

Let me tell you that in our office meeting this morning, many Members just wanted certain Special Mentions to be made. Now we have only today and tomorrow for Special Mentions when I am giving all the Members chances to speak so that no party is left out. So, it was decided that we would sit today from twelve to two, whatever we can finish today, and tomorrow the rest will be finished. So, we should not intrude into the time of the hon. Members who want to make Special Mentions. And the Minister will make a statement on this issue, including your points, sometime in the afternoon.

DR. ALLADI P. RAJKUMAR: Thank You, Sir.

MR. CHAIRMAN: Mr. Gurudas Das Gupta... (*Interruptions*)...

श्री विजय कुमार मल्होत्रा: (दिल्ली) सर, 2 बजे से 8 बजे तक का समय फइनेंस बिल का है। उस के लिए आप ने 6 घंटे दिए हैं। अगर 2 घंटे इस में निकल गए तो फइनेंस बिल का क्या करेंगे? फइनेंस बिल के लिए आप ने 6 घंटे का टाइम देने के लिए कहा है।

The Finance Bill has to be passed today.

MR. CHAIRMAN: That is all right. If the Members want, and the statement has to be made, the Members will have to sit long, till 9 O'clock; I don't mind. For today and tomorrow, there will be no lunch hour, and all the Special Mentions will be finished today and tomorrow. Now first is Mr. Gurudas Das Gupta.

SPECIAL MENTIONS

Decision of Madhya Pradesh Government to Handover Diamond deposits in Behradin Block in Raipur district to Mumbai based Diamond Consortium for exploration and exploitation of Diamonds.

SHRI GURUDAS DAS GUPTA (west Bengal): Sir, I am raising a matter of great public importance. The Madhya Pradesh Government, in my opinion, has given on lease a precious diamond ore mine for prospecting to a private sector company which appears to be a front company of Australian and South African multinationals, in total violation of the mining rules and laws of our country. It appears from facts that the diamond ore mine is situated in Behradin block of Raipur district of Madhya Pradesh. Tenders were invited by the Government of Madhya Pradesh. The National Mineral Development Corporation had also given its tender, but that tender was rejected absolutely illegally. The deal has been given

*Expunged as ordered by the Chair

to an unregistered consortium floated by diamond merchants who are residing in Bombay who are having very serious political clout with the administration and the Government. My question: why did they reject the tender of NMDC? The NMDC's tender was rejected because the State Government wanted to have 11 per cent of the unsubscribed equity which is illegal for a State Government to demand. Secondly, they wanted royalty which comes to more than 10 per cent which is more than the mandatory quantity of royalty that can be asked as per the law passed by the Parliament of this country. Secondly, the leasing permission for prospecting has been given or sought to be given by the State Government without prior permission of the Central Government as is statutorily required. The total turnover of such diamond ore would come to Rs. 35,000 crores. Sir*, the contract is being awarded to a consortium or a firm which is unregistered. It means there is enough scope for having suspicion in the deal that is tried to be struck. The total turnover is estimated to be Rs. 35,000 crores. What is the new company going to invest? The new company is going to invest Rs. 50 to Rs. 60 crores only. But, why hasn't the same contract been given to NMDC? We are always told that the public sector will be given a level playing ground. They had fulfilled all the preconditions laid down by tender rules. Their fault is that they did not agree to the demand made by the Madhya Pradesh Government to give unsubscribed capital and to give them more than 10 per cent royalty. Thirdly...

MR. CHAIRMAN: Your three minutes are over.

SHRI GURUDAS DAS GUPTA: Sir, just one minute more.

SHRI VAYALAR RAVI (KERALA): Sir, the State Government wants more money. (*Interruptions*).

SHRI GURUDAS DAS GUPTA: But it is against law. My friend should know that Parliament has passed a law.

SHRI VAYALAR RAVI: Sir, the State Government wants more money. They want more revenue. What is wrong in it? (*Interruptions*). It is not correct.

SHRI GURUDAS DAS GUPTA: Sir, they can demand more money. But that demand should be as per the law. The mining law of our country stipulates that payment towards royalty should not be more than 10 per cent. If

the Madhya Pradesh Government wants more than 10 per cent, they should approach the Central Government. It is for the Central Government to make necessary amendment in the law to make it a legal transaction. The National Mineral Development Corporation is a blue-chip public sector company. It is having surplus funds of Rs. 300 crores. It is running diamond ore mines in other parts of Madhya Pradesh also. Therefore, there was enough expertise. There was enough money. There were enough resources available with the NMDC. Even then it has been discriminated against.*

Sir, I request the Government not to give permission to them.

SHRI JIBON ROY (West Bengal): Sir, I associate myself with this....(Interruptions) without speaking on it, I am associating myself with it.

SHRI T.N. CHATURVEDI (Uttar Pradesh): Sir, I also associate myself with this Special Mention...

MR. CHAIRMAN: Let Mr. Raghavji speak.

श्री राघवजी (मध्य प्रदेश): सभापति महोदय, मध्य प्रदेश सरकार हीरो के खनन के मामले में बार बार पैतरा बदलती रही है। इस बार मध्य प्रदेश सरकार ने 11 विकास खण्डों के लिए प्रस्ताव आमंत्रित किए थे। प्रत्येक विकास खण्ड में 4-4, 5-5 हजार वर्ग किलोमीटर जमीन आती है और जिस कम्पनी के नाम पर इन्होंने स्वीकृति प्रदान करने का प्रस्ताव किया है विजय कुमार डायमंड कंसोर्टियम, मुम्बई की कम्पनी है जिसको खनन का कोई अनुभव नहीं है। आज तक इस कम्पनी ने कहीं भी माईनिंग नहीं किया है। यह आस्ट्रेलिया की किसी कम्पनी के माध्यम से यहां पर माईनिंग कराना चाहती है जो कि नियमों के अनुसार निषिद्ध किया गया है और इसीलिए इस प्रकार से विजय कुमार डायमंड कंसोर्टियम कम्पनी को ठेका देने का कोई प्रश्न उठना नहीं चाहिए और न यह स्वीकार किया जाना चाहिए।.... (व्यवधान)

श्री जितेन्द्र प्रसाद (उत्तर प्रदेश): सर, मुझे यह निवेदन करना है। मैं आपके पास कल आया था और मैंने महाराष्ट्र में जो घटना घटित हुई है वहां के मंत्री ने कुछ कहा था, उस संबंध में मैंने आपसे निवेदन किया था कि इस मामले को मैं उठाना चाहता हूं। आपने मुझसे यह कहा था कि यह राज्य का मामला है इसको यहां नहीं उठाने देंगे।.... (व्यवधान)

MR. CHAIRMAN: Mines is a subject which comes under the Government of India....(Interruptions)

श्री जितेन्द्र प्रसाद (उत्तर प्रदेश): यह राज्य के मामले अगर उठेंगे तो.... (व्यवधान)

*Expunged as ordered by the Chair.

SHRI GURUDAS DAS GUPTA: It is a Central subject. It is not a State subject....(Interruptions)

MR. CHAIRMAN: It is a Central subject.

श्री राघवजी: सभापति महोदय, जो अनुसूची दी गई है उसमें हीरो का जो मामला है वह केंद्र के अधीन रहता है, उसमें राज्य सरकार का कोई अधिकार नहीं है और इसलिए यह पूरी तरह से.... (व्यवधान)

SHRI VAYALAR RAVI: Sir, I am on a point of order. (Interruptions) My point of order is this. Sir, you mentioned that it is a Central subject. If it is a Central subject and the entire mining is under the control of the Central Government, it is for the Government of India to prohibit....(Interruptions) The point which I am making is that mines and minerals are with State Governments. It is for the Central Government to prohibit the State Government....(Interruptions)

SHRI GURUDAS DAS GUPTA: Sir, I would like to say that the hon. Members is completely misinformed. The mining lease can be given by the State Government. But it requires the prior permission of the Central Government....(Interruptions)

SHRI VAYALAR RAVI: That is a different aspect....(Interruptions)

SHRI PRANAB MUKHERJEE (West Bengal): Sir, you kindly go through the record. Mr. Gurudas Das Gupta has brought an insinuation that there was some exchange of benefit*.

Please go through the record. We are allowing everything to go on record. The Member was addressing the Chairman. He was not addressing a Minister or the Government. Apart from this, he has also brought insinuations against the State Government.

SHRI GURUDAS DAS GUPTA:*

MR. CHAIRMAN: The language is not good.

SHRI GURUDAS DAS GUPTA: it had been used, Sir....(Interruptions) If it is so, then I am withdrawing it....(Interruptions)*

Sir, kindly go through the Law that we have passed. It requires prior permission.

SHRI PRANAB MUKHERJEE: Which Law?

SHRI GURUDAS DAS GUPTA: Sir, the Mining Law.

SHRI PRANAB MUKHERJEE: There are at least half a dozen mining laws

SHRI GURUDAS DAS GUPTA: Sir, I am saying that prior permission of the Central Government is obligatory. Without its concurrence....(Interruptions)....

MR. CHAIRMAN: Please, please. *...(Interruptions)...* Has the Central Government given the permission?

SHRI GURUDAS DAS GUPTA: Sir, I am requesting the Central Government not to give the permission. That is my submission. My submission is, the Central Government should not approve of this illegal contract being awarded to a foreign company. That is my point, Sir. I am within my right to say it. *...(Interruptions)...* It should not give the approval. *...(Interruptions)...*

SHRI PRANAB MUKHERJEE: He has no right to make an insinuation against the State Government.

SHRI GURUDAS DAS GUPTA: Sir, it is obvious...

SHRI PRANAB MUKHERJEE: Sir, you go through the records. He said, "Benefits". He must prove it. *...(Interruptions)...*

SHRI GURUDAS DAS GUPTA: I said that there is a suspicion. My suspicion is bound to be there because it has been done illegally. *...(Interruptions)...*

SHRI PRANAB MUKHERJEE: Sir, you go through the records. *...(Interruptions)...*

MR. CHAIRMAN: Let me say something. They have raised a point of order. I will certainly go into all those things, and then give my ruling. Till then the Special mention is suspended. *...(Interruptions)...*

SHRI RAGHAVJI: Sir, I am quoting the rules. *...(Interruptions)...*

श्री सुरेश पचौरी (मध्य प्रदेश): सर, क्योंकि आपने इसे सस्पेंड कर दिया है तो उन्होंने वह रिकार्ड मैं नहीं आना चाहिए।

SHRI GURUDAS DAS GUPTA: Sir, it cannot be. It should not be suspended. *...(Interruptions)...*

SHRI PRANAB MUKHERJEE: He cannot level an allegation against the State Government. *...(Interruptions)...* He has no business to do it. *...(Interruptions)...*

MR. CHAIRMAN: Please sit down. *...(Interruptions)...*

SHRI GURUDAS DAS GUPTA: Sir, I have a point. Please listen to me. Sir, this House had discussed through a Calling Attention the Bailadita iron-ore mines of Madhya Pradesh. The Members of this House discussed the matter at length. At that time, the law was saying... *...(Interruptions)...*

SHRI PRANAB MUKHERJEE: Sir, I raised a point of order and you have given the ruling. *...(Interruptions)...*

MR. CHAIRMAN: Mr. Gurudas Das Gupta, please listen to me. He has raised to a point of order. I will take a decision on that. Before taking a decision, you can also give your point of view. Then, I will take a decision. No more discussion on this and all that has gone on record will remain suspended till I give a decision.

SHRI RAGHAVJI: Sir, I am quoting from the Act itself.

MR. CHAIRMAN: Now we take up the next Special Mention.---(व्यवधान)... किसी का नहीं है.....मेरी बात सुनिए, किसी का नहीं है।..... (व्यवधान).....

SHRI K.R. MALKANI (DELHI): Sir, I have given my name to associate with it.

MR. CHAIRMAN: No, no.

SHRI K.R. MALKANI: Sir, this is my solemn appeal. This is a very dubious deal. Within hundred days of elections due.....*...(Interruptions)...*

MR. CHAIRMAN: I hope the hon. Members must have heard what I have said. They have raised a point of order about the whole discussion on this issue. I cannot give my ruling immediately. I will go into it. Only when I allow it, then it can be raised. Not now. *...(Interruptions)...*

SHRI RAGHAVJI: Sir, I want to speak on the point of order itself.

MR. CHAIRMAN: Nothing now. Everything is suspended.....*...(Interruptions)...*

MR. CHAIRMAN: On this very Special Mention, everything is suspended. ...*(Interruptions)*...

SHRI S. VIDUTHALAI VIRUMBI (Tamil Nadu): Sir, this Special Mention has taken 25 minutes. ...*(Interruptions)*...

MR. CHAIRMAN: Now the next Special Mention — Shri C. Ramachandraiah.

Almatti Dam

SHRI C. RAMACHANDRAIAH (Andhra Pradesh): Thank you for giving me an opportunity to raise this very important question. Sir, Krishna river is the blood-line of Andhra Pradesh. It is not only a source of water, it is also a part of the culture of Andhra Pradesh. Sir, in 1977 the dispute of the riparian States of Krishna was settled by the Bachawat Tribunal. As per the Krishna Water Disputes Tribunal award, Karnataka has been allocated 700 TMC and Andhra Pradesh 800 TMC. There is a particular basin called Upper Krishna in which Karnataka Government was permitted to utilise 160 TMC of water. Now they have been trying to utilise 428 TMC by constructing a project called Almatti which has not been permitted by the Tribunal. Sir, when the Government of Karnataka specifically requested to create an Ayacut under Almatti, the Tribunal has categorically rejected the demand and they have gone on record saying that the Almatti project is only a carry-over project of Narayanapur. Now, the effect of this project will be that the entire agricultural system needs to be changed in Andhra Pradesh. There will be a loss of 27 lakh MT of foodgrains per annum in Andhra Pradesh which costs Rs. 1,632 crores and a loss of 2,800 million units of power, which costs Rs. 550 crores.

Sir, the dispute has been there for the past one decade. We have been requesting the Karnataka Government umpteen number of times to provide hydrological feedback which is a precondition in the award but we are very sorry to observe that the Karnataka Government has not cooperated and we have been trying to get the information. Now, the project which has been permitted up to 412 metres, the Karnataka Government is constructing it up to 528 metres.

Sir, this will enable them to utilise 428

TMC. The reason that has been extended is that they shall not use even a drop of water more than 700 TMC allocated to the State. They say that the increase of Almatti dam height up to 528 metres is solely for hydro-power generation. Sir, it is an accepted thing that irrigation should have the priority over the power generation. The grievance is with the Government of India, not just with the Government of Karnataka. It has abetted the Karnataka Government in going ahead with the illegal construction in Upper Krishna Project by allowing it to obtain the World Bank aid in 1989 and by issuing environmental and investment clearances to go ahead with the project; also, by providing Rs. 114 crores under the accelerated irrigation benefit programme, to complete the project. Sir, this is an award given by the duly constituted Tribunal on the subject. It should be honoured by the State. A riparian State, just because it happens to be the upper riparian State, is trying to utilise maximum water over and above what has been allocated to it. The entire irrigation system is going to be spoiled in Andhra Pradesh now. We have been appealing to our brothers in Karnataka but they are giving a deaf ear; it is to the total detriment of Andhra Pradesh that this project is being constructed. Unfortunately, the Central Government is also abetting. Karnataka Government is the perpetrator of this Constitutional violation and the Central Government is the abettor. Sir, we want to bring to this august House this fact so that this sort of a thing is arrested. Though there is no allocation of water to this project, the hon. House should observe that the Central Government has given loan. It has provided financial assistance. In this way it has abetted the Constitutional violation. This has to be stopped. We demand from the Government that the loan has to be taken back and all the clearances which were illegally given by the Central Government should be revoked.

Thank you, Sir.

MR. CHAIRMAN: Mr. H. Hanumanthappa. *(Interruption)* I will call one by one.

Mr. H. Hanumanthappa ...*(Interruptions)*... You speak one by one...*(Interruptions)*...

SHRI H. HANUMANTHAPPA (Karnataka): Sir, one more Member wants to