter of Demands presented to the management in December 1991. He also urged the members to get ready for greater struggles.

All the above three speakers, i.e. Com Basudev Acharya, Com P K Ganguly and Com. Anudeb Ghosh urged the govt to nationalise the Peerless General Finance and Investment Co., Ltd, and use its huge fund in national welfare.

The open session was held on 4.9.93 over 1000 members including the members of the fraternal trade unions attended the conference. The open session started with patriotic songs. M K Pandhe, General Secretary, CITU was the chief speaker on the occasion. He spoke on many issues including govt's economic and industrial policy. He cautioned the people, if these policies run for some more time, the total country will virtually collapse. Hence he urged the people not to allow the govt to do anything which is detrimental to the interest of the country and the nation. The significance of Bharat Bandh on 9.9.93 was also highlighted by him precisely. He urged the people to participate in the scheduled Bharat Bandh on 9.9.93 in a massive scale against all these policies. □

## Important Decision by P F Authority in favour of Workers of Closed and Locked out Factories

Responding to a query made by Com Kali Ghosh, Member of Regional Committee of Provident Fund from the CITU, Provident Fund authorities have informed that the Special Reserve Fund is operated in case of an establishment, which is closed or locked for more than 5 years, and in that case employees' and employers' share will be paid out of that fund if it defaulted in depositing PF contribution.

As regards Family Pension Fund (FPF) and Deposit Link Insurance (DLI), payment will be made even if the employer is in default of payment of contribution to FPF or DLI. It was further stated that payment of PF, FPF and DLI can be made provided F/3A is received. In the case of monthly Family Pension case, benefit is paid even if F/3A is not submitted.

The relevant order Ref A/042/SRF/WB/2 dated 11th November, 1992 is being published hereunder for the benefit of all concerned, which is applicable to the whole country:

### Payment of Employer's share of Contribution from SRF:

It has since been decided by the Central Board of Trustees, EPF, that the Employer's share of contribution, in default should be credited to the member's account and refunded in full in respect of certain types of establishments as specified in the following cases:

- Establishments which are under liquidation;
- Establishments which are continuously closed for more than five years;
- NTC mills (Pre-take over/pre-nationalisation period)

You are, therefore, requested to publish the decision in your news letters, trade union journals/news papers etc., if any.

Yours faithfully,

Sd/-

(Regional P.F. Commissioner)

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