

Department-related Parliamentary Standing Committee on Human Resource Development on the Functioning of Central Government Hospitals.

REPORT OF THE STANDING COMMITTEE ON EXTERNAL AFFAIRS

SHRI SIKANDER BAKHT (Madhya Pradesh): Madam, I lay on the Table a copy (in English and Hindi) of the Seventh Report of the Standing Committee on External Affairs on action taken on the recommendations contained in the Third Report of the Committee on Passport Facilities.

THE DEPUTY CHAIRMAN: Shri Gurudas Das Gupta. (Interruptions) SHRI V. NARAYANASAMY (Pondicherry): Madam, I would like to make a submission. (Interruptions) Madam, there was a serious incident of jail break. (Interruptions)

THE DEPUTY CHAIRMAN: I know that you are mentioning about the jail-break incident. Somebody sought permission from the Chairman and the Chairman said: "No, because of the Calling Attention, there is no Zero Hour and there are no Special Mentions." The same rule applies here also. You can raise it tomorrow. (Interruptions)

श्री सुरेश पचौरी (मध्य प्रदेश): कल के लिए परमिशन दे दीजिए।

विपक्ष के नेता (श्री सिकन्दर बख्त): सदर साहिबा, कोई सवाल उठाने का अगर किस्सा होगा तो बहुत सारे सवाल हम लोग उठाएंगे। यह बिल्कुल गलत है।

[[نشاوردھی دل شہری مسکن و نخت
صدر صاحب کوئی سوال اٹھانے کا اگر قصہ
ہو گا تو بہت سارے سوال ہم لوگ اٹھائیں گے
یہ بالکل غلط ہے۔]]

THE DEPUTY CHAIRMAN: I will explain to you what happened. Mr. Swaminathan, will you please sit down? In the morning, one of the Members of

this House came to the Chairman. The hon. Chairman said that today is fixed for a Calling Attention. So, he can make a request tomorrow and the Chairman will consider it. But is not possible today. The Home Minister can react to it tomorrow. He knows what you are going to raise today. He will also gather information, whatever information he wants to get. So, the Chairman has said that he would consider it tomorrow and not today. Okay. Today we have got a Calling Attention. (Interruptions)

SHRI V. NARAYANASAMY: Madam, I want the hon. Home Minister to react to it.

THE DEPUTY CHAIRMAN: Reaction also is a part of action. I do not allow the action, how can there be a reaction? It is a part of the scientific equation.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

Government's decision to hand over Bailadilla Mines being run by National Mineral Development Corporation to a Calcutta-based Private firm

SHRI GURUDAS DAS GUPTA (West Bengal): Madam, I beg to call the attention of the Minister of Steel to the Government's decision to hand over Bailadilla Mines being run by the National Mineral Development Corporation to a Calcutta-based private firm.

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SON-TOSH MOHAN DEV): Madam, I am grateful to you and the Hon'ble Members for giving me the opportunity of placing before this august House the facts relating to development of Bailadilla 11-B iron ore deposit as a joint venture. The discussion today will clear all doubts about the project which has attracted considerable attention in section of the press and also from some Hon'ble Members of the House.

India is on the threshold of becoming a dominant producer and consumer of steel, with significant presence in the world market. Steel industry is on the road to recovery from demand recession registering an impressive 13.3% growth in production of finished steel and a 17% growth in apparent consumption during 1994-95. We have targetted a 20.7% increase in production in the current year. The steel scenario, therefore, presents a very optimistic outlook.

We have made an ambitious projection of total demand, including export demand, of 37 million tonnes of finished steel in 2001-02. The existing Industries will contribute about 24 million tonnes, with expansion and modernisation. The projected demand-supply gap of 13 million tonnes will have to be met primarily by private sector investment as no new Steel Plant is on the anvil in the Public Sector. The private sector, therefore, needs the support and encouragement of the Government.

As the House may be aware, the main raw material feedstock for the Secondary Steel Sector is steel melting scrap, the availability of which within the country is very limited. Hence, Government has been encouraging production of sponge iron which is a good substitute for steel melting scrap. Greater usage of sponge iron will also help in conservation of foreign exchange reserves. Production of sponge iron is expected to be more than 4 million tonnes in 1995-96. At Present, there are only 3 gas based sponge iron plants in India, namely, Essar Gujarat, Vikram Ispat Limited and Nippon Denro Ispat Ltd. They require calibrated iron ore with very high Fe content. Bailadila iron ore deposits are amongst the richest in the world with estimated reserves of more than 1000 million tonnes of high grade iron ore. 11-B deposit has 67% Fe content and is ideally suited for gas based sponge iron plants.

Though NMDC had been considering development of 11-B as a joint venture

project since 1991, the proposal could not materialise as each of the potential joint venture partners was willing to join the venture only as the sole co-promoter, with management rights vested in them.

The Task Force on Iron ore set up by us in 1991 recommended that large iron and steel projects should preferably have captive iron ore mines, for assured supply of iron ore. Under the National Mineral Policy, 1993, iron ore sector was opened up for entry of private sector. As such, several proposals were again received for development of Bailadila 11-B deposit in the joint venture. In view of the current policy of liberalisation of the National economy and in the background of National Mineral Policy, 1993, it was considered appropriate to advise NMDC, in May 1994, to develop deposit 11-B as a joint venture with one of the private sector companies operating or setting up a gas based sponge iron plant, to whom a commitment has been made by NMDC to meet their requirement of iron ore. NMDC was also advised to limit its investment to 11% of equity, so that its internal resources can be utilised for implementation of other equally important projects.

A Sub-committee of NMDC's Board of Directors recommended M/s Nippon Denro Ispat Ltd. and M/s Essar Gujarat, in that order as possible joint venture partners. They also recommended that the consideration amount be left to be decided by the Government. The recommendations were accepted by the NMDC board and forwarded to the Government. An In-depth analysis of the recommendations was then made and a Note to the Cabinet was submitted for consideration. It was felt that it would not be appropriate to treat the transfer of mining lease as a strictly commercial transaction and realise exorbitant consideration because this would render the final product costly and uncompetitive. Moreover, the transfer was proposed to a joint venture company in which NMDC itself would be a partner. To ensure that NMDC is not put to any

pecuniary loss, it was proposed that the actual expenditure incurred, mainly for feasibility study and other preliminary works, updated to current costs with assistance from a recognised professional organisation such as Institute of Cost & Works Accountants of India (ICWAI), should be recovered from the joint venture.

The concept of captive mines for private sector is not new. TISCO and IISCO were provided with private iron ore mines decades ago. Orissa and Karnataka State Governments have also offered captive iron ore mines to new private sector steel plants. Ministry of Coal has formulated guidelines for allocation of coal mine blocks for captive mines for power captive mines for power generation. Ministry of Steel, while agreeing to provide captive mine, has followed, in principle, the guidelines of Ministry of Coal in determining the consideration to be charged.

After Cabinet approval, NMDC was advised to form the joint venture company and take other consequential action. The joint venture agreement signed on 10.7.1995 specifically provides that the share of the calibrated lump ore (CLO) of the private sector partner shall be utilised for captive use in their gas based sponge iron plant in operation at Raigad, Maharashtra and is not meant for use in any of its subsidiaries or other plants or projects even at the same place. To allay the apprehensions of the local population and the trade unions, a stipulation has been made in the agreement that the joint venture company will recruit all skilled, semi skilled and unskilled workers through the Local Employment Exchange except to the extent that such workers are not available and a certificate to that effect is provided by the Employment Exchange. We have also directed NMDC to ensure that the registered office of the new joint venture company is located near the area of operation of the company in Madhya Pradesh. I am happy to inform the House that this project will

generate an estimated 1600 job opportunities in the area.

I am also happy to inform you, Sir that Government has recently approved another proposal of NMDC for development of deposits 10 and 11-A at an estimated cost of Rs. 430.50 crores. The project, to be taken up by NMDC with internal resources, market borrowings and public equity participation, will generate a further 1400 employment opportunities.

Sir, all the facts have been laid before this august House. I request the honourable Members to recall what I stated at the outset—that we are on the threshold of accelerated growth of the steel sector. The decision of the Government to allow NMDC to develop deposit 11-B in the joint venture was taken to encourage and facilities private sector investment, which is vitally required for achievement of projected growth in steel production.

THE DEPUTY CHAIRMAN: Shri Gurudas Das Gupta. You are initiating it. So I will give you 15 minutes and then the rest of the people will just ask question so that we can finish it within the stipulated time.

SHRI GURUDAS DAS GUPTA: Madam, the Statement of the hon. Minister is beating about the bush. We are not concerned about the points that he has raised. He has not answered the main point. The main point is why the National Mineral Development Corporation should be denied the right to develop the most profitable iron ore mine of the country. That is the question on the agenda. Madam, we are not questioning the policy of privatisation nor would we like to discuss the programme of economic reforms. We would like to discuss in isolation a particular decision of the Government handing over II-B mines to Nippon Denro Ispat Ltd. This is the limited question that the country or the House must address itself to. Madam, the fundamental point that provokes the controversy is why the National Mineral

Development Corporation, the most profitable public sector unit of the country, making profits year after year and having a reserve of Rs. 200 crores—whose shares were sold at a high premium; whose credit rating is excellent; who was, as such, capable of raising enough resources—was denied by the Ministry of Steel the right to develop II-B deposit, really a rare deposit, Madam, on its own, and please remember, without any budgetary support. The detailed project was prepared by Metcon of Canada, a subsidiary of US Steel and also by Mecon. The total deposit is 104 million metric tons of high-grade iron-ore, the iron content being 67% plus. There is no other mine in India having such a high order of iron-ore content. This is more than Bailadilla 5, which is likely to be exhausted by the turn of the century. The net profit calculated by the DPR is around Rs. 1,784 crores. Bailadilla 11-B can earn a profit of Rs. 1,784 crores in 20 years, Rs. 90 crores on an average per year, the cost being Rs. 115 crores. Prior to the preparation of the DPR, the Ministry of Steel had accorded in-principle approval to the NMDC's proposal. What was the proposal? The NMDC wanted to develop it on its own or if there should have been a joint venture, the participation of NMDC should be not less than 40% and the overall control should be in the hands of the National Mineral Development Corporation. Therefore, the Ministry of Steel had accorded approval in principle on 25th May, 1992. It is on the basis of the first stage clearance that the Planning Commission and the Ministry of Steel had allowed the preparation of the DPR by spending Rs. 20 crores. In April, 1993 the DPR was presented to the Government. For 13 months the hon. Minister had deliberately kept silent and suddenly 13 months after the in-principle approval was accorded, after Rs. 20 crores were spent, after Metchon and Mecon had prepared the DPR, after they had calculated that the profit would be not less than Rs. 1,784 crores, after a con-

spicuous silence, the Ministry comes out with a directive. At no stage were they advised: It was a directive in the name of a decision and the directive was communicated to the National Mineral Development Corporation by Mr. J.P. Singh. Madam may I quote? The note of Mr. J.P. Singh Madam, may I quote? The note of Mr. J.P. Singh says,

"The Government has decided that the development of the deposit 11-B may be taken up as a joint venture with the participation of the private sector and the participation of the NMDC should be kept as low as 11%"

Madam, the point is: Why is there this volteface? What could be the sacrosanctity of 11%? This is the moot question. This is how the intrigues were at play. This is how those, who had an interest in the deal, had masterminded the counter operation. On 11th August, 1993, there was a letter from the Chairman of Nippon Denro Ispat Ltd. and the letter was kindly forwarded by them to the NMDC. In that letter the Chairman of Nippon Denro Ispat Ltd. had suggested that it should be developed in the joint venture with 11% participation of the NMDC. What a good grace! Eleven per cent joint venture participation to the NMDC and 89% to Nippon Denro Ispat Ltd. and the total administrative control should vest with Nippon Denro Ispat Ltd.! This is the letter. The hon. Minister presiding over the Steel Ministry and the Ministry acted on the basis of the letter. This is the crux. They had been presurised. They had surrendered. This is the diktat of Nippon Denro Ispat Ltd., which has brought about a change in the attitude of the Government.

Madam, number one aspect of the situation is that the Government has changed its decision because of Nippon Denro Ispat's position. Secondly, may I ask you, Madam, how the Ministry of Steel could take such a strategic decision on the question of virtual privatisation of

Bailadilla II-B when the formal decision was taken by the Cabinet nearly one year after. How could the Ministry of Steel be that competent to take a decision and foreclose all options of the NMDC one year before the Cabinet took the decision? Is the Ministry of Steel running a parallel Centre? Is the Ministry of Steel having that extra-Constitutional power to take a decision on behalf of the Cabinet 12 months before the Cabinet took a decision? Therefore, it is a pre-determined decision. It is a decision not on the basis of merit. It is a decision not based on economic fundamentals. It is a decision which virtually, bluntly infringes upon the moral autonomy of the public sector of which the country appears to be so concerned at the moment. Therefore, Madam, I must say that there is an attempt to mislead, there is an attempt to misrepresent by those who had master-minded this operation. The letter of Shri J.P. Singh, Director, Ministry of Steel, refers to a Task Force. Who had set up this Task Force and under what conditions? What is its legal validity? It is this Task Force which says that all the leading sponge iron steel producers through gas-based system should be given captive mines. Madam, how many captive mines do we have in the country? How many are the leading steel producer in the country? If you allot one mine each to the leading companies, then what about medium and small steel producers who are coming up in great numbers in Andhra Pradesh, Karnataka, Tamil Nadu and Madhya Pradesh? What about them? As you know, Madam if one company produces less than one million tonnes, that company is called medium or small scale producer. What about them? So, the next question which arises is this. Why do you allow the leading entrepreneurs to monopolise the supply? There are three large gas-based sponge iron producers. These are M/s Essar Gujarat, M/s Vikram Ispat and M/s Nippon Denro Ispat. The NMDC, at the moment, is supplying iron ore to all these three units because these

units are operational. M/s Nippon Denro Ispat and M/s Essar Gujarat are receiving eight lakh million tonnes of iron ore per year from the NMDC and M/s Vikram Ispat is getting 65,000 tonnes. If they can get such a persistent supply from the NMDC, working within the present arrangement, what was the need for bringing about a change? Instead of allowing M/s Nippon Denro Ispat to monopolise the supply, why can't there be a long-standing agreement between the NMDC and all other producers?

Madam, the hon. Minister is speaking of the gas-based sponge iron producers. But, what about the coal-based sponge iron producers? They are six or seven in number. Why is this discrimination? Therefore, this decision of the Government is discriminatory. This decision of the Government bestows special privilege on one firm led by Mittals based in Calcutta. I can speak of illegitimacy. But, I cannot give you the evidence of corruption. It is for the country to find it out. Why has this illegitimacy been perpetrated by those who are working in the corridors of power? The hon. Minister has said that IISCO and TISCO have been given captive mines. He is speaking about the pre-historic period, pre-independence period. May be, he is representing that. I do not know. If IISCO and TISCO were given captive mines 50 years back, could that be a reason for giving the most profitable captive mine to one of the three sponge iron producing companies discriminating against the other two?

Discriminating the small and medium. Discriminating the coal-based sponge iron producers. Market economy does not believe in discrimination. Dr. Singh is not here. Otherwise, we would have been happy to learn from him if such a preferential treatment for such a firm can be termed as discriminatory. Madam, He has been saying that enough safeguards are there and the interests of the workers would be protected. Can I read out the

letter written by Mr. Kumar Raghavan, Secretary, NMDC, to the Steel Secretary? What does he say? What is the concern of the NMDC? The MMTC categorically says: "It is also noted that among various other aspects, there are stipulations by the joint venture committee. With regard to employment of workers and limiting iron excavation to the desired capacity etc.

It may be stated that though the NMDC will endeavour to include these stipulations in the joint venture agreement, being a minority partner of the joint venture company, holding only 11 per cent of the shares, the NMDC will not be in a position to enforce the above stipulation of the joint venture committee while implementing; as the management will be entirely with the NDIL." The National Mineral Development Corporation is itself apprehensive. The hon. Minister feels assured. This is where the crux of the problem lies. Madam, let me look into the economics of the arrangement. What is the economics of the arrangement? A joint venture committee had been formed. Rupees seven crores have been paid. The die has been cast. Why is the consideration money which is being calculated to be around 12 to 14 crores, why is the calculation of the consideration of the consideration money, so little? The Steel Ministry has an answer. What is the answer? It is not a commercial deal. The Steel Ministry wants the products of Mittal to become competitive and in order to make the products of Mittal competitive, the consideration money cannot be commercial. It has to be discounted. It means that it is not a commercial deal. But it is a gift. Therefore, Madam, the deal had to be gifted in order to ensure that the products of Mittal became competitive and they could earn super profits and exploit the whole country. In order to attract foreign investment, the mine has to be handed over and that too at a discount. Madam, let me read out some of the comments the Ministry of Finance has

made. The Ministry of Finance has said and let me quote: "The property should be valued on commercial considerations and there should be a minimum reserve price for the transfer of these mines which could be offered for competitive bids in order to enable the NMDC to realise the maximum value of the property held by them." The Ministry of Finance categorically denounced it and put the Ministry of Steel in the According to the Ministry of Finance, it is an undersell. It is a categorical under-sell at the cost of the interest of the nation. Lastly, again to quote the Ministry of Finance—what does it say? "It will be open to valid questioning that a profit-making PSU with enough elbow room to raise resources does not exploit the best mines developed by it". That is the main question. The main question is not raised by me. The main question is not raised by the Opposition. The main question is not raised by the 17 hon. Congress Members of the House who have signed with us the petition to the Prime Minister seeking a reversal of the decision. It is not a question that you have raised. The question is raised by the Ministry of Finance. The Ministry of Finance has said that it is open to valid questioning as to why National Mineral Development Corporation which is making profits will not be allowed to develop its own mine.

Madam, therefore, Bailadilla needs our attention. Why does it need our attention? It needs our attention because it is situated in the south-western region of Bastar District of Madhya Pradesh, inhabited by a large proportion of our Adivasi population. It is here in Bailadilla that iron ore concentration at one place is the highest in the world. It is to be found nowhere if in the world. It is 50 Km. long and 8 Km. wide. The iron ore content is from 50% to plus 67%. While the work was started, the Adivasis were in their primitive mode of life. It is the workers, the officers and the Adivasis who have developed the area. There are 14 deposits in that area and the place is

400 Kms. away from the nearest railway station. It is considered to be the goldmine of the country. The total deposits in Bailadilla are one billion metric tonnes. It is considered to be the goldmine of the country, having deposits of more than one billion metric tonnes. Instead of protecting this national resource, should we hand it over to the private sector? Proximity of 11 B to the other private sector? Proximity of 11 B to the other mining areas is also considered too dangerous.

Madam, I appeal to the hon. Minister to kindly rescind the decision. If he cannot rescind it, let him at least assure the House that he will look into the matter afresh. At least, let him say that he will review the decision. The Minister will only grow in stature if he accepts our arguments and decides to revise this decision. If he doesn't do it, Madam, then I am constrained to say that the Bailadilla project will meet the same fate that the Enron deal has met in Maharashtra. The entire country will oppose it. The entire Adivasi population of Bailadilla including the workers belonging to the INTUC and all other unions shall see to it that the Mittals are not able to penetrate into the area and take part in a programme which is totally injurious to the national interest. Thank you, Madam.

THE DEPUTY CHAIRMAN: Mr... (Interruptions)

SHRI M.A. BABY (Kerala): Madam. Madam. (Interruptions)

THE DEPUTY CHAIRMAN: Mr. Jagdish Prasad Mathur. (Interruptions)

SHRI M.A. BABY: Madam, with your permission I want to say something.

THE DEPUTY CHAIRMAN: No. I am not permitting you.

SHRI M.A. BABY: The entire difficulty is with the language. Sontosh Mohan Devji is the Minister for Steel. He thinks, therefore, if some private sector company wants to steal our wealth, he should extend all the help. (Interruptions)

SHRI SONTOSH MOHAN DEV
Madam, Baby is always a baby, he cannot be an adult.

श्री जगदीश प्रसाद माथुर: (उत्तर प्रदेश): महोदया, मैं इस बात से सहमत हूँ कि.....

उपसभापति: माथुर साहब, मैंने यह कहा था कि उन्होंने क्योंकि इनिशिएट किया है

that was why he was given 15 minutes. The rest should put questions only. (Interruptions)

SHRI S. JAIPAL REDDY (Andhra Pradesh): It is important, madam.

THE DEPUTY CHAIRMAN: I know it is important, Mr. Jaipal Reddy. I understand that it is important. (Interruptions)

श्री मोहम्मद सलीम (पश्चिमी बंगाल): प्रश्न नहीं करेंगे लेकिन सैकड़ों प्रश्न हैं इस सवाल पर।

SHRI S. JAIPAL REDDY: We know what answers the Minister will give. Let us at least be permitted to put our questions.

श्री मोहम्मद सलीम प्रश्न चिन्ह ही लगा हुआ है

THE DEPUTY CHAIRMAN: Now, let us not waste time on this. The time constraint is there. You know it very well. I am not the one to decide. It is the rules which decide. Let us abide by our commitment to the rules. (Interruptions)

श्री जगदीश प्रसाद माथुर: महोदया, आपके कहने के अनुसार मैं केवल प्रश्न ही करूँगा और मैं प्रारंभ में ही यह स्पष्ट कर दूँ कि मैं और मेरा दल इस बात के तो विरोधी नहीं हैं कि कोई चीज प्राइवेट सेक्टर में दी जाए लेकिन यह जरूर समझते हुए कि पब्लिक सेक्टर में यदि फायदा हो रहा है तो उसको निजी क्षेत्र में देने की जब तक अत्यंत आवश्यकता न हो तब तक नहीं देना चाहिए। मेरे सामने संतोष मोहन जी का ही पत्र है जो मैं नहीं समझता कि इस स्टेटमेंट में छपा है और यह भी मुझे मालूम नहीं है कि इस स्टेटमेंट में उनकी क्या रुचि है। हो सकता है कि उनका कोई हित हो, मैं नहीं जानता लेकिन आपने लिखा है—

"Due to fall in iron ore export price, profit after tax..."

इतने-इतने, मैं इस बात को दोहराना नहीं चाहता—Then, in 1991-92, it was 84.30. In 1992-93, it was 74. ... etc. etc.

मेरा सवाल है कि इतना मुनाफा घटने के बाद भी हानि में तो यह नहीं गया था तो क्या आवश्यकता थी और क्या आपने देखा कि इसका जो मुनाफा घट रहा है, इसको कैसे ठीक किया जाए। उसे ठीक करने का आपने कोई प्रयत्न नहीं किया तो उससे यह अर्थ निकलता है कि शायद आपका डिपार्टमेंट इस पर आंख बंद किये बैठा है। जैसा आपने कहा, मैं कहना, तो बहुत कुछ चाहता हूँ किन्तु मैं इतना पूछूंगा कि इसमें मंत्री महोदय कहां तक जिम्मेदार हैं। मैं नहीं कह सकता लेकिन सारी सरकार जिम्मेदार है, यह तो निश्चित है क्योंकि जो कुछ आपने किया है, आपने निजी तौर पर नहीं किया है, कैबिनेट का डिसीजन होगा। प्राइम मिनिस्टर का डिसीजन न हो लेकिन सारी सरकार एक प्रकार से कटघरे में खड़ी है क्योंकि जो डिसीजन लिये गये हैं, उनसे संदेह उत्पन्न होना अत्यंत अनिवार्य है कि कहीं न कहीं इसमें जो निष्पन्न कम्पनी है, उसको कंसेशन दिया गया है।

बहुत से सवाल मेरे मित्र ने खड़े किये हैं, मैं उन्हें दोहराना नहीं चाहता लेकिन मैं यह पूछना चाहूंगा कि और जो दो तीन कम्पनियां हैं, उनके क्या ऑफर्स थे और उनके ऑफर्स को न मानकर इन्हीं को क्यों दे दिया? क्योंकि सारे का सारा जो डील है इससे संदेह पैदा होता है कि जैसे निष्पन्न कम्पनी के साथ सब प्रकार से कंसेशन बरता गया है जो मेरे मित्र ने पढ़ा है, उसे मैं दुबारा नहीं बढ़ना चाहता जिसमें डिपार्टमेंट ने अपनी बजबूरी दिखाई है कि हमारे पास केवल 11 परसेंट शेयर है इसलिए हम कुछ नहीं कर सकते। मैं पूछना चाहूंगा कि 11 परसेंट शेयर की इक्विटी क्या थी? आपके बयान से तो ऐसा लगता है मानो इसलिए रखा गया है कि आप इसका उपयोग अन्यत्र कर सकें।

दूसरे, आपने टास्क फोर्स का जिक्र किया है। मेरे मित्र ने और बातें भी कहीं जिसको मैं दोहराना चाहता हूँ। जो एक डिटेल प्रोजेक्ट मैकोन और मेटका न ने किया था तो मेटका न-मैकोन प्रोजेक्ट की डिटेल रिपोर्ट आने के बाद आपको क्या आवश्यकता थी, टास्क फोर्स को दुबारा पैदा करने की? इससे ऐसा लगता है कि शायद मेटका न-मैकोन की जो रिकमेंडेशंस थी, वह सरकार को या जिन्होंने डिसीजन लिया, उनको सुझाई नहीं इसलिए टास्क फोर्स जान-बूझकर बनाया गया और दोनों टास्क

फोर्स की रिपोर्ट में अंतर कहा है, किन्तु है?

आखिरी बात मैं पूछना चाहूंगा कि 11 परसेंट जो इक्विटी है और आपने दूसरी जगह यह कहा है कि जितना वह प्रॉफिट लेंगे या जितना प्रॉफिट निकलेगा, उसमें से 11 परसेंट आप लेंगे। तो आपकी सैटिटी क्या है कि हर जगह पर आप 11 परसेंट ले रहे हैं। आपने यह तो कह दिया कि रिक्लूटमेंट वहां पर लोकली किया जाएगा। लेकिन मैं पूछना चाहता हूँ कि जो आज वहां पर कामगार है, मजदूर है, उनके बारे में सैक्योरिटी के संबंध में, इनमें से किसी को रिट्रेंच नहीं किया जाएगा, आपने क्यों नहीं किया? एक संदेह जो सबसे बड़ा है, वह यह है कि आपने कोई रिस्ट्रिक्शन नहीं लगाया है। आपने कहा 11 परसेंट तो आप लेंगे, बाकी का क्या होगा? इसका मतलब है कि जान-बूझकर कंसेशन दिया गया है कि जितना ज्यादा पैसा होगा, वह अपना खर्च करेंगे या अपने लिए उपयोग करेंगे। लेकिन जो उनके उपयोग से अधिक होगा, जैसे आज तक एन-एम-डी-सी का था, वह सारे का सारा जो तीनों कारखाने स्यांज के हैं, उनको पूरा कर रहे थे तो आज उनको क्या आवश्यकता है, आपने इतनी छूट क्यों दे दी है, इसमें संदेह यह पैदा होता है कि 11 परसेंट तो लेंगे, बाकी जितनी उनकी आवश्यकताएं हैं, वह पहले की तरह पूरी होती रहेंगी तो उसके पश्चात जो बचेगा, उसका मुनाफा वह लेंगे या क्या विदेश को भेजेंगे, क्या करेंगे? इस सब बातों से यह संदेह पैदा होना स्वाभाविक है कि सरकार ने जान-बूझकर और सोच-समझकर एक प्रकार से निष्पन्न कम्पनी को सुविधाएं दी हैं। अगर यह निष्कर्ष निकाला जाए तो यह उचित ही होगा, यह मैं आपसे अनुरोध करना चाहूंगा। तो इस अवस्था में जब आपने बहुत जल्दी-जल्दी में सारे के सारे फैसलों को आखिरी शक्ल दे दी है। जो कांग्रेस के सदस्य हैं, या हम लोग हैं तो क्या आप इस पर दुबारा विचार नहीं करेंगे। मैं आपके माध्यम से महोदय प्राइम मिनिस्टर से अनुरोध करना चाहूंगा कि आज ऐनशन का सवाल आ गया है, बोफोर्स का आ गया है तो क्या संदेह का एक और प्रश्न दुबारा से खड़ा होगा? तो जो यह संदेह मुझे और मेरे साथियों को हो रहा है वह बेबुनियाद नहीं है।

मैं यह नहीं कहता कि कुछ घपला किया ही गया है, वैसा खयाल ही गया है। यह मैं नहीं कहना चाहता। परन्तु यह संदेह दूर किए बिना देश इसको स्वीकार नहीं करेगा। तो महोदय, मैं आपके माध्यम से प्रधानमंत्री जी से अनुरोध करूंगा कि इस अंतिम क्षण में भी वह इसको रिव्यू करें और रिव्यू करने के बाद इसको ऐसा दिखाएं

कि इसमें कहीं कोई घपला नहीं है, अन्यथा जैसे अभी भरे मित्र ने कहा कि एनरन में सारे देश की जनता खड़ी हो गयी। आशा है कि सरकार इस प्रकार की स्थिति नहीं आने देगी।

मैं चाहूंगा कि मैंने यहां पर जो मोटे मोटे सवाल खड़े किए हैं मंत्री जी उनको स्पष्ट करने का कष्ट करें।

SHRI V. NARAYANASAMY (Pondichery): Madam, Deputy Chairman, thank you for giving me this opportunity.

THE DEPUTY CHAIRMAN: Please ask the question.

SHRI V. NARAYANASAMY: Madam, I am asking the question only. Even while thanking the Madam, Madam is very strict.

THE DEPUTY CHAIRMAN: If you ask questions it would be better. If you ask the question, you can get the answer.

SHRI V. NARAYANASAMY: Madam, the hon. Minister in this statement—I will ask pointed questions—has stated very clearly that the National Mineral Policy, 1993 has not been opposed by the political leaders on the other side and has also mentioned about the issue of privatisation. Madam, I am quite happy about it. At least today, in this august House, they agreed on the line of the Government on privatisation which comes from(Interruptions)....

SHRI GURUDAS DAS GUPTA: No. This is not fair. This is totally unfair. What I say is...(Interruptions)....

SHRI V. NARAYANASAMY: Kindly go through his speech, Madam. (Interruptions)

THE DEPUTY CHAIRMAN: Mr. Gurudas Das Gupta, he is not putting the question to you yet. If you become a Minister, he will put it to you.

SHRI GURUDAS DAS GUPTA: Madam, he has put me in the dock. (Interruptions)

THE DEPUTY CHAIRMAN: Mr. Narayanasamy, please put the question.

SHRI V. NARAYANASAMY: I am putting the question about privatisation. (Interruptions)

THE DEPUTY CHAIRMAN: Let the question go to the Minister, let the Minister answer it, because, if you put the question to Shri Gurudas Das Gupta, he is not a Minister. (Interruptions).

SHRI V. NARAYANASAMY: I am not putting it to him. When he becomes a Minister, he will not sit in the House. But we know to handle him.

THE DEPUTY CHAIRMAN: You will get the right for reply. (Interruptions)

SHRI V. NARAYANASAMY: Therefore, I am very glad about it. Madam, after going through the statement of the hon. Minister, I find that the Minister has very clearly stated that the cabinet approval was given and thereafter this particular captive mine was given to the company. Madam, I would like to know from the hon. Minister, the terms and conditions that have been agreed to is it advantageous to the NMDC? As far as fines are concerned, my information is that, for five million metric tons 2.5 million metric tons of fines will be given to the NMDC. Is that a fact? Is that advantageous to NMDC? Madam, there is a searching question which has been put by the hon. Member and I also feel that this organisation is very strong and there is economic viability. Why should we go to another concern for the purpose of(interruptions)... Kindly hear me. (Interruptions) I do not want his appreciation. When he did not accept my appreciation, why should I accept his?

Why do you go in for joint ventures? Is it a fact that in the global market, as far as the Indian ore is concerned.... (Interruption)....

SHRI GURUDAS DAS GUPTA: The Minister is not listening, Madam.

THE DEPUTY CHAIRMAN: I am listening. I will explain to the Minister. Please continue, Mr. Narayanasamy.

SHRI V. NARAYANASAMY: In the international market, there is a glut. Our iron ore is being sold in the international market. Prices are going down. When compared to Brazil and other countries, we are not in a position to invest more and get more profits. Madam, there is also another question which I would like to ask the hon. Minister, Is it a fact that the Bailadila Mine 11B and other mines which the NMDC would like to do, the investment will go to more than Rs. 1,400 crores? Therefore, are we in a position to invest in that in view of the fact that cost escalation is also there?

Madam, a hue and cry has been raised by Shri Gurudas Das Gupta. He has been telling, "It is shady and I am not able to prove it. The people of this country will understand." I have very clearly heard him when he was speaking. He was speaking on surmises. Madam, I would like to know whether it is a fact that as they are telling, a particular joint venture is coming to this country—it can be coal, it can be power it can be mining. After the new policy that has been adopted by the Government, the opposition ruled States' Chief Ministers are competing with the Congress-ruled States' Chief Ministers to get foreign investments and they go abroad for this purpose. I would also like to know whether the Chief Minister of West Bengal...*(Interruptions)*...

SHRI GURUDAS DAS GUPTA

Madam, what are we discussing?

THE DEPUTY CHAIRMAN: He is asking a question. *(Interruptions)*...

SHRI GURUDAS DAS GUPTA: But, Madam, what are we discussing?

SHRI V. NARAYANASAMY: Madam, I am not going out of the context. I would like to know whether it is a fact that the Chief Minister of West Bengal wanted the TISCO to be privatised. You answer that point. The hon. Member comes from West Bengal. *...(Interruptions)*..

THE DEPUTY CHAIRMAN: Let the Minister answer.

SHRI V. NARAYANASAMY: Let the hon. Minister answer that point. *(Interruptions)* Madam, is it not a fact that the Chief Ministers of Orissa and Karnataka—they are accusing the Central Government—requested the Government of India that privatisation of the mines of their States be given to the private parties for developing the captive mines? If it is a fact, let the Minister answer it.

THE DEPUTY CHAIRMAN: Let him answer. Do you anything more to say?

SHRI V. NARAYANASAMY: I have only two more points to make. Madam, in our country when we need large quantity of steel and when the public sector is not able to produce that much quantity of steel, we are depending on the private sector because it is advantageous to the NMDC. I agree with the views of the hon. Minister and also with the decision taken by the Ministry of Steel for going in for joint ventures. I have not seen even an iota of suspicion in the argument of the hon. Minister...*(Interruptions)*...kindly hear me. Madam, there are some set ideas for Shri Jaipal Reddy. *...(Interruptions)*...Is it not a fact that when the Janata Dal Government, supported by the Left Parties on the one side and the BJP on the other, this Pandora's box was opened?...*(Interruptions)*..Kindly hear me. Madam, at that time, when the Steel Ministry objected to the export of iron-ore from Bailadila mines to Japan, the decision was taken by the Commerce Ministry and it was approved by the Prime Minister and the objection by the Steel Minister was overruled. It was a collective decision taken at that time and the then Prime Minister, V.P. Singh, approved it. Thereafter, it was started by the present Government and advantage was taken of it. Let them answer it. *(Interruptions)* Let them say in this august House. *(Interruptions)* Shri Jaipal Reddy may not be knowing what was

happening in the Janata Dal Government.

AN HON. MEMBER: He was knowing everything.

SHRI V. NARAYANASAMY: I am very happy that he was knowing all those things.

THE DEPUTY CHAIRMAN: Now, you don't talk about Jaipal Reddy.

SHRI S. JAIPAL REDDY: Madam, it has now become the style of Shri Narayanasamy to put questions to the Opposition leaders.

SHRI V. NARAYANASAMY: Thank you very much. Madam, I am putting the questions to the hon. Minister whether...

SHRI M.A. BABY: You can put questions to us after the next elections.

SHRI V. NARAYANASAMY: Thank you very much. At least you are courteous to me. Therefore, Madam, I would like to know whether the first decision was taken for giving it to the private sector by the then Janata Dal Government? What was the quantity that was assured to be sent abroad by the then Janata Dal Government from the Bailadila mines? Madam, I would like to know from the hon. Minister one most important thing, whether the formalities that were to be followed by the companies which have come in the field were considered after weighing the pros and cons. I would like to know from the hon. Minister whether ESSAR, Vikram and Nippon were advantageous. Madam, I would like to know, from the hon. Minister whether he received a representation from Members of Parliament from that area and also the trade unions. I would also like to know whether by bringing the joint ventures, the local population will be employed and what advantage the local people will get. Let the hon. Minister answer this point. Thank you, Madam.

SHRI S. JAIPAL REDDY: I would like Shri Jagesh Desai not to partake in this.

SHRI JAGESH DESAI (Maharashtra): You listen to me. You cannot change my views, nobody can change my views. I have my firm views. Madam Chairperson, I would have been very happy if these mines were exploited by the NMDC. Unfortunately, because of lack of resources... (*Interruptions*). Listen to me. I have made my point very clear in all the departments now. If we don't have any resources, then we have to exploit the present mines and we should produce more iron-ore so that our Steel Industry can get a regular supply and adequate supply. I think that is the basic policy which our Government has gone through. Madam, I would like to ask three questions. I want that all our public sectors and Steel Industry must get adequate, regular supply of iron-ore so that at no point of time should they suffer for non-supply of iron-ore. Madam, in that case, I would like to have an assurance from the hon. Minister. Madam, when I was the Convenor of a Public Undertaking Committee, I had gone to Vizag Steel Plant. I had discussed there with the CMD there and I had the impression—I am be wrong—that they were interested in Bailadila Mines. This should be given to them. I do not know why the Steel Industry... (*Interruptions*)... Listen to me. Let him speak. (*Interruptions*) I had officially asked the Steel Ministry whether they should be given mines so that they can have regular supply of oil. Now, it has been given to a private sector undertaking. I would like to know from the hon. Minister whether regular supply will be given and I want an assurance from the Minister that not only Vizag Steel Plant but also the other steel plants will get a regular supply of iron-ore. There is another point that I would like to know, why only 11 per cent of equity is given to NMDC and 89 per cent is given to the private joint ventures? What are the reasons? Will the Government satisfy us that it is in our interest that we should have 11 per cent and they should have 89 per cent. On this

point, Madam, I would like the Minister to clarify so that our doubts are cleared.

Mr. Jaipal Reddy, unfortunately, when we wanted to export steel, the then Janata Party Government decided to have the export commitment to Japan fulfilled. And because of that, our public steel plants were denied iron ore, and due to that we incurred losses. And because of that policy of export of iron ore, there was an assurance in the House, whether from the Prime Minister or the Steel Minister, I do not exactly remember, that we shall not henceforth export iron ore, we shall only fulfil the commitments which we have made, and in future we shall not do it. For that purpose, our Finance Minister, in his Budget, brought one provision that if iron ore and granite are exported in raw form, there will be an export duty. But, unfortunately, because of pressures from some MPs of that area, granite was left out, and now there is no export duty on that. I would like you to export only the finished product so that we can get more foreign exchange, and we can generate employment. As such, I would like an assurance from the hon. Minister that henceforward, we shall not export iron ore which is required by our steel industry. And because of competition, we have to see that we supply iron ore regularly and in adequate quantities to our steel industry.

Madam, there is one point raised by Mr. Gurudas Das Gupta. I agree with him. What about the supply to small-scale industries which are in large numbers? The small-scale industries should not be starved of iron ore even if we are giving it to big industries in the private sector. So, what precautions is the Government going to take to see that these small-scale industries are assured of supply? I would like to have an assurance of this kind so that our small scale steel industries also get going and they will not face closures. So, on this point also, I would like to have an assurance from the hon. Minister.

THE DEPUTY CHAIRMAN: Shri Dipankar Mukherjee.

SHRI DIPANKAR MUKHERJEE (West Bengal): Thank you, Madam. Right from the statement of the hon. Minister, I find a lot of inaccuracies and I would like those to be clarified.

Madam, at page 2 itself of the Minister's statement, it is said that the NMDC had been considering development of 11-B as a joint venture since 1991. In the next para, it is stated, "under the National Mineral Policy, 1993, iron ore sector was opened up for entry of private sector." So, how could NMDC think of entry of private sector when the whole sector was opened up only in 1993? As regards this, who decided and when was it decided that they will go in for joint sector? The Minister says that it is the NMDC. Who is telling the truth? Madam, I have with me here the Annual Report of NMDC for 1993-94, the Chairman's report. The Chairman signed it on the 15th September, 1994. I would like to quote from that report. In para 7 of the report of the 36th Annual General meeting, signed on the 15th September, 1993, the Chairman says, and I quote:

"However, until the new mines, viz. Bailadila 11B Deposit and Bailadila 10-11A come into production stream, for which DPRs are under consideration of Government, your Company would not be able to meet domestic demand fully with regard to CLO supplies. Efforts are being made to get the Government decisions in this regard expedited."

Madam, this is public statement by the Chairman. So, I want to ask the hon. Minister whether the statement made here is true or the Chairman's statement is true. Who is misleading? What about the Annual Report of the Ministry of Steel.

THE DEPUTY CHAIRMAN: Just a minute. Let me first take the permission

of the House about the lunch hour because in the morning, there were certain members who came to the hon. Chairman, and they said that the subject was important and that they wanted to put some questions. It was suggested that we could, if the House so agreed, dispense with the lunch hour.

SHRI SATISH AGARWAL (Rajasthan): At least, half-an-hour lunch recess should be there.

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI MARGARET ALVA): We can continue with this and complete it.

THE DEPUTY CHAIRMAN: There is some Legislative Business also, which is important. We have to return two Bills. (*Interruption*).

SHRIMATI MARGARET ALVA: Madam, there were some holidays which had intervened. Therefore, Business is pending. We all had agreed that we would complete it. If we have lunch recess, it would be very difficult (*Interruption*).

THE DEPUTY CHAIRMAN: I think we can sit and complete all this.

SHRIMATI MARGARET ALVA: Thank you very much.

THE DEPUTY CHAIRMAN: These two Bills have to be returned to the other House today itself.

SHRI GURUDAS DAS GUPTA: We shall sit late, Madam.

THE DEPUTY CHAIRMAN: It has to go because there is some technical requirement, as it is a financial Business. It has to go, therefore, we can sit through. But it does not mean that people can speak for any length of time. There is always a restriction of time on everybody. Mr. Mukherjee, you can continue, but you should ask only question.

SHRI DIPANKAR MUKHERJEE: Madam, I will come to it after three minutes because the Minister is not here. This is a specific question which I want him to clarify.

AN HON. MEMBER: The Minister is getting the reply.

SHRI DIPANKAR MUKHERJEE: It is not that type of reply which I want. I am asking a specific question. Who is correct? Is the hon. Minister correct, or, is this Annual Report correct? In the Annual Report for the year 1993-94, there is no reflection, there is no examination, of this joint sector business. Is it that the Parliament has to be given all these reports, the people have to be given the Chairman's report, and whatever you choose to do, you would do? This point requires clarification. Who decided it? Was it the NMDC? Or, was it the Ministry of Steel? Or, was it the Government of India?

Madam, I come to my second question. I am not repeating. I would invite the attention of the hon. Minister to the 'Hindu Survey of Indian Industry-1993'. You find a reference there to the NMDC's plans and proposals for the next five years.

There has been a mention in the statement report that it has been, more or less, on the lines of the coal sector opening. I would like to ask the hon. Minister. I would like to know from him whether it is correct. Are the conditions laid down in regard to the opening of the coal sector being followed in this case? I am asking this question because he has mentioned that this is identical to the coal sector opening. I would like to read out here the guidelines issued by the Ministry of Coal. The first one is: 'Preferably blocks in green field areas where basic infrastructure like road, rail links, etc., is yet to be developed should be given to the private sector'. Does Bailadila 11B come under this category? He is misleading the House. The second one is: 'The blocks offered to the private sector should be at reasonable distance

from existing mines and projects of CIL in order to avoid operational problems'. Is it being followed in Bailadila? Is that guidelines being followed here? What is the distance? The third one is: 'Blocks already identified for development by CIL where adequate funding is on hand or in sight should not be offered to the private sector'. He is telling us that this is in line with the coal sector. This is a specific clause. I would like to know whether Bailadila comes under this clause. This is your policy. This is the policy of the Government of India, in respect of coal. It is laid down here that blocks already identified for development by CIL where adequate funding is on hand or in sight should not be offered to the private sector. Does it mean that you have two sets of guidelines; one for coal and another for Bailadila 11B?

SHRI MD. SALIM: The Minister is saying that they are following the guidelines issued by the Coal Ministry, in principle. This is the way they are following it, in principle!

THE DEPUTY CHAIRMAN: Does he need any prompting, Mr. Salim?

SHRI DIPANKAR MUKHERJEE: I do not mind this prompting.

SHRI MD. SALIM: This is the way they are following the principles!

SHRI RAINI RANJAN SAHU (Bihar): This is the way Mr. Salim is marking his presence.

THE DEPUTY CHAIRMAN: I marked his presence already.

SHRI MD. SALIM: Exceptions prove the principle?

SHRI DIPANKAR MUKHERJEE: It proves that it was not the decision of the NMDC. It was the decision of the Ministry. It was the decision of the Government of India. Madam, when we are talking about public sector autonomy — Mr. Jagesh Desai is not here — there are many who feel that we should not interfere in the working of the public sector.

Now, in the case of NMDC, what is its rating by the Ministry? Its rating is excellent. What is its profit? How much is the NMDC's reserves? What prompted the Government to interfere in this case? It is not a sick company. What prompted the Government to intervene in this case? So far as the Joint sector venture is concerned, I would like to know from the hon. Minister what exactly is his conception of joint sector. What does it mean? Why is this 89:11 and why not 100:00 or 5:95? My basic assumption, as far as I could know...

श्री दीपंकर मुखर्जी: उनके हिसाब से वह भी 'जॉइंट' हो सकता है।

THE DEPUTY CHAIRMAN: Infinity!

SHRI DIPANKAR MUKHERJEE:

What is the asset of NMDC? This 11B being a reserve of 104 million tonnes, out of which 45 per cent is CLO — Calibrated Lump Ore — and 55 per cent is fines — and Mr. Narayanasamy is interested in fines. What is the present market cost? Some cost was given and a certain figure, which I have seen in some paper circulated among the Treasury Benches. *(Interruptions)*. I am giving you the figure from your MSTC Bulletin. The cost of CLO is Rs. 450 per metric tonne and fines, Rs. 300 per metric tonne. Take the average of 104 million tonnes. What is the cost? It comes to Rs. 4,000—5,000 crore. I am not going into the calculation of the Finance Minister. And if you say that is the cost exclusive of raising and other costs, you please go through the Annual Report of yours NMDC. What is the total cost of raising the ore from the mines and what is the net profit you get? Hardly 23rd of that. So, the cost at today's value will not be less than Rs. 1,500 crores. Let the Minister say his assessment. Would he kindly say what is the assessment so far as this ore is concerned? If it is Rs. 1,500 Rs. 1,000 crores or whatever it is, so far as the asset of the private bidder is concerned, he is investing only Rs. 515 crores. And your asset is Rs. 1,500

crores. Moreover, you have the experience of handling iron ore, which this private party does not have. You have the expertise of handling iron ore, which this party does not have. So, on what basis have you made this 89:11 per cent? This is my third question..(time-bell-). Madam, please give me some more time. I am asking questions.

A very funny point has been given by the Minister regarding commercial considerations. I understand that the Secretary is some "Doctor", whether a doctorate in Metallurgy or Sanskrit, I don't know. Some theory is being given and it is that commercial considerations cannot be applied in this case. Why? To make the final product competitive. Am I correct? This is the theory. To make the final product competitive, commercial considerations should not be given. My first question is, Mr. Steel Minister, as per commercial consideration what should have been the correct price at which you should have given this mine to that party? If it is Rs. 16 crores plus x, plus y, plus z, whatever it is, what is your commercial consideration, what should have been the value at which you should have given to the private party?

Then my question to the Government of India — my favourite question again — is, you are discriminating between the public sector and the private sector. Here in this House and outside, anyone who knows about industry or does not know about industry gives a shrug and says, this is a competitive market. Whenever we ask for protection for the finished products of BHEL or SAIL, they say, well, it is a competitive market and everyone has to compete. What type of competition is it? Right at the raw material stage you are giving this plus x subsidy to the private company x, y or z. Is it not a subsidy? While you are saying "I am not making it on commercial consideration", this part you are giving as a subsidy to the private company. Is it as per your globalization policy or liberalization policy? Is it actual competitiveness?

That means, so far as the public sector is concerned, it is competition and, so far as the private sector is concerned, you are giving this subsidy.

"उनका खून-खून, हमारा खून पानी" यही सोच है उनकी।

The last question is about the sponge iron plants he is talking about. I do not know whether he has consulted Mr. Salve. When we talk of mini-steel plants based on sponge iron plants, they are power-intensive. You cannot have any number of mini-steel plants as you like. You have a power shortage.

To say that this ore will be utilised only by gas-based spong-iron plants is a distortion of facts. It can be used both by gas-based and coal-based plants and integrated steel plants. Can the Vizag plant not utilise this iron-ore? Has anyone prohibited the Vizag plant from using this ore? I want to know whether it is a fact that this ore cannot be used by the Vizag plant. Its consumption is 4 million tonnes.

Madam, I have two more points only. the Annual Report of the Ministry of Steel gives a list of sponge-iron plants. There are 15 coal-based spong-iron plants. There are three gas-based plants. Of these three gas-based plants, the installed capacity of this particular private bidder who has given this offer, is 1 million tonnes. Up to 1993-94 this is your Report — it has not produced anything. It is nil, dash. He must have produced something in 1994-95. That has convinced the Minister. What would be the consumption of the iron-ore?..(Interruptions)..

You are disturbed.

SHRI SONTOSH MOHAN DEV: You are giving this argument. You are giving it to Bakreshwar. You are giving it to Haldia. After all, they are going to produce it..(Interruptions)..

I am not criticising you. I am stating the facts. Let me finish..(Interruptions)..

SHRI MD. SALIM: Sit down.

THE DEPUTY CHAIRMAN: Mr. Salim, will you please sit down? He is asking a question. Why do you get angry?

SHRI SONTOSH MOHAN DEV: He is asking a question. I am just trying to understand it.(Interruptions)

I have to understand it to be able to answer it. I am not as clever as you are.(Interruptions)

THE DEPUTY CHAIRMAN: Mr. Salim, will you please sit down?

SHRI SONTOSH MOHAN DEV: I want to understand this. You are developing a theory that since there is no immediate requirement of this product, it should not be given. This is your theory.(Interruptions)

If I am wrong, I am wrong. This is my understanding. I am asking this of you. Suppose you give a power project or something else to X, Y or Z. You do not expect it to generate the next day. You give him land. You give him coal. You give him other facilities. This is what I want to understand. You are an economist; I am a layman.

SHRI DIPANKAR MUKHERJEE: You are not a layman.(Interruptions)

THE DEPUTY CHAIRMAN: Let me complete.(Interruptions)

SHRI SONTOSH MOHAN DEV: Please make me understand this.

SHRI DIPANKAR MUKHERJEE: I understand it. I am very happy and I am very fortunate that he is seeking a clarification from me. It should have been the other way. Anyway.....(Interruptions)

THE DEPUTY CHAIRMAN: If you put a question, it should be so put that what you are asking is clear. Then, the answer would come.

SHRI DIPANKAR MUKHERJEE: I know that such a plant cannot come to full production even in three years.

That is why, Mr. Minister, I was pointing out to you the 1 million tonne capacity. It will take three-four years before it reaches the capacity of 1 million tonnes. For 1 million-tonne sponge-iron plant, how much iron-ore do you require? As per my calculation, it will not be more than 1.2 million tonnes to 1.5 million tonnes. Bailadilla 11-B is supposed to produce 4.5 million tonnes to 5 million tonnes per annum. What exactly is this private company going to do with the remaining 3 million tonnes? How is it going to dispose it off? As I see it, your agreement is not very clear on that.

SHRI SONTOSH MOHAN DEV: It is a very good question. I will answer it.

SHRI S. JAIPAL REDDY: This is the only question you will answer.

SHRI DIPANKAR MUKHERJEE: So far as the agreement is concerned, where the three million tonnes will go is not clear.

Madam, I am specifically asking two things here. I am making this demand. All the steel plants have captive mines. Bhilai, Bokaro, Rourkela, Durgapur....

THE DEPUTY CHAIRMAN: Now you are making a speech.

SHRI DIPANKAR MUKHERJEE: No, no. This is the question. What is the fact? What is the reason? Why should the Vizag steel plant not have a captive ore-mine, to which it has linkage? It does not have a captive ore-mine. Its requirement is 4.5 million tonnes. Why should it not have a captive ore and why should Bailadilla Mines not be the captive ore. This is my main question.

My last question is.....

THE DEPUTY CHAIRMAN: How many last question do you have? I think now it is better that I call Mr. Tara Charan Majumdar.

SHRI DIPANKAR MUKHERJEE: Madam, I want to say only one thing. As Mr. Gurudas Das Gupta claims, 17 Congress MPs have signed a letter saying that

this whole deal does not have any technical or economic background. It is absolutely nil. My appeal to those 17 MPs, who have signed, is....

SHRI SONTOSH MOHAN DEV: Madam, they are mentioning about the 17 MPs. As far as I know, seven of them did write, but subsequently they gave me a letter saying that they were misled by Mr. Gurudas Das Gupta and others. *(Interruptions)*

SHRI GURUDAS DAS GUPTA: Madam, it is very unfortunate Let the Members come and say. *(Interruptions)*

THE DEPUTY CHAIRMAN: I am not able to understand it. *(Interruptions)* Let me understand. I have not followed anything.. *(Interruptions)*

SHRI S. JAIPAL REDDY: Madam, it is a very serious charge. *(Interruptions)*

SHRI GURUDAS DAS GUPTA: Madam, we are Members of this House. *(Interruptions)* He is the hon. Minister of State in the Ministry of Steel. It is a very derogatory charge. Madam, the comment is perverse, the comment is *mala fide* the comment is derogatory. I challenge the Minister to ask

the Members he referred to stand up in the House and let them say. *(Interruptions)* Here he is. He is the first signatory. *(Interruptions)* Madam, this is perverse and derogatory. *(Interruptions)*

THE DEPUTY CHAIRMAN: Please sit down. *(Interruptions)*

SHRI S. JAIPAL REDDY: Madam, the House should take *suo motu* notice of a breach of privilege, since the Minister says that seven Congress Members were pressurised. *(Interruptions)* It is a case of breach of privilege. *(Interruptions)*

THE DEPUTY CHAIRMAN: I am not allowing anyone like this. *(Interruptions)* Please sit down. Mr. Jaipal Reddy, please sit down.

SHRI S. JAIPAL REDDY: Madam, I am on a point of order.

THE DEPUTY CHAIRMAN: I cannot allow in an unruly climate. I am not permitting and nothing is going on record. *(Interruptions)* If you do not listen to me, I will not listen to any point of order. Please sit down. I have not understood. I do not know what letters are being written. Everyday Members mention about writing letters to somebody, the Minister or whoever. Now, let me understand as a Presiding Officer, who wrote letters and who did not write letters and you make a privilege issue. I am not taking it. It is not a part of the proceedings.

SHRI S. JAIPAL REDDY: Madam, I am tabling a notice of breach of Privilege.

THE DEPUTY CHAIRMAN: O.K. Write to the Chairman. Let the Chairman decide.

SHRI S. JAIPAL REDDY: The Chair can take a *suo motu* and instant notice of the breach of privilege.

THE DEPUTY CHAIRMAN: I am not taking. *(Interruptions)*

SHRI GURUDAS DAS GUPTA: Madam, I need your protection. Madam, it has been said that I....*(Interruptions)*

THE DEPUTY CHAIRMAN: Mr. Salim, will you please sit down?

SHRI GURUDAS DAS GUPTA: Madam, it has been said on the floor of the House by the Hon. Minister of State....

THE DEPUTY CHAIRMAN: I do not know which letter he is talking about and which letter you are talking about. The House should know.

SHRI GURUDAS DAS GUPTA: Madam, you please go into the record. He has said that I have misled somebody. Madam, it has been said on the floor of the House by the hon. Minister of State that Gurudas Das Gupta has misled seven Members of the Congress Party. I

have been vilified. Madam, you expunge the remark or.....

SHRI S. JAIPAL REDDY: No expunction. He should prove the charge. We challenge the Minister to prove his charge.

SHRI E. BALANANDAN: Madam, he has made an allegation.

SHRI S. JAIPAL REDDY: Madam, the hon. Member has a right to be defended. The honour of a Member has been challenged.

THE DEPUTY CHAIRMAN: You can defend if there is a way to defend yourself. *(Interruptions)*

SHRI S. JAIPAL REDDY: Madam, I am suggesting.....*(Interruptions)*. You make a privilege issue of the whole thing. The House can take *suo motu* notice.

THE DEPUTY CHAIRMAN: Please sit down. *(Interruptions)*. I am not taking it. *(Interruptions)*. Just one minute. Let me understand. I have not idea of any letter being written by anybody because the copies did not come to me. I am repeating it because it happened in the House a couple of days ago*(Interruptions)*. Please do not interrupt. Somebody wrote a letter to the Chairman and made a hullabaloo in the House saying that he was permitted. Suddenly you write a letter to someone. I am not aware of it. I have not received a copy of it. The Minister says something about it. If you feel there is a breach of any privilege, you may give, in writing, a proper notice to the Chairman. Let the Chairman examine it. If he approves it, it is okay; if he does not, it is entirely a prerogative.....*(Interruptions)*.

SHRI S. JAIPAL REDDY: You should ask the Minister to produce the letter. *(Interruptions)*

SHRI GURUDAS DAS GUPTA: Madam, I am on a point of order. *(Interruptions)*.

SHRI BHUBANESWAR KALITA (Assam):Congress Members have signed a letter. *(Interruptions)*.

SHRI GURUDAS DAS GUPTA: Madam, kindly allow me.

THE DEPUTY CHAIRMAN: The matter is not about the letter. *(Interruptions)*.

SHRI GURUDAS DAS GUPTA: Kindly allow me, Madam.

THE DEPUTY CHAIRMAN: We suspended the lunch hour. For what? To have a proper discussion on the subject and get a reply. If you want to have the reply, we will finish it in another 20—30 minutes, with the lunch hour and I will be closing it. We cannot, as I told you right in the beginning...*(Interruptions)*.

Just listen to me. We have the legislative business. At 2 o' clock, we will start the legislative business. If you want to have a discussion on this subject, please have it. And let that matter be settled between you, Mr. Gurudas Das Gupta, and the Minister. The letter is not written to the Secretariat. It is written to the Government. Let the Minister settle the matter with you, not here.

SHRI GURUDAS DAS GUPTA: Madam, I am on a point of order. The hon. Minister had said that ...*(Interruptions)*....I have misled somebody. He should prove his charge. Or, I call his comments as perverse, untrue, derogatory and an infringement of the right of the Members of the House. It is perverse absolutely.

SHRI SONTOSH MOHAN DEV: Madam, if he is so much hurt, I withdraw the words. The only thing I would like to say is, now I know what he is and he knows what I am.

SHRI GURUDAS DAS GUPTA: I know what he is.

THE DEPUTY CHAIRMAN: Now that matter is over.

SHRI GURUDAS DAS GUPTA: He made allegations, but could not substantiate. *(Interruptions)*.

THE DEPUTY CHAIRMAN: Now, that matter is over. Mr. Jaipal Reddy has

to speak. Mr. Jaipal Reddy, you may speak on the main subject. That matter is closed now.

SHRI S. JAIPAL REDDY: Madam, I am happy that Mr. Sontosh Mohan Dev knows that he is known to everybody for what he is. That is true. He has been known better for what he is. *(Interruptions)*. Yes, of course.

Madam, the NMDC is not a sick company. *(Interruptions)*.

SHRI SONTOSH MOHAN DEV: NMDC.

SHRI JAIPAL REDDY: I stand corrected once by the Minister. The NMDC is not a sick company. On the contrary, it is one of our blue-chip companies. The whole House and the nation will be....

SHRI SURINDER KUMAR SINGLA (Punjab): Because Mr. Gurudas Das Gupta is intervening, it could become sick now. *(Interruptions)*.

THE DEPUTY CHAIRMAN: I am sick...*(Interruptions)*.

SHRI S. JAIPAL REDDY: The whole House and the nation will be happy to know that it is today making a profit of Rs. 100 crores on a turnover of around Rs. 400 crores. It has reserves of Rs. 200 crores. When less than two per cent of its shares were recently disinvested, they fetched a price of Rs. 83/- to Rs. 85/-. The NMDC is capable of managing its own financial affairs. *(Interruptions)* Madam, I am not saying this. This is what the NMDC itself said in a letter written by the Chairman of the NMDC on November 11, 1993 and I quote:

"It is, therefore, felt that there is no compulsive condition for the NMDC to go in for any joint venture..."
.....*(Interruptions)*

SHRI JAGESH DESAI: Madam, he has to authenticate. *(Interruptions)*

SHRI S. JAIPAL REDDY: This is a letter written by the Chairman of the NMDC to the Ministry of Steel. *(Interruptions)*

THE DEPUTY CHAIRMAN: Can you authenticate that? Mr. Jaipal Reddy, unfortunately, everyday, people quote in this House. The other day, I saw the record. *(Interruptions)* One day, somebody quoted quoted from the CBI report and he did not authenticate it. We did not know what it was. The newspapers reported that it was quoted in the House from the CBI report. We did not know whether it was quoted from a CBI report or from the Chairman's letter. When you speak on the floor of the House and quote without authentication, it becomes very difficult because the newspapers pick it up and they say it has been quoted from so and so report. *(Interruptions)*.

SHRI S. JAIPAL REDDY: Madam, what I am doing is follow the time bound and time-honoured tradition of this House. *(Interruptions)* Madam, I quote with authority. *(Interruptions)*

THE DEPUTY CHAIRMAN: You do not know the procedure before resorting to it. *(Interruptions)* You are wrong. I have to tell you the procedure. *(Interruptions)*

SHRI S. JAIPAL REDDY: You also need to consult sometimes...
.....*(Interruptions)*

THE DEPUTY CHAIRMAN: No, you first show to me as to what the letter is and then authenticate it. *(Interruptions)*

SHRI S. JAIPAL REDDY: For authenticating a document, your permission is required. *(Interruptions)*

THE DEPUTY CHAIRMAN: What are you quoting? Let me see. *(Interruptions)*

SHRI S. JAIPAL REDDY: I am taking the responsibility for whatever I am quoting and I am prepared to resign as a Member of this House. *(Interruptions)*

THE DEPUTY CHAIRMAN: Don't get angry. Let me see it. *(Interruptions)* Mr. Md. Salim, you don't have to worry

about Mr. Jaipal Reddy. I have great respect for his authentication. I would like to tell you for your information that Mr. Jaipal Reddy has authenticated twenty papers with my permission and before me. But I should be satisfied as to what the document is because it happened in this Session that some hon. Member quoted from some document without authentication and the next day it was reported in all the newspapers that it was quoted from such and such report. It is the duty of the Presiding Officer to see whether it is true or not. Would you like me to perform my duty honestly or not? Would you like me to close my eyes to all this? (*Interruptions*)

SHRI S. JAIPAL REDDY: Madam, we respect your ruling. May I make a humble submission for your kind consideration? I am a very docile Member. Kindly listen to me. (*Interruptions*) And you are such a generous Presiding Officer.

I have always been grateful to you for the opportunity given to me and I would like to make one subtle distinction. To quote a paper I do not need permission, but to authenticate the paper and lay it on the Table of the House, I need permission. If I quote, the House can demand of me to lay it and authenticate it.

THE DEPUTY CHAIRMAN: Yes, I want it.

SHRI S. JAIPAL REDDY: When an hon. Member has asked me as to whether I would authenticate and then lay it on the Table, I am stating on the floor of the House in cold print and on taperecord that I am going to authenticate it and lay it on the Table of the House.

THE DEPUTY CHAIRMAN: Okay. All right.

SHRI S. JAIPAL REDDY: Thank you, Madam.

THE DEPUTY CHAIRMAN: If you comply with the requirement, I have no problem.

SHRI S. JAIPAL REDDY: Madam, I start with a quotation:

"It is, therefore, felt that there is no compulsive condition for NMDC to go in for any joint venture. The Corporation can take up these projects, 11-B, 10, 11-A, on its own. However, for any reason, the private participation is to be considered, NMDC should have at least 51 per cent equity and has an entire management control and distribution control over the product of such joint venture company."

I am quoting further—

"With any lower equity participation by NMDC and higher participation by private sectors like M/s. Nippo Denro and M/s. Essar, etc., the management and distribution control of the products would be with them. By this process if that party gets larger quantity of calibrated lump ore (CLO) by being the major partner in the joint venture, the other party and other sponge iron manufacturers and Visakhapatnam Steel Plant cannot be serviced by NMDC with quality and quantity due to limitations of supply from other mines. It is also to be mentioned here that all the major sponge iron manufacturers would accept CLO from the Balidilla Fe and Balidilla 11-B only." If at all that party wants to have a separate mine as captive to them, they can be asked to go in for any one of the greenfield deposits, but not to the one for which NMDC has struggled and developed."

Madam, the point I am trying to make is, the NMDC was of the considered conviction that only greenfield deposits should be given as captive mines, not unexplored ones. Mr. Gupta described that it is a gold mine. That is the reason why Mr. Sontosh Mohan Dev is interested in it; otherwise, you cannot

appreciate the rationale of the interest of the Minister and the Government. It is a gold mine. It is the richest mine in the world. It has 67 per cent Fe.

SHRI GURUDAS DAS GUPTA: 67 plus.

SHRI S. JAIPAL REDDY: 67 plus.

SHRI RAJNI RANJAN SAHU: Which Gupta are you referring to?

SHRI S. JAIPAL REDDY: Mr. Sontosh Mohan Dev knows his address.

Madam, the NMDC was very flexible. Firstly, it took the view, "Joint venture is necessary." Secondly, it took the view, "If joint venture is to be had, let the NMDC have 51 per cent equity." Thirdly, it said, "It should be allowed to have 40 per cent equity, the remaining to be distributed among others." And they said, "We do not require any allotment through the Budget. We can do it on our own." Madam, when this proposal was earlier put up to the Planning Commission, in 1992, the Planning Commission gave first stage clearance for exploitation of this ore by the NDMC.

Madam, what could be Il-B's rate of return? Nineteen per cent. Whereas the rate of return for 10 and 11-A, which the Minister generously cleared recently to cover up these approvals—after all, our Minister is quite experienced; he knows how to perform operations and how to organise cover-ups—is only 14%. The Minister has in his statement rightly stated—after all, he also cannot say wrong things all the time; he does say quite a few right things once in a while; it is not possible for anybody to keep on saying wrong things all the time—that today we produce 17 million tonnes and by 2001 or 2002 we will be requiring or we will be capable of producing 37 million tonnes. The Minister is right. If India is to produce 37 million tonnes of steel including sponge iron steel, if some parties are given captive iron-ore, what will happen to the rest? That is the point? Let me tell you, Madam, I am not a doc-

trinaire person. I am not opposed to privatisation. I am not opposed to globalisation. We will have to take decisions on the merits of each case. Of course, I don't mean the suit-case, but on the merits of each case. Therefore, if you give captive iron-ore to some, others will be starved. This was the thrust or the theme of the NMDC. This was the burden of the sound of the NMDC, which has not been heard by our Minister.

Madam, all right, you take a decision to go in for a joint venture. My friends have asked, and I consider it proper to reiterate that question: How can the Government fix 11% equity for the NMDC? Mr. Sontosh Mohan Dev, this iron-ore—you are a temporary tenant of a fleeting Government; if I become a Minister, I will be another temporary tenant of another fleeting Government—belongs to our whole country. This is not your father's property, nor my father's property. This is nobody's patrimony. This is the country's wealth. How did you fix 11% equity for the NMDC? Why didn't you fix 51% equity? All right. Since we have disclosed all these facts earlier through our Press conferences, through our statements in the House, the Minister was compelled to come out with the fact that it was he who took the daring liberal initiative to tell the NMDC as to what it should do. He has done it. Good. Now whatever the decision, there can be an ideological defence of any decision. Madam, in this country, we have many dishonest people, but we have many honest writers. I call them the mental progeny of Milton Friedman. I want to address my question to them. If you are honest about the rightist ideology which includes privatisation, globalisation, *et al*, there must be transparency. Madam, today's buzz word should be transparency I am happy to say that, I am told, at a FICCI meeting recently a distinguished Member of this House, a distinguished member of industry, Mr. K.K. Birla, put a question, the other day, about the need for transparency.

Whatever be our policy, there must be transparency. Transparency is the prime pre-condition which cannot be compromised under any circumstances. This deal, Madam, was totally opaque. It is not a reform. We must draw a distinction between 'reform' and 'deal'. Dr. Manmohan Singh had taken a back seat some two years back. I have seen no reforms of his in the last two years. Reforms have been replaced by deals. Deals have taken the front seat. What did Dr. Manmohan Singh say? Shri Gurudas Das Gupta has also referred to it and it is again worthy of reiteration because the memory of the Minister can be short-lived and convenient.

The Finance Minister said that this mine should be given through a competitive route and this mine should be given for proper consideration which is evaluated by an independent committee of experts. The Minister of Steel says, "It is not a commercial transaction." Certainly not. It is a personal transaction. Who says it is a commercial transaction? It is wrong. The Minister says so. It is on record in the Cabinet note.

THE DEPUTY CHAIRMAN: Mr. Reddy, we have only 20 minutes left. I have some names before me and the Minister has to answer. I am going to close it at 2 o'clock. Kindly conclude.

SHRI M.A. BABY: Madam, we do not expect answers. Let us at least put questions.

THE DEPUTY CHAIRMAN: No, I want answers. Mr. Reddy, please put questions.

SHRI S. JAIPAL REDDY: Why do I say transparency.....

THE DEPUTY CHAIRMAN: Please put questions.

SHRI S. JAIPAL REDDY: It is because norms, standards, criteria, benchmarks, were so fixed, so formulated, as to suit one company. They were all pre-determined, pre-meditated. What were the norms fixed? They were substantial

commitments of CLO, mining experience, they must be able to possess capacity for gas-based sponge iron and so on. Which are these companies? Madam, there are three companies, i.e. M/s Essar Gujarat, M/s Vikram Ispat and M/s Nippon. Madam, I am making one statement here for the Minister to deny or confirm. None of these companies has any actual mining experience, only zero experience. They have entered into collaboration with foreign companies. One of them became a ha'penny Director of some company which in turn had no mining experience and it has been deemed to be mining experience. The imagination of our Ministry is fertile, febrile....

THE DEPUTY CHAIRMAN: Mr. Reddy, I know you have got a great skill in debating. I wish we had better subject to debate. Now I have to cut it short.

SHRI S. JAIPAL REDDY: Madam, I have never been able to lay my hands on a better subject than this.

THE DEPUTY CHAIRMAN: I can understand your skills.

SHRI S. JAIPAL REDDY: There is so much ore in these two mines.

THE DEPUTY CHAIRMAN: Mr. Reddy, you better ask the Chairman to give more time for it. At the moment, my hands are tied.

SHRI S. JAIPAL REDDY: Madam, it was put up to the Foreign Investment Board. It did not clear it. Why? They rejected it because the NMDC's claims were too much convincing about cost. The NMDC could not present itself before the Cabinet which, of course, is an incarnation of wisdom. The NMDC's view-point could not be projected before them. Madam, what did the Finance Ministry say? The Finance Ministry said that this ore must be evaluated. I am not quoting from the note of the Finance Ministry. I am stating from my knowledge of the note. That is this. The Finance Ministry stated that this company

would get a profit of Rs. 240 crores.

Therefore, this company should have no objection to paying at least Rs. 100 crores to the Government — upwards of Rs. 100 crores by way of consideration, commercial consideration. The Finance Ministry is not really experienced.

SHRI SONTOSH MOHAN DEV: Can I put just one question? they have been talking about consideration. Will they cite the example of one mine — I do not know — in India, in 100 years, where it has been given to anyone on commercial considerations?

SHRI S. JAIPAL REDDY: Mr. Sontosh Mohan Dev has put a pertinent question. In the pre-1991 period, we were told that we were operating under a license permit-control raj. Well, I have my own views on that. We needed it at one stage, assuming that you were right. Today, we are not in that raj. They were given during that raj. You must now go by market considerations. You appear to mistake loot for market. Loot by the party concerned and of course, generosity on the part of the Ministry. Madam, I am from Andhra. I have vested interests in this ore and that is this. The Vizag Steel Plant is the only integrated Steel Plant in the country which does not have its own captive mine. But then the Minister has an explanation. He says he will talk to Ispat and see that something is made available to the Vizag Steel Plant. Why don't you allot it to the Vizag Steel Plant? Why don't you even now increase the equity of the NMDC up to 51 per cent? Mr. Sontosh Mohan Dev, at the moment, you have majority, "manipulated otherwise", in the Lok Sabha. You know you do not have majority among the people. Nor will you have majority in the next Lok Sabha. Therefore, don't you rush in. But then you have reason to rush in. Your time is up. You must strike all the deals before the time is finished. But, then, please do not forget, nemesis will overtake you, your Ministry and your party. But I am sorry, in the meantime, our country will be punished for it.

श्रीईशदत्तयादव(उत्तरप्रदेश): उपसभापति महोदया, अविलम्बनीय लोक महत्व के प्रश्न की ओर श्री गुरुदास वासगुप्त जी ने और दूसरे माननीय सदस्यों ने मंत्री जी का ध्यान आकर्षित किया है। मंत्री जी ने लगभग साढ़े चार पृष्ठ में अपना उत्तर दिया है लेकिन इसको पढ़ने से और इनकी बातें सुनने के बाद मुझे लगा कि जो शंका है माननीय सदस्यों की, मेरी भी और पूरे सदन की उन शंकाओं का मंत्री जी ने कोई उत्तर नहीं दिया। साधारण सा प्रश्न है कि राष्ट्रीय खनिज विकास निगम की ओर से जिस खदान का परिचालन किया जा रहा था उसको प्राइवेट कंपनी को देने का औचित्य क्या है। मैं मंत्री जी की नीयत पर कोई संदेह नहीं करता, न इनकी ईमानदारी में मुझे कोई संदेह है। सरकार ने इसमें कोई छोटाला किया हो, मेरे पास इसका प्रमाण नहीं है। लेकिन आज जो शंका है पूरे सदन की और पूरे सदन की ही नहीं देश में भी चर्चा है कि इस तरह का जो डील किया गया है, हस्तांतरण किया गया है, इसमें कहीं न कहीं, कोई न कोई छोटाला हुआ है। इसलिए मैं अधिक विस्तार में नहीं जाना चाहता क्योंकि सभी माननीय सदस्यों ने इस पर विस्तार से चर्चा की है। मैं तो अपेक्षा करूंगा माननीय इत्याद मंत्री जी से कि माननीय सदस्यों और देश के लोगों के मन में जो एक धारणा है, इस धारणा को दूर करने के लिए शंका को मिटाने के लिए आज इस सदन में आप घोषणा करें कि जो यह डील हुआ है इस पर आप पुनःविचार करेंगे और देश के सामने यह साबित करने का प्रयास करेंगे कि यह डील देश हित में हुआ है। किसी भी प्राइवेट ऑर्गेनाइजेशन के खिलाफ मैं नहीं हूँ जिससे देश का हित हो जिससे राष्ट्रीय उत्पादन बढ़े। मैं इसका विरोधी नहीं हूँ। लेकिन सभी माननीय सदस्यों ने माननीय मंत्री जी आपसे प्रश्न किया कि राष्ट्रीय खनिज विकास निगम द्वारा इस खदान का परिचालन किया जा रहा था तो इसमें क्या कोई घाटा हो रहा था, क्या भविष्य में इसका उत्पादन बढ़ने की आशा नहीं थी। मेरा साधारण सा यही प्रश्न है कि यह देने का, प्राइवेटाइजेशन करने का जो है इसके पीछे औचित्य क्या है, कारण क्या है। आपने अपने बयान में पैराग्राफ 2 में बहुत सी बातें कहीं हैं। मैं इसका स्वागत कर रहा हूँ कि लोह और इस्पात में देश का उत्पादन बढ़ाने के लिए आप और आपकी सरकार प्रयास कर रही है और आपकी योजनाएं हैं कि 21वीं शताब्दी के प्रारंभ तक आप लोह और इस्पात के उत्पादन में इस देश को बहुत आगे ले जाना चाहते हैं। आपका लक्ष्य बहुत ऊंचा है। यह पैराग्राफ 2 में आपने दिया है। लेकिन इस सबके बावजूद जो शंका है इस शंका का निवारण आपको

करना पड़ेगा। मैडम, मैं समय नहीं लेना चाहता हूँ। मैं मंत्री जी से केवल यही जानना चाहता हूँ कि क्या राष्ट्रीय खनिज विकास निगम के द्वारा जो परिचालन हो रहा था यह घाटे में हो रहा था? क्या भविष्य में उत्पादन बढ़ने की आशा नहीं थी? क्या इस उत्पादन से विदेशी मुद्रा प्राप्त होने की आपको आशा नहीं थी? एक प्राइवेट कंपनी को दे देना, यह संदेह उत्पन्न कर रहा है। इसलिए मैडम, मैं अपनी बात समाप्त करते हुए माननीय मंत्री जी से पुनः अनुरोध करूँगा कि आप इस शंका का एक वाक्य में उत्तर दे सकते हैं और आज इस सदन में आप घोषणा करके यह कह सकते हैं कि मैं इस पर पुनर्विचार करने के लिए इस सदन में घोषणा कर रहा हूँ। मैं इसी की अपेक्षा कर रहा हूँ। आपने समय दिया, बहुत-बहुत धन्यवाद।

THE DEPUTY CHAIRMAN: Now, I have six names. Mr. Upendra is not here. If anybody wants to put a question, I can allow. But there should be no debate any more because the Minister has to reply.

SHRI JIBON ROY (West Bengal): Madam...

उपसभापति : आपका नहीं है जो नाम है मेरे पास।
(*Interruptions*)

Mr. Singla, the Chairman has permitted you.

श्री सुरिन्दर कुमार सिंगला : थैंक्यू मैडम

उपसभापति : क्वेश्चन ही पूछिएगा सिंगला जी।

श्री सुरिन्दर कुमार सिंगला : क्वेश्चन ही पूछूँगा।

श्री अनन्तराम जायसवाल (उत्तर प्रदेश) : महोदया...

उपसभापति : नये नाम आई कैन नाट एड। I cannot keep on adding new names while people just walk in and cut of the House. It is not done. If you are here from the beginning and ask for it in the morning, we can allow. But just in the middle of it, it is impossible.

SHRI ISH DUTT YADAV : He is asking only one question, Madam.

THE DEPUTY CHAIRMAN: No. There should be some rule in the House. Yes, Mr. Singla.

SHRI SURINDER KUMAR SINGLA : Madam, I wish the debate on this

subject was on the policy framework of the statement of the Minister. I am convinced in my mind that the Opposition is always indulging in electoral propaganda in the House. They have no other business. The first question that I want to ask is this. Is it the first of its kind? I say, "No". There are many captive iron ore projects given to other companies. My dear friend, Mr. Das Gupta, in his pre-historic terms, referred to TISCO and IISCO. I can also remind him that when there was a policy of nationalisation, even Mr. Kumaramangalam refused to nationalise those mines saying that this was the national wealth given to the Tatas as well as to IISCO. He hadn't budged. The second question is whether it is this Government's policy. Is it not true that in Orissa, in Karnataka where Mr. Jaipal Reddy's party is ruling and even in West Bengal, captive iron ore projects were given to private parties? Is it not a fact? Why do you, then, challenge this? The third question is about transparency, which was relevantly raised by Mr. Jaipal Reddyji. Transparency and open-bidding are most welcome.

श्री जगदीश प्रसाद माथुर : ये रिप्लाय कर रहे हैं या क्वेश्चन पूछ रहे हैं।

उपसभापति : क्वेश्चन पूछ रहे हैं।

SHRI SURINDER KUMAR SINGLA : I want to ask, through you, Madam....
(*Interruptions*)

I am asking the Minister and I am also referring to what Mr. Jaipal Reddy has said in his long speech. I am just referring to him. There are ten cases, namely, the Barkeshwar Thermal Power Project, Sagar Dighi Thermal Power Project, Bargarh Thermal Power Station, erstwhile Durgapur Cement—a public sector company handed over to the Birlas, Siemens', ACC, and some other promoters of, the Great Eastern Hotels and Dr. Tapan Chatterjee, where not a single open bid has been called by the West Bengal Government. Is that the transparency that you are mentioning about us? Your colleague and partner and I would say the*, here normally

disturbs the whole House and does not allow anyone to speak.

SHRI GURUDAS DAS GUPTA: What is this*?(Interruptions).....

THE DEPUTY CHAIRMAN: Let it not go on record.

SHRI SURINDER KUMAR SINGLA: I know that. You know very well who they are(Interruptions).....

THE DEPUTY CHAIRMAN: Singlaji, please put your question. That is not going to be part of the record. A word which is not proper will not be part of the record.

SHRI SURINDER KUMAR SINGLA: It is true that the NMDC is performing excellently in terms of profit. Do you consider that for the five-year project that they would like to have, the huge amount Rs. 1,400 to 1,500 crores that is needed is the NMDC capable of raising resources up to that extent? You don't like to leave the public sector and also you don't like the private sector participation. On the one side, you accept privatisation and globalisation and, on the other side, you say, "Stick to that". Madam, I would like to tell Mr. Jaipal Reddy that the Central Public Sector projects are largely sick in West Bengal only.(Interruptions).....

DR. BIPLAB DASGUPTA (West Bengal): Why?(Interruptions).....

SHRI SURINDER KUMAR SINGLA: It is because they command trade unions. the State of West Bengal has the largest number of sick public sector units. They are not interested in reforming, they are interested in perpetuating their poverty. They are collecting trade union funds from these public sector undertakings and running their politics(Interruptions)..... Kindly sit down. Don't interrupt me.

DR. BIPLAB DASGUPTA: Would you please tell us whose business is this?(Interruptions).....

SHRI SURINDER KUMAR SINGLA: This is my question(Interruptions).....

SHRI MD. SALIM: He should be sent to the West Bengal Assembly. He should become a Member of the West Bengal Assembly and put questions there.(Interruptions).....

उपसभापति: सिंगला जी, मंत्री जी से सवाल पूछिए।

श्री सुरिन्द्र कुमार सिंगला: अच्छा, मंत्री जी से सवाल पूछता हूँ।(व्यवधान).....

श्री जगदीश प्रसाद माथुर: कृपया पूछें(व्यवधान)..... आपने जो सुविधा दी है उसका दुरुपयोग कर रहे हैं।

उपसभापति: मैं अपनी रूलिंग पर स्टिक कर रही हूँ कि सवाल पूछिए।

SHRI SURINDER KUMAR SINGLA: Madam, I would like to know whether it is a fact that Mr. Das Gupta met Mr. Mittal and what the outcome of that meeting was. Is he aware of those things? The Question is:*

SHRI GURUDAS DAS GUPTA: Madam, May I submit(Interruptions).....

DR. BIPLAB DASGUPTA: Let him put the question.(Interruptions).....

SHRI SURINDER KUMAR SINGLA: Madam, I would like to know whether the Minister had the information that Mr. Das Gupta travelled to Hyderabad with somebody and who that man is. These questions are very important for one reason. Because, they are, as I said,(Interruptions).....*

SHRI GURUDAS DAS GUPTA: If he is daring enough he must identify.(Interruptions)..... Madam, I am on a point of order.

SHRI SURINDER KUMAR SINGLA: It is not your issue.(Interruptions)..... I am asking a question.(Interruptions).....

SHRI S. JAIPAL REDDY: Madam, I am on a point of order.(Interruptions).....

THE DEPUTY CHAIRMAN: Yes, Mr. Jaipal Reddy.
.....(Interruptions).....

SHRI SURINDER KUMAR SINGLA: When I said TISCO and IISCO are given captive mines, and it is for a solid period, would the Minister like to revive those historic decisions?
.....(Interruptions).....

DR. BIPLAB DASGUPTA: What do you mean by?(Interruptions).....

SHRI SURINDER KUMAR SINGLA: My first question is whether Mr. Das Gupta met Mr. Mittal. Whether it is(Interruptions).....

THE DEPUTY CHAIRMAN: Will you please keep quiet?
.....(Interruptions).....

SHRI GURUDAS DAS GUPTA: Madam, I would like to answer.

(Interruptions)

SHRI S. JAIPAL REDDY: Madam, I am on a point of order.

We are all Members of this House. People may meet Members. I do not know whether somebody met somebody or not. But if Mr. Surinder, who is an honourable and beloved colleague of ours, speaks in such a manner as to impute motives, it must not only be expunged, I would request him to
...(Interruptions)...withdraw every word.
(Interruptions)

SHRI SURINDER KUMAR SINGLA: I did not. I did not.
(Interruptions) Please listen to me.
(Interruptions)

SHRI S. JAIPAL REDDY: No. I am just telling you. If this is the standard of debate, then it will become very difficult. The Minister is here. We know many things. We know many things that our Ministers have been doing. We do not refer to them (a) for reasons of decency; (b) for incapacity to prove. If you are taking to the extraordinary method of imputing motives to the Member who

Expunged as ordered by the Chair.

tabled a Calling Attention Motion, you are not only violating the decency of the House but you are also setting a dangerous precedent. I request you, Mr. Singla, as your colleague to withdraw every word and get the whole thing expunged from the record. I do not want the Chairperson to expunge it, I would request the Member himself to reconsider and withdraw every word. Otherwise, we will have to treat this as the standard of debate in this House. (Interruptions)

SHRI SURINDER KUMAR SINGLA: Madam, let me answer.

...(Interruptions)...

SHRI GURUDAS DAS GUPTA: Madam, ... (Interruptions)...

THE DEPUTY CHAIRMAN: Just a minute. Do not be so impatient.

If the Member is withdrawing what he has said, let him explain what he wants to say. Do not get impatient. I am here to protect everybody in this House. (Interruptions)

SHRI S. JAIPAL REDDY: It has never happened in the House.
(Interruptions)

SHRI SURINDER KUMAR SINGLA: I want to know whether Jaipal Reddyji was mentioning about Shri Santosh Mohan Dev. He said, "I know what you stand for. We know what you are." is not that imputing motives? (Interruptions) If it is so, let him withdraw that and I will also withdraw. The question is, the word by which he was referring to Mr. Santosh Mohan dev... (Interruptions)...

THE DEPUTY CHAIRMAN; Please keep quiet. (Interruptions)

Mr. Jaipal Reddy can protect himself. I am here to protect everybody. Please let me hear. (Interruptions)

SHRI SURINDER KUMAR SINGLA: If you say this, you withdraw every word, I will withdraw. If you want to keep the details... (Interruptions)...

SHRI S. JAIPAL REDDY: Santosh Mohan Devji said, "I said." It was he

who told Guptaji and I joined him. Then he said, "The country knows what you have been standing for." "Yes," I said, "The country knows what I have been standing for."

SHRI SURINDER KUMAR SINGLA: Everybody knows about the hon. Member. *(Interruptions)*

SHRI S. JAIPAL REDDY: Everybody knows what I am standing for, what I have been standing for. Now I tell you, Mr. Surinder, I made a request. But we can make a demand which we have not made. I have only made a request to you to withdraw. Then we will make a demand in the House later. We have made a request to you now.

You have imputed motives to Mr. Gurudas Das Gupta.

SHRI SURINDER KUMAR SINGLA: I have not imputed any motives in this. *(Interruptions)*

SHRI S. JAIPAL REDDY: It has never happened like this in the past. *(Interruptions)* It never happened in the history of this House.

THE DEPUTY CHAIRMAN: It is over now.

SHRI GURUDAS DAS GUPTA: Madam, I have been referred to and I have a right to explain... *(Interruptions)*...

THE DEPUTY CHAIRMAN: You have not been referred to, please... *(Interruptions)*...

SHRI GURUDAS DAS GUPTA: He has said that Gurudas Das Gupta met the Mittals. *(Interruptions)* He has said it. It is on record.

DR. BIPLAB DASGUPTA: He has been referred to and ... *(Interruptions)*...

THE DEPUTY CHAIRMAN: Let Mr. Gurudas Das Gupta speak, why do you stand up? *(Interruptions)*

SHRI GURUDAS DAS GUPTA: This gives me a nice opportunity to explain as to what has happened. Madam, a person

is known by his behaviour, a man by his utterances, by his actions. I take by hon. Member, who has made this accusation, in the light of these observations. Madam, it is true... *(Interruptions)*...

THE DEPUTY CHAIRMAN: He is withdrawing it. ... *(Interruptions)*...

SHRI GURUDAS DAS GUPTA: Madam, he has spoken on the floor of this House. I must explain. I have a right to explain. *(Interruptions)* It is true that the Mittals called me up in Calcutta. They telephoned me in Calcutta. They wanted to see me. I should put it on record that the junior Mittal came to see me in my house and before he came to see me, their lawyer came to see me... *(Interruptions)*

श्री एस.एस. अहलुवालिया (बिहार): मैडम, यह क्या डिबेट शुरू हो गई? इसका तो कोई अंत नहीं। *(व्यवधान)*....

SHRI GURUDAS DAS GUPTA: I must explain it... *(Interruptions)*... Madam, I was explaining... *(Interruptions)*... My explanation should be on record. *(Interruptions)* The Mittals telephoned me. They wanted... *(Interruptions)*...

SHRI V. NARAYANASAMY: The Member has said it and he is withdrawing it.

SHRI SATISH AGARWAL: It is very essential.

श्री एस.एस. अहलुवालिया: महोदया, एक मिनट। इस सदन में हम लोग महत्वपूर्ण विषयों पर बहस करते हैं किसी भी सदस्य के चरित्र पर या उसकी इंटिग्रिटी पर कोई प्रश्न-चिन्ह लगाना, यह उचित नहीं है। *(व्यवधान)*.... मैं समझता हूँ कि विपक्ष के या सत्ता पक्ष के लोग, कोई भी, अगर आरोप-प्रत्यारोप के माध्यम से किसी मੈम्बर की सिन्सियरिटी पर या उसकी इंटिग्रिटी पर प्रश्न-चिन्ह लगाता है तो यह अच्छा नहीं है। यह सांस्कृतिक परंपरा के खिलाफ है। *(व्यवधान)*.... मेरी बात सुनिए, यह सांस्कृतिक परंपरा के विरुद्ध है। जैसा जयपाल रेड्डी जी ने कहा कि इनको अपने शब्द वापस लेने चाहिए, मैं भी इनसे गुजारिश करता हूँ कि कि अपने शब्द वापस लें। *(व्यवधान)*

SHRI GURUDAS DAS GUPTA: I must explain it. The point is that an aspersion has been cast, my credibility has been questioned... (*Interruptions*) and I must explain it.

I must explain, Madam. I want a ruling. (*Interruptions*) Let the truth come out. (*Interruptions*) Madam, I expect justice from you. Madam, my honour and my credibility has been questioned. I want you to defend me.

THE DEPUTY CHAIRMAN: Gurudasji, just one minute. I know Mr. Gurudas Das Gupta. I know every hon. Member who comes to this House comes and speaks on the Floor of the House with sincerity and to the best of ability and the knowledge at their command. I asked Mr. S. Jaipal Reddy to authenticate it. It was not because I discredit his knowledge but I wanted to put it on record that I am doing my duty and he is doing his duty. Everybody should perform his duty in the proper manner. I have been a Member in this House for the last 15 years and have been in this Chair for a long time. Every Member has a point to make and I would not appreciate and I do not like that any Member should attribute motives on any personal matter to any Member making any statement in this House and Mr. Singla, if he has said it, he is withdrawing it. It could be ideologically, of course, because Mr. Jaipal Reddy can say, "I understand what congress stands for," the Congress can say "what B.J.P. stands for" or "what the Communist Party stands for" or some other party stands for. That is a different matter because that definitely is a different explanation ideological basis. What you stand for cannot be compared individually with what anybody stands for. Then it will be very difficult. In this House, we not only discuss matters about poor people, but matters of the rich people also. If people are going to have such a motive that somebody is taking the cause of the rich and not the cause of the poor, — and

there have been one or two instances before, on which a matter of privilege was taken—then I feel, in the spirit of the high office we all are holding and the dignity of this House, it is much better that we debate on ideological basis. If the Members feel that the deal which is being done in Bailadila is not correct, you put your viewpoint. And if the Members on this side feel that the deal is correct and the Minister is going to defend it, finally he has to defend it. If they feel that it is correct, they should put their viewpoint. But I am assure you that no member will be allowed to make personal allegations against each other's motivation. That will not happen, that should not happen. And anybody who has done it purposely, unexpectedly, innocently, without any reason, please withdraw.

SHRI SURINDER KUMAR SINGLA: Madam, I never meant this, I must say because it could be a genuine explanation of Mittal to him. Actually, I was referring.... (*Interruptions*)....

SHRI GURUDAS DAS GUPTA: Madam, did he explain? Either he withdraws or apologises, or I may be allowed to make my point. He must apologise. (*Interruptions*)

SHRI SURINDER KUMAR SINGLA: No apology...

SHRI GURUDAS DAS GUPTA: Madam, I want your protection. Either the hon. Member who has done this dishonourable job should withdraw or apologise or I must be allowed to make my submission.

SHRI SURINDER KUMAR SINGLA: Madam, I have already withdrawn.

SHRI GURUDAS DAS GUPTA: Madam, you are the repository of our collective dignity of this House and all the Members. I appeal to you to kindly consider. Either he apologises and withdraws, then I don't have to speak again. If he does not do, I must be allowed to make my submission.

SHRI SURINDER KUMAR SINGLA: Madam, I asked not once but twice and that too on advice from a very senior colleague with respect, Mr. S. Jaipal Reddy, that if it really injures somebody I withdraw. *(Interruptions)**

SHRI GURUDAS DAS GUPTA: It is a 100 per cent. It has not injured me at all. It is a blatant* Madam, this is not the way. I uphold the honour of this House. No qualifications, he must apologise. *(Interruptions)*

THE DEPUTY CHAIRMAN: Mr. Singla, just one second. *(Interruptions)*

SHRI SATISH AGARWAL: That day the House insisted upon Mr. Biplab Dasgupta to withdraw unconditionally. There cannot be double standards. *(Interruptions)*

SHRI GURUDAS DAS GUPTA: He must apologise.

SHRI SURINDER KUMAR SINGLA: Last question, Madam. *(Interruptions)*

SHRI GURUDAS DAS GUPTA: Madam, what happened to it?

THE DEPUTY CHAIRMAN: Just a minute. Let me handle it, please.

SHRI SATISH AGARWAL: It should be clinched first. *(Interruptions)*

THE DEPUTY CHAIRMAN: Just one second. Mr. Singla, I know, you said something. In any case, it is not going to be part of the record because I would not permit such an allegation. Against you also, I will not permit. I would not permit against anybody else because nobody should make such allegations on a personal ground. You can make it in a general way that 'your motivation as a party person is different.' You talked about his party or West Bengal; it is a different matter. You can do that. Naturally, you are not going to speak for Mr. Gurudas Das Gupta.

SHRI SURINDER KUMAR SINGLA: I actually asked whether he came to explain. Did he understand? This is the question I am asking.

THE DEPUTY CHAIRMAN: Mr. Singla, you are getting into more trouble, and I am trying to fish you out of it. If you want to get hooked to that, I cannot help it. *(Interruptions)* Just a second. In this House, we have never done such things. That day, I told Biplab Dasgupta. He was very kind and he was obliging to the Chair, when I said, it adds to your height by saying "sorry", but not saying "sorry" does not add to your dignity. By saying 'sorry' to your own colleague, to your own House, you don't lose anything; you gain in dignity and honour. You can just say, "I am sorry, I did not want to hurt you, I want to withdraw it."

SHRI SURINDER KUMAR SINGLA: Madam, I never wanted to injure anybody's feeling. If they think so, I feel sorry. *(Interruptions)*

DR. BIPLAB DASGUPTA: Why conditional?

SHRI K.R. MALKANI (Delhi): What he has said is an allegation... *(Interruptions)*

उपसभापति: हो गया, बैठिए।

DR. BIPLAB DASGUPTA: Madam, last week I made a statement, which I agree was not parliamentary, but which reflected my feeling on the subject. But since you requested and some other hon. Members requested, I withdrew that word. I said, "sorry".

SHRI GURUDAS DAS GUPTA: He must withdraw. *(Interruptions)*

DR. BIPLAB DASGUPTA: Madam, he has said two things. He said that he must explain. Secondly, he said, * *(Interruptions)*

THE DEPUTY CHAIRMAN: Gurudasji, he has withdrawn.

SHRI GURUDAS DAS GUPTA: He has said

I met Mittal; I had gone to Hyderabad. *(Interruptions)* He must withdraw. If he repeats it outside the House, I will take care of it. If he has the courage to repeat it outside the House...

SHRI SURINDER KUMAR SINGLA: You are threatening...

SHRI GURUDAS DAS GUPTA: ...I will take care of it. But here in the House...

SHRI SURINDER KUMAR SINGLA: I do not accept the threatening at all.

SHRI GURUDAS DAS GUPTA: Madam, he must withdraw the comment. *(Interruptions)* I will go to the court for redressal. No physical threat. That is not the point. He must withdraw. *(Interruptions)* you repeat it outside the House.

SHRI SURINDER KUMAR SINGLA: I will do that. *(Interruptions)*

SHRI GURUDAS DAS GUPTA: Madam, he is not withdrawing it.

AN HON. MEMBER: He has withdrawn.

THE DEPUTY CHAIRMAN: I will look into the record.

SHRI SURINDER KUMAR SINGLA: I have said. How many times do I have to say this? I have said, on the advice of my senior colleague, Mr. Jaipal Reddy, whom I respect, I have withdrawn it, and I feel sorry.

उपसभापति: हो गया।

SHRI SURINDER KUMAR SINGLA: Now, my last question...

उपसभापति: लास्ट क्वेश्चन में कोई ऐसी बात मत कहना जो विद्वद्वा करना पड़े।

SHRI SURINDER KUMAR SINGLA: Is it a fact that the Chief Minister of West Bengal has written to the Steel Minister to privatise IISCO? That is my last question.

THE DEPUTY CHAIRMAN: I have some other names. Now, I think, I should adjourn the House. Do you want to reply now?

श्री विष्णु कान्त शास्त्री (उत्तर प्रदेश): उनकी पार्टी से कोई बुलाया नहीं मैडम।

उपसभापति: वह कुछ नहीं होता है।

SHRI BHUBANESWAR KALITA: We have withdrawn two. If they speak, we will also speak.

श्री जगदीश प्रसाद माथुर: जिस पार्टी का नाम है वह बोलेगा और जिस पार्टी का नाम नहीं है, वही नहीं बोलेगा?

उपसभापति: टाइम से नाम देना चाहिए।

श्री जगदीश प्रसाद माथुर: आपने जब कांग्रेस का स्पीकर बुलाया है तो उनकी पार्टी..... (व्यवधान न).....

उपसभापति: ऐसे तो और दूसरे भी नाम हैं। (व्यवधान).....

श्री सत्य प्रकाश मालवीय (उत्तर प्रदेश): कौन सी ऐसी पार्टी है जिसको बुलाया गया है और उसका नाम है? (व्यवधान).....

उपसभापति: मुझे तो यही मालूम नहीं होता कि कौन किस पार्टी में है ? (व्यवधान)..... पार्टी के नाम ही नहीं आते हैं। (व्यवधान).....

श्री जगदीश प्रसाद माथुर: मैडम..... (व्यवधान न).... जिस पार्टी का नाम है वह बोलेगा और नाम नहीं है तो आखिर में बोलेगा..... (व्यवधान).....

उपसभापति: माथुर साहब, पार्टी के नामों को बराबर टाइम से आना चाहिए और पार्टियों को बोलना चाहिए कि ये हमारे लोग हैं बोलने के लिए। लास्ट मिनट पर नाम बोलने के लिए देते हैं।

श्री जगदीश प्रसाद माथुर: उनको नहीं बोलना चाहिए जो मौजूद नहीं थे तो बात अलग है लेकिन उनको अधिकार है और मेरा आब्जेक्शन है.....

उपसभापति: जायसवाल जी, बोस्ट्रिय....बोलित ए..... (व्यवधान).....

श्री जगदीश प्रसाद माथुर: आप उनको दो मिनट बोलने दीजिए। सब पार्टियों को एक-एक मिनट बुलाएंगे, नियम यह है।

उपसभापति: अच्छा आप बैठिए। कन्फ्यूज़ मत करिए।

श्री जगदीश प्रसाद माथुर: उनकी पार्टी को नहीं बोलने दिया गया, यह गलत बात है। सभी पार्टियों को बोलने का अधिकार है।(व्यवधान).....उनको बोलने देना चाहिए।

एक माननीय सदस्य: हो गया न, अब बोलने दीजिए।

श्री जगदीश प्रसाद माथुर: मैडम, उत्तर हो कर समाप्त कर दीजिए, बड़ा, लंबा लटक जाता है मामला।

Let us finish it right now.

SHRI SONTOSH MOHAN DEV: I am ready.

THE DEPUTY CHAIRMAN: There are three-four names. They wanted to ask questions.

श्री जगदीश प्रसाद माथुर: अभी कई पार्टियों को टाइम नहीं मिला है।

उपसभापति: कोई पार्टी नहीं है अभी(व्यवधान)...

एक माननीय सदस्य: मैडम, अगर कोई पार्टी है.....

उपसभापति: तो पहले से नाम देना चाहिल ए.....(व्यवधान).....

श्री सत्य प्रकाश मालवीय: इसमें कोई टाइम-लिमिट तो है नहीं।(व्यवधान).....एक तो आर्डर पेपर में जो नाम होंगे, एक तो उनका है और पार्टीवाइज नाम है। इसमें टाइम-लिमिट तो है नहीं।

उपसभापति: इसमें टाइम-लिमिट है। इसमें एक घंटे की टाइम-लिमिट थी सबको ऐकोमोडेट करने के लिए.....(व्यवधान).....

श्री सत्य प्रकाश मालवीय: हमारी पार्टी को टाइम नहीं मिला।

उपसभापति: बात सुनिए.....एक बात सुनिए.....एक मिनट बात तो सुनिए आप।....(व्यवधान).....

श्री सत्य प्रकाश मालवीय: सारा समय तो ले लिया गुरुदास दासगुप्त जी ने और सिंगला साहब ने।

उपसभापति: उससे पहले भी टाइम दिया था। I did not adjourn the House for lunch on the request of Members to finish it today.

But if you go on adding names, it would be difficult. I have names which were given before, but I am not asking them to speak. If I add new names, there would be no time for him to answer.

श्री सत्य प्रकाश मालवीय: एक पार्टी का एक हो नाम तो जाएगा। ज्यादा नाम तो मांग नहीं रहे हैं।

उपसभापति: पार्टी का क्या है? उससे क्या होता है? सभी एक-एक पार्टी का तो होता है।

I will have to allow everybody else. If he speaks, I will have to allow everyone. जायसवाल जी, प्रॉब्लम यह होती है कि कौन कौन पार्टी में है—सच, मुझे मालूम नहीं रहता। Honestly, I do not know. Somebody is in the UPG. Somebody is Independent. I, myself, really do not know.

श्री सत्य प्रकाश मालवीय: और हम लोगों की पार्टी, जनता दल, विशेषकर समाजवादी जनता दल, समता पार्टी, समाजवादी पार्टी, इसमें कन्फ्यूज़न रहता है। This is confusion worst confounded. I agree.

SHRI V. NARAYANASAMY: We have Janata Dal A, B, C, C etc.

THE DEPUTY CHAIRMAN: I am totally confused. I really do not know who is who. That is why I said: 'Please give the names in advance, specifying your party's because I have names from different parties and they are not here. (Interruptions)

श्री जगदीश प्रसाद माथुर: घपला तो सभी पार्टियों में है, बीजेपी को छोड़ कर।(व्यवधान).....हमारी पार्टी में कोई आता नहीं, हम किसी को लेते नहीं।(व्यवधान).....

उपसभापति: बोलिए।

श्री अनन्तराम जायसवाल: उपसभापति महोदय, यह सरकार का कमिटमेंट है कि सरकारी क्षेत्र को या सार्वजनिक क्षेत्र को निजी क्षेत्र के लिए खोलते समय यह ध्यान में रखा जाएगा कि सरकारी क्षेत्र का या सार्वजनिक क्षेत्र का ईक्विटी शेयर 51 प्रतिशत रहेगा। क्या वजह है, कौन-सा लाजिक है और जो इन्होंने लाजिक बताया है, वह समझ से बाहर है कि खाली 11 प्रतिशत शेयर उसमें रहेगा सार्वजनिक क्षेत्र का। जो ज्वाइंट सेक्टर आप लगाने जा रहे हैं उसमें 11 प्रतिशत ही शेयर रहेगा,

इसकी आप वजह बताइए। आपने बताया है कि यह इसलिए किया जा रहा है कि इनके संसाधन बचेंगे और दूसरे ऐसे कामों में लगाएंगे तो यह समझ के बाहर है, इस पर आप रोशनी डालिए नंबर एक। दूसरा सवाल मैं यह पूछना चाहता हूँ कि एक तो निजी क्षेत्र को आप ला रहे हैं, प्रवेश दे रहे हैं।

(उपसभाध्यक्ष (कुमारी सरोज खापड़ें) पीठासीन हुईं।)

उसके साथ-साथ यह भी कह रहे हैं कि इनको सरकारी की रियायत, सरकार की सहायता की और सरकार के प्रोत्साहन की जरूरत है अगर निजी क्षेत्र इतना ही कमजोर है कि जिसको सरकार की सहायता और प्रोत्साहन की जरूरत है तो क्यों नहीं सरकारी क्षेत्र को यह सहायता दी जाय और उसी से यह काम लिया जाए। सस्ते रियायती दामों पर तो लीज़ दी जा रही है, आप कृपया यह बताइए कि उसका कमर्शियल रेट क्या होगा और जो रियायती लीज़ दे रहे हैं, उन दोनों में क्या फर्क रहेगा? आपने कहा है कि कीमतों पड़ें, फिनिश गुड्स पर इसका असर न पड़े, महंगी न होने पाए और निर्यात में भी आपको फायदे मिलें, इसलिए आप ऐसा करने जा रहे हैं तो कमर्शियल सौदे की अपेक्षा कितनी रियायत देने जा रहे हैं और कमर्शियल कीमत और रियायती कीमत, इन दोनों का फर्क क्या है? फिनिश गुड्स पर इनका कितना असर पड़ेगा, इन दोनों पर आप मेहरबानी करके प्रकाश डालिए।

उपसभापति (कुमारी सरोज खापड़ें): धन्यवाद, डा० बी०बी० दत्त।

श्री जगदीश प्रसाद माथुर: महोदया: मैं एक प्रश्न करना चाहता हूँ कि कांग्रेस के कितने लोग बोलेंगे।

उपसभाध्यक्ष (कुमारी सरोज खापड़ें): अभी उन्होंने शुरू नहीं किया है और आप कह रहे हैं?

श्री जगदीश प्रसाद माथुर: महोदया, तीन सदस्य बोल चुके हैं। कांग्रेस अगर 20 नाम दे दे तो हम क्या करेंगे? ऐसे तो मैं भी अपनी पार्टी के दस नाम दे सकता हूँ। नियम है कि हर पार्टी का एक सदस्य बोलेगा। यह तो अन्याय है, यह न्याय नहीं है।

उपसभाध्यक्ष (कुमारी सरोज खापड़ें): मेरे सामने जो लिस्ट है और मुझे डिटी चेंबरमैन से जो आदेश प्राप्त हुआ है, मैं उसे के अनुसार कर रही हूँ।

श्री जगदीश प्रसाद माथुर: मैं यही कह रहा हूँ कि यह ठीक नहीं है। मेरी भी पार्टी 10 नाम अगर दे दे तो

क्या आप बोलने देंगे? यह तो गलत है, नियम के सरासर विरुद्ध है। हमने सोचा कि सिंगला जी ने तीसरा नाम दिया है पर यहां तो चौथा भी मौजूद है। अगर आज देखा जाए तो कांग्रेस का कोई प्रपोर्शन ही नहीं है कि दो भी बोलें, लेकिन चार बोलेंगे।

उपसभाध्यक्ष (कुमारी सरोज खापड़ें): माथुर साहब, इसके बाद तो कांग्रेस के हैं नहीं, आप ही बोलेंगे।

श्री जगदीश प्रसाद माथुर: तीन बोल चुके हैं।

उपसभाध्यक्ष (कुमारी सरोज खापड़ें): एक और बोल दें तो उसके बाद आप लोग बोलिएगा।

श्री जगदीश प्रसाद माथुर: लेकिन यह गलत हो रहा है कि कांग्रेस के 4 बोलेंगे और बाकी पार्टियों का एक बोले। समाजवादी पार्टी के लोगों को बोलने से रोका जा रहा है। यह क्या तरीका है।

उपसभाध्यक्ष (कुमारी सरोज खापड़ें): आपने जो प्रश्न उठाया है, उस पर मैंने ध्यान दिया है।

श्री जगदीश प्रसाद माथुर: कांग्रेस के प्रपोर्शन के हिसाब से दो भी नहीं बोलने चाहिए थे, एक ही बोलना चाहिए।

DR. B.B. DUTTA (Nominated): Madam, a question has been raised why the NMDC, which has been making profits and doing well, has not been entrusted with the development of the Bailadila mines fully and why it is being given to somebody else, a private party. The question is, NMDC, which has had a lease for 30 years, has already passed 28 years. It has developed only part of Mine 11-ABC, and that is not sufficient to meet the growing demand. The demand is growing very fast in the steel sector. There are private entries and we have to keep on supplying ore to meet the requirements of the nation's economy.

I do not know how, if the NMDC is given the responsibility of doing everything, these fast-rising demands for the ore will be met. It is useless to argue that had the NMDC been given this, that would have earned a profit of this much

or that much, because these are all hypothetical calculations. The fact remains that the NMDC also has its own problems. It earned a profit of Rs. 120 crores in 1991-92. The profit came down to Rs. 71-odd crores in 1993-94. It has also swings in its performance.

Why all over the world, this trend for liberalization and privatization is asserting itself? Because it is on the unquestionable assumption that private management is much more efficient and productive and that its day-to-day performance and operational efficiency are higher.

It is now admitted by socialist countries. It is not only being practised by capitalist countries but countries with socialist bias are increasingly practising it. This is the message. What is happening in China today? Why are they also going in for joint ventures? Why are they inviting private entrepreneurs? It is because of this.

I want to point out one more thing which we are missing in the debate in the House. We should not apply micro-economic logic to a question which is essentially macro-economic in character. Steel and anything else which pertains to steel is very important like a few other items for the national economy because, if we do not produce more and more steel, if we do not register a fast growth in the steel sector, we are not going to achieve the goals which our new policy has set before us. Therefore, we must ensure a faster growth in steel. That is not possible if we do not rely increasingly on the private sector participation.

One member asked: why this privatisation? It is not a case of privatisation. It is a joint venture. Conceptually, there is a fundamental difference. We should not confuse things.

I would like to draw the attention of the House to one more thing. Let us turn a few pages from the fantastic story of the economic growth of Japan. It is not

necessary that when a public sector unit is doing well, it cannot invite private sector participation. In fact, in Japan's economy, they have followed a flexible policy. Whenever anything went wrong in a private industry, they nationalised it, set it right and, then, denationalised it because they believed more in private sector efficiency. This is one of the main factors which contributed to the making of the Japanese giants seen all over the world, what they are, today.

If we have accepted the liberalisation policy, if we have accepted the privatisation policy, let us give a full trial to it with full confidence in ourselves. The whole nation from every nook and corner has supported this new policy. There is a massive public opinion in favour of it. Yet, in very deal, we are going to resist it! If we get bogged down in this kind of debate and if every deal is questioned, we will not be able to go ahead.

We appreciate the changed policy and the ideas of the West Bengal Chief Minister. In spite of opposition from within his party, he is showing vision. He is displaying vision, and he is going ahead. ...*(Interruptions)*

Why not? He is one of the leaders of the country. We are Indians. He is an Indian. He is also one of our leaders. Just because he is in opposition to us and he is not my party leader, should I say that? He is a leader.

There is this confusion about the policy. We have accepted it. We thanked Dr. Manmohan Singh profusely in this House from this side and from the Opposition side for carrying out this policy. And now we are resisting it! This is very unkind.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Mr. Dutta, please conclude. *AAA(Interruptions)*

DR. B.B. DUTTA: I am going to ask a few questions to the hon. Steel Minister.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Please conclude.

DR. B.B. DUTTA: Will the Minister clarify these points?

Will the development of Deposit 11-B as a joint venture increase the availability of iron-ore to other domestic users? Some people have said that this firm is going to have a complete monopoly over this. That is why I ask this question. He should satisfy us about the condition of other users. Will there be balanced production? How will it be distributed to other users? Will justice be done to all users?

My second question is this. What is the policy now which the Steel Ministry is following about captive mines? This is also an important question. How many steel-producing units can be given captive mines? We have got a number of units. More are coming up. So, I want to know the exact policy.

My third and last question is this. What comments has the Finance Ministry actually made? I think, it should be made clear before this House by the hon. Steel Minister because any comment from the Finance Ministry is very important. In the interest of transparency, it is very much required. In the spirit of the liberalisation policy and privatisation, I say that transparency is a must. I agree with hon. Jaipal Reddy. The hon. Steel Minister must take it clear.

I again to all the Members of the House. Let us not create another scene by accepting liberalisation and then accepting it. This kind of thing must come to a stop.

Thank you.

SHRI JOBBON ROY: We are not discussing now the public sector *vis-a-vis* the private sector. It is a matter of politics. We differing here and that will be settled outside with the verdict of the masses. Here we are discussing the economics. Many of my friends have referred to the States on the matter of industrial policy. The Centre leads and the States follow. Here also a question

comes how the Centre will be leading the States. West Bengal or other Governments are trying to adjust with the Central Government policies, though they may not agree with the Central Policies, but since the States are to run, they have to adjust. Here rightly my distinguished leader, Mr. Jaipal Reddy has said whether transparency will be there, whether privatisation will be in the interest of the nation. That is my main question.

In the report circulated by the hon. Minister it looks as if high-grade iron ore is required for the sponge iron-plant alone. After all, the sponge iron is the most important input for steel making. Handing over of the high-grade iron-ore affects the competitiveness between one industry and another.

The hon. Minister has used the pet word about competitiveness. Competitiveness with whom? Between foreign industries and our industries and also between the private sector and the public sector? These are the two areas of competition? Now, you hand over the best iron-ore mine to a specific private taker. That means you keep an edge of competitive business a particular party alone.

The hon. Minister knows that I am also related with the steel industry. I have been in this industry for the last 35 years. The steel industry is suffering badly for want of good quality of steel. Our Vizag plant is not having a captive iron-ore mine. The hon. Minister will agree with me that the iron-ore mine of Rajhara, the captive mine of Bhilai has has now been depleted and is not supplying good quality iron-ore. The Minister will agree with me that the captive iron-ore mine of Rourkela has also got depleted and good quality iron-ore is not available to it. Iron-ore with 67 per cent ferrous content means it has an excess productivity and it also means good quality steel. What kind of iron-ore you supply to your own steel plants? It is around 51 to 60 per cent ferrous content. If any of the plant gets

60 per cent, then they fed that has come down from heaven. The other day I was visiting the Wheel and Axle Plant of Durgapur steel plant. The Wheel and Axle Plant got sufficient orders from the Railways recently. I find that 25 per cent of the wheels got rejected because of supply of bad quality iron-ore. It is of about 50 to 53 cent ferrous content. Even if iron with 67 per cent ferrous iron-ore of Bailadila mine is supplied to Durgapur and Rourkela, then in spite of the excess transport cost, it will be advantageous. Therefore, you are handing it over almost free of cost to given higher productivity to a private company.

I have got more point confusion to be cleared. I wish the hon. Minister will clarify it. The Annual of the Steel Ministry was circulated in the month of March. It was not drafted by Mr. Gurudas Das Gupta or any Member of the Opposition. In that Report, only in the month of March 1995 your Ministry has said that II-B is being developed by the NMDC. What happened in the three months' time? Is it because elections are approaching that there has been a sudden change.

Lastly, Madam, I have no objection to the handing over of any iron ore mine to any Jindal or Mittal. But why are you choosing this II-B mine? In the Bailadila complex itself, there are so many mines. Many are there. We took 15 years to discover this mine. We took 15 long years! Our workers and engineers have done it. Why have you chosen this II-B mine?

Madam Vice-Chairman, some hon. Members were referring to West Bengal. I can assure you that nothing will be signed in West Bengal unless the Opposition Members and trade-unions are taken into confidence, unless people are taken into confidence. Have the Government discussed it? You never said you were going to hand over it and you were coming to an agreement. You knew some dispute was going on. Our Chief Minister

is talking with the trade unions. You never bothered to discuss it in Parliament. I am a Member of the Consultative Committee on steel industry. You have not discussed it in the Consultative Committee also. You have not discussed it with the trade unions. You have not taken the trade unions into confidence. This is a matter where there should be transparency. I would like to know from the hon. Minister whether things will be done after taking everybody into confidence or surreptitiously. That is my point. Thank you, Madam.

श्री गया सिंह (बिहार): मेडम, माननीय मंत्री जी से मेरा एक ही सवाल है। काफी अच्छा डिस्कशन हुआ, काफी अच्छे प्वाइंट भी आए। हमारे कुछ माननीय सदस्यों ने सवाल उठाया था कि टिस्को और ईस्को में प्राइवेट केपटिव माईंस है। शायद उसको मालूम नहीं है टिस्को का जब पैदाइश हुआ और ईस्को जब आया था तो एन०एम०डी०सी० नहीं था। वह तो आजादी के बहुत बाद में आया। इसलिए उनके इतिहास में जा कर कन्फ्यूजन करने से कोई फायदा नहीं है। मेरा सवाल सिर्फ यह है और जो सभी माननीय सदस्यों ने भी उठाया है कि यह जो II-B प्रोजेक्ट है इसके अलावा भी कोई एन०एम०डी०सी० में है जिसको दिया जा सकता था क्योंकि हम मूलतः प्राइवेटाइज़ेशन के खिलाफ नहीं हैं। सरकारी क्षेत्र अच्छा काम कर रहा है लेकिन उसको न देने से बैंकर डिमोरलाइज़ हो रहे हैं। और उन्होंने 15 साल तक इन माईंस को डवलप किया है। आज अगर हिन्दुस्तान में प्राइवेट सेक्टर स्टील प्लांट में आ रहे हैं तो उनकी जरूरतों को एन०एम०डी०सी० पूरा करे। वह एक्सपोर्ट भी कर रहे हैं आइरन ओर को तो हिन्दुस्तान के प्राइवेट सेक्टर को भी दे सकते हैं। मेरा सवाल उसी से जुड़ा हुआ है। आज हमारे देश में स्टील प्लांट्स की, सेल की और विशाखापत्तनम की जितनी रिक्वायरमेंट आइरन ओर की है, वह अपनी केपटिव माईंस से पूरा नहीं हो रही है, अभी भी हम परचेज कर रहे हैं। मंत्री जी को मालूम है उड़ीसा में जो प्राइवेट माईंस हैं आइरन और वहां से कई लाख टन रूडकेला स्टील प्लांट को जाता है। तो विशाखापत्तनम की जो जरूरत है उसको एन०एम०डी०सी० के II-B को साथ रखा जाए, इसके अलावा दूसरी माईंस मंत्री जी देते तो हम समझते हैं कि हमें कोई एतराज नहीं होता। इसलिए मेरा यह सवाल है कि हाऊस की जो आम राय है बल्कि कांग्रेस के भी माननीय सदस्यों ने जिस तरह से अपने सवाल को रखा है, जो

आम राय बन रही है, क्या आप इस पर पुनः विचार कर सकते हैं? अगर वह यह विश्वास हाऊस को दे तो बहुत अच्छी बात होगी। इससे देश के आम लोगों के बीच में भी वर्किंग क्लास का, इंजीनियर्स का उत्साह बढ़ेगा जिन्होंने 15 साल तक अच्छा माईस को डवलप किया। इसलिए इसे सरकारी क्षेत्र में रखा जाए। इसकी आवश्यकता महसूस नहीं की जा रही है। वह ज्वाइंट वेचर में हो या प्राइवेट सेक्टर में हो उससे कोई लाभ किसी को नहीं होगा बल्कि उस इंडीविजुअल को मोनोप्लिस्ट को होगा। सरकारी क्षेत्र में इससे कास्ट बढ़ जाएगी। एन०एम०डी०सी० का आपने 11 परसेंट ही रखा है इससे पब्लिक सेक्टर को आप डिमोरेलाइज़ करेंगे। मेरा यह सवाल इतना ही है कि इसकी क्या आवश्यकता है कि उसको दिया जाए और रखने से क्या नुकसान होने वाला है? क्यों नहीं हम प्राइवेट सेक्टर को अपना डवलप करके दे सकते हैं? अभी हाल के दिनों में एन०एम०डी०सी० की प्रोडक्टीविटी भी काफी बढ़ी है, प्रोडक्शन भी काफी बढ़ा है और बढ़ रहा है। धन्यवाद।

SHRI SONTOSH MOHAN DEV:

Madam, at the very outset, I convey my heartfelt thanks to all the hon. Members of the House who have participated in this debate and expressed their viewpoints about this joint venture. During the debate, some Members have levelled allegations against me. Of course, they have said that they cannot prove them. I would take it as one of the hazards of a Minister to work in an economic Ministry and I do not want to say anything against them. I would accept it because being hon. Members of this House, they have got the privilege to say whatever they like and if something is said about them, they are very, very unhappy. I have to go back to the time when we formed this Government, that is, 21st June, 1991. There were some Members who are present here. They belonged to a particular Government. On that particular day, an agreement was signed by an organisation of the Central Government which was the fall out of a decision taken by the Cabinet Committee on Political Affairs when Shri. V.P. Singh was the Prime Minister. One hon. Member is present here. The other Member, Mr. Jaipal

Reddy, was a Member of that Committee. Shir Gurudas Das Gupta was a supporter of that Government. I have got that file with me and if I go through this file, it will again generate heat in this house. So, I will not quote from this file but speak from my memory and while doing so, if I am challenged, I will try to quote from the file. Mr. Jaipal Reddy, the issue was, whether Bailadilla port should be given to Japan or not. Mr. Dinesh Goswami differed on that issue along with the Secretary of Steel. Mr. Dinesh Goswami was not present. On that day, the CCPA took a decision that they would enter into a long term contract with Japan for supply. I have got that note with me and what all of you have said today, had been told by Dinesh Goswami, that vizag would suffer. Shri Jagdish Prasad Mathur and one more Member have said that I have tried to project in my statement a requirement of 24 million tonnes of steel whereas our production will be 17 million tonnes. There will be a backlog of 13 million tonnes. Wherefrom will it come? I have said that it will come from the private sector. I concede this before the hon. House that Vizag has suffered a lot because of that decision. When I became Minister of Steel, there was a file lying in front of me on my table for privatising vizag. The applicants were the Tata Steel and the Essar. I told the Prime Minister and the Finance Minister that this is the only integrated public sector steel plant in the South. Madam Indira Gandhi had laid the foundation-stone in Karnataka. But she could not complete it. It happened in Bhatri. So, I request you to give me a chance. If you give me a chance with a little budgetary support, I am sure to do something. I have visited the place and I would like to inform the House that it can be one of the best plants in the world and also in our country. I have got the support of the Finance Ministry. The Finance Ministry gave the budgetary support. The finance Minister also made capital reconstruction and new Vizag is in

the threshold of earning profit by next year. Now, all of you are trying to make one very important issue and that is why is the profit-earning public sector undertaking deprived of exploring a mine or having a mine which is also profit-earning and which is having iron ore which is one of the best in the world? Right. That is the main question posed by each one of you. Now, what is the perception of our Government towards the public sector and the private sector? The perception of our Government is that if in any area which is not sensitive, private investment comes or if in any area which is less profitable, public sector is willing to come forward and the private sector is not willing to come forward but which is also needed for the development of industry the public sector should take the responsibility for it. Many Members of Parliament criticised us, your policy is not helping backward areas; they are not getting any assistance. There is no licensing; nothing; nobody goes to those areas. Infrastructure is not there. Today, 17 million tonnes, as is very rightly said by some hon. Members, can be produced by upgradation and modernisation of these two plants and the balance 13 million tonnes will come from the private sector. In this scenario whether I am going to encourage the private sector by giving a profitable mine or not should be judged. You can put whatever you want to, on my shoulders. Character assassination you want to do, do. A national pledge was made... (*interruption*)...

SHRI S. JAIPAL REDDY: Your shoulders are very broad.

SHRI SONTOSH MOHAN DEV: I must appreciate it, Mr. Jaipal Reddy You have repeated today what you said in the press conference: "I think दाल में कुछ काला है, but I cannot prove." That is what you have said. I do not want to go into that.

One gentleman has very rightly asked, "Your proposal was of 1993. Wherefrom did you get the authority to do it in 1992? That is a very important question. This is

the Statement of the Industrial Policy of July 24, 1991. In this Statement the Government said, "In the areas earlier reserved... —that is for public sector—the private sector was, however, permitted investment on a selective basis." This is what gave me the authority. The private sector can be permitted on a selective basis. As was very rightly said now by Gaya Singhji and earlier by Mr. Jaipal Reddy that IISCO... (*interruptions*)...

SHRI DIPANKAR MUKHERJEE: You are referring to 1991-Policy.

I am referring to 1992-Policy.

SHRI SONTOSH MOHAN DEV: You asked me a question. Regarding 1993, I have done it. I do not know whether the Act was passed in 1994. Wherefrom did I get the authority? This is the Policy from which I got the authority, but when I go to the Cabinet, Cabinet can either reject it or accept it. It is not necessary to accept it. It is not mandatory. The Cabinet may accept it or may reject it. This is from where I got the authority.

SHRI DIPANKAR MUKHERJEE: This is your idea, not mine.

SHRI SONTOSH MOHAN DEV: I am answering. I, Sontosh Mohan Dev, took a decision as Minister of Steel. ...(*interruptions*)...

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): I request the hon. Members to let the Minister complete his reply. ...(*interruptions*)...

SHRI DIPANKAR MUKHERJEE: Madam, my question was very specific: Is it the Steel Minister or the Steel Ministry? That is my question. Let him reply to that. ...(*interruptions*)...

SHRI SONTOSH MOHAN DEV: Madam, I can assure the hon. Member ...(*interruptions*)...

SHRI DIPANKAR MUKHERJEE: Madam, this decision was taken in 1994. (*interruptions*)...

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Don't be so agitated. Let the Minister complete his reply first. If you have any queries, you can raise them after that.

SHRI SONTOSH MOHAN DEV: If there is anything more to be answered, I will be there to satisfy you, but give me a chance....(interruptions)... I have full respect for all of you because you have made certain vital questions which have to be answered. Why have they to be answered? It is because many more mines will go to private sector, if you want 30 million tonnes. If this august House wants 27 million tonnes. China today is at 95 million tonnes! We are feeling proud with 17 million tonnes.

This is our position today. Hon. Members will be surprised to know that if I export one million tonne of iron ore, I will get roughly Rs. 60 crores. If I export one million tonne of steel, I will get Rs. 960 crores! With this idea we are doing it, and this is not a new thing. I would like to go back to the speech of the hon. Prime Minister delivered in this House because Mr. Jaipal Reddy and others have questioned: What is the transparency of this deal? Why did you do it? Is it because of an overnight decision that Mr. Sontosh Mohan Dev has done it or was there any thinking in this House?" Madam, in one of the speeches made by the hon. Prime Minister on the President's Address in this House, it is mentioned that it is unfortunate. Iron ore of precious quality is being exported. Our Government had decided not to do it and we shall see that it is utilised within the country, both in the public and private sectors.

There is no secret in it. No secret at all. On the basis of that, Mr. Jaipal Reddy, in January, 1992, when we came into power—somebody mentioned about Enron—you may recall, people were writing in the Press, including national papers, whether we were going to cancel that international agreement with Japan.

I took it up before the Cabinet. Many Members of Parliament, not only from my party but also from various parties including BJP, wrote to me. There was a letter subsequently from the then Chief Minister of Madhya Pradesh, who belonged to the BJP, on this issue. We decided in the Cabinet that since it was an international agreement, even though it was a loss and not in the interest of the country, and one Government had done it, "Let us continue and honour it. In future we shall not export any iron-ore without meeting the demand of the domestic sector."

SHRI GURUDAS DAS GUPTA: Does it mean, Madam, that the export contract will not be renewed when the present agreement comes to an end?

SHRI SONTOSH MOHAN DEV: This is also another issue. I am very glad that Gurudasji has given me a chance. I was not coming to that. This issue came up in the Cabinet meeting. You yourself and raised it. Shri Jaipal Reddy had differed from the Finance and Steel Ministers. (Interruptions)... You have raised it correctly. I want to say this is the strength of our democracy and administration. When a Cabinet note goes—there is an ex-Minister here—the Minister of each Department is asked to give his views, the Finance Minister, the Planning Minister, the Commerce Minister and others. We give our views. In our views we differ. But when a decision is taken in the Cabinet, it is a collective decision. It is not a decision of Sontosh Mohan Dev. In the instant case the Finance Ministry said that the valuation should be so that it should be a commercial deal and an open bid should be called. We differed. I agree. As Mr. Jaipal Reddy has said that Sontosh Mohan Dev did not agree, I did not agree. I said that it should be a captive mine to produce finished steel as determined by the then Secretary, Mr. Venkatacharan Teotia and we should supply finished products. Now the question has come very rightly. The NMDC came with a proposal to the

Planning Commission with 40% equity in joint sector.

SHRI GURUDAS DAS GUPTA: it was about the supply to Japan.

SHRI SONTOSH MOHAN DEV: The supply to Japan is pending before the Committee.

SHRI GURUDAS DAS GUPTA: No. madam, just a minute. When the hon. Minister has been so eloquently speaking about the adversity of the contract that the previous Government had made, will he kindly confide to the House whether he is going to propose to the Cabinet that this adverse decision of the previous Government should be rectified and corrected when the agreement comes to an end in a few years?

SHRI SONTOSH MOHAN DEV: It is not "in a few years". It is coming to an end in 1996. Probably I will not be able to communicate it to Mr. Gurudas Das Gupta. The difference has come because the Government and the Cabinet have given direction both to the Commerce Ministry and to us saying you bring a paper stating the requirement of the domestic sector. They said, "after you convince us, we will think of giving it to Japan". I cannot foresee or I cannot forecast the decision of the Cabinet. Then my friend, Mukherjeeji, will again tell me.... (*Interruptions*)....

SHRI GURUDAS DAS GUPTA: We want your opinion.

SHRI SONTOSH MOHAN DEV: I have differed from the Commerce Ministry. This is my opinion. I am subscribing to the views you have subscribed. But it will be, after all, the collective decision of the Government. I have to go by the Collective decision of the Cabinet. Now a question has come. The Planning Commission has approved Rs. 20 crores. We have spent Rs. 2 Crores. it is not a fact that we spent Rs. 20 crores. In that projection, the share of the NMDC in the joint sector was more than 11%, which

has been given to it. There is no denial of the facts. it is also a fact that when the NMDC came up with a proposal for joint venture with one of the four companies or with four of them, they also suggested that some shares should be floated in the market at today's price for public issue. That was the proposal.

That was the proposal. This proposal was changed in the subsequent year, in 1994 when the Iron Ore policy was debated in the House. It was passed by both the Houses of parliament and the President also signed it. It was clearly said that the iron ore sector should be opened to the private sector and captive mines should also be given to them.

SHRI GURUDAS DAS GUPTA: What was passed by the House?

SHRI SONTOSH MOHAN DEV: The Iron Ore policy.

SHRI S. JAIPAL REDDY: Madam, no policy has ever been. . . .

SHRI GURUDAS DAS GUPTA: Madam, no policy was passed. It was only discussed.

SHRI SONTOSH MOHAN DEV: Yes, it was discussed.

SHRI S. JAIPAL REDDY: It is generally placed on the Table of the House.

SHRI SONTOSH MOHAN DEV: Because it was an Ordinance. As it was an Ordinance, it came before the House.

SHRI GURUDAS DAS GUPTA: Madam, the hon. Minister is misplaced.

SHRI SONTOSH MOHAN DEV: Why?

SHRI GURUDAS DAS GUPTA: It is a policy.

SHRI SONTOSH MOHAN DEV: I am telling you, it is a policy.

SHRI GURUDAS DAS GUPTA: The Government issues ordinances to give effect to its policies!

SHRI SONTOSH MOHAN DEV: Mr. Gupta, first an Ordinance was issued.

There is a provision. If an Ordinance is issued, on the very first day to the Session the concerned Minister comes before the House. It was discussed in the House. Some people objected to it and some people accepted it.

SHRI GURUDAS DAS GUPTA: We did not approve it.

SHRI SONTOSH MOHAN DEV: You may not approve it. It is our policy. It is the policy of the Government. I am answering his question. He has asked a very vital question. Let me answer his question.

Hence our Ministry has done it within the policy framework.

Then a question was raised that if you come with 11 per cent, whether protection will be given to the requirements of industries other than M/s Nippon. It was also pointed out that the whole quantity will go to them and thereby the medium and small industries will suffer. It is a very valid question. The Cabinet took a decision. They gave instructions to us. One of the conditions of the MoU is that they would be entitled to get only what they need for their captive plant. Even if they have started a new plant and if they have anything outside the country, whatever their total production is, they will get the requirement of mine and the balance will be offered compulsorily to the NMDC. The NMDC will market it on behalf of them.

SHRI GURDAS DAS GUPTA: Will the Minister.....

SHRI SONTOSH MOHAN DEV: Let me finish. I will answer all your questions. I am available here. A question was also raised that two-third of the mines which are needed by other steel plants will come to NMDC. They will have to invest Rs 4,000 crores to Rs. 5,000 crores and our stake will be only Rs. 70 crores. By that we will get double benefit, i.e. extra calibrated iron ore and fine iron ore and any other product that

will come. This will be the onus of the NMDC. The NMDC will sell it in the market for domestic use. As per the policy of the Government they cannot export it. That care has also been taken. Another question which.....

SHRI GURUDAS DAS GUPTA: I want to put a question on this issue.

SHRI SONTOSH MOHAN DEV: Please don't interrupt me. I have not yet finished. When I conclude, you can put your questions. I did not interrupt you. Shri Gaya Singh pointed out that the trade unions objected to it and they gave a memorandum. Shri Indrajit Gupta and Shri Gurudas Das Gupta wrote letters to the Prime Minister. They did not want to write to me. Their letters came to me through the Prime Minister for my reaction. What I have done is this. I have met the trade unions twice along with the MPs of that area. I have discussed it with them. I have conceded all their points except one point, i.e. not going to the joint sector. It is there in the agreement. I can show it. Generally, you cannot bind any company to select them from the local Employment Exchange. There are certain rules and conventions. Above Rs. 2,500 or so, they can go in for all-India recruitment. But here in this case, for all jobs, he has to first go to the Employment Exchange. Only after getting a certificate that it is not available he can go outside Madhya Pradesh. This is how we have protected them. The argument was that tribal people would be deprived of jobs and non-tribal people would come and it would create an adverse situation. We have got that done. The Madhya Pradesh Government wanted that the head-quarters should not be in Calcutta, but it should be in Madhya Pradesh. That also we have agreed to. Some other questions have been put forward. Many of them are very important from the point of view of the Members of Parliament. But I would like to say this much that this particular joint venture does not amount to sale of any mine. Number

two, it is being done in a transparent manner. I have got a chart in front of me. I can lay it on the Table of the House. It contains the process from 12.10.90 to 1.8.95. It is transparent. I myself called all the prospective entrepreneurs and discussed with them. I suggested to them to form a Company in which all three of them could be shareholders and one of them by rotation could be the Chairman—Vikram Ispat, NMDC and all of them. But Vikram Ispat walked out because their requirement was less. They wanted an assurance of total quantity. We have assured them. Subsequently, Mukund tried to participate. We also invited them. It was a new party. We invited them. They discussed and, ultimately, we found that they could not come to a decision. Then we also suggested to them that the three of them be shareholders and NMDC be the Chairman. They said, "No, if NMDC is the Chairman, unless we have a hold, we will not be able to do it." Then what happened? then we gave instructions to the NMDC to form a committee to discuss and decide. A question was raised, not today, but earlier in some national paper as to what rise Shri Sontosh Mohan Dev had given. Article 9 of the Articles of Association gives the President of India the authority to instruct a public sector unit to follow guidelines. That is all I have done. Nothing illegal has been done. Now, the committee has been formed with seven members. The committee has selected two parties—M/s Nippon Denro and Essar Gujarat. They forwarded it to us. It went to the Cabinet. in the order of preference, to both the parties, not one party, the Cabinet decided that it should go to M/s Nippon Denro. Now, you have raised a question as to the experience. You have said that we have given the job to someone who does not know anything about it. Now, Nippon Denro is a lease-holder of a foreign company in Mexico. I do not know which mine, but they are mining there for the last five years in a mechan-

ised way. They have taken up a sick industry and they have made it profitable. Not only that, when they were given the lease-hold, they were given property rights too. M/s Nippon Denro has got steel mines in Indonesia, in Trinidad, in Canada and yesterday, I saw in the papers that they are buying in some other country also. So, they have experience in mining also and we have taken that into consideration and, ultimately, decided in their favour. Another question that was raised was as to why we were charging Rs. 16 crores only. The Finance Ministry has said that the annual profit is Rs. 70 to Rs. 80 crores. Twenty years is the gestation period. The amount would come to Rs. 284. Give 12 per cent discount and then the price would come to Rs. 100. It was rupees five crores and today it has become Rs. 16.5 crores. We also told the Cabinet to look into this problem because the issue was raised in the national papers like the *Statesmen*, *Telegraph*, *Economic Times*, *Financial Times*, etc. They were against it. the perspective plan. Nothing has been done. You are in possession of...*(Interruptions)*...

SHRI DIPANKAR MUKHERJEE: Geological surveys have been made in the ...*(Interruptions)*...

SHRI SONTOSH MOHAN DEV: The problem is that...*(Interruptions)*...

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): The Members should have some patience. Let him reply.

SHRI SONTOSH MOHAN DEV: Madam, ...*(Interruptions)*...

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): The hon. Minister is trying to give the reply to each and every question. *(Interruptions)*

SHRI SONTOSH MOHAN DEV: Let me finish.

SHRI DIPANKAR MUKHERJEE: What is the cost of 104 million tonnes?

He is talking about the development cost. We are not talking about Rs. 5.8 crores or Rs. 16 crores. That is the development cost. My point is, what about the 104 million tonnes? Has an evaluation been done? What is your evaluation? (*Interruptions*)

SHRI SONTOSH MOHAN DEV: Unfortunately, he is... (*Interruptions*) Unfortunately, he is not attentive to my speech. This is my grouse against him. I have not yet come to the point that he raised. I am answering the questions on the exploration cost. I will come to that (*Interruptions*)

SHRI DIPANKAR MUKHERJEE: Sometimes he says the Cabinet... (*Interruptions*) Sometimes, he says... (*Interruptions*).

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Mr. Minister, you cannot afford to have a grouse against the hon. Member.

SHRI SONTOSH MOHAN DEV: No. I shouldn't. They are my good friends. (*Interruptions*). The Members are my good friends. I know. When there was this scam in the banks, some members had said that my son was involved in it. One of my fast friends came and asked me, "Who is your son?" I said that I was blessed with four daughters, I don't know where this son had gone. From the next day, it died down. Anyhow, my point is that the decision that we have taken is an open thing. It was not taken behind anybody's back. Yes, there can be a debate, as has been raised by some hon. Members, as to why we are giving it to private parties, why we are giving the best iron ore and as to whether we are doing it just to help one individual. But, no. We are not. If you go through the figures in the contract that was signed by the then Government, not by us, you will find that in 1992-93 our agreement was to supply four million tonnes. After we came in, we supplied 3.65 million tonnes to Japan. In 1992-93, our commitment was of three million tonnes and we supplied 2.8 million tonnes. In 1993-94, our

commitment was of three million tonnes and we supplied 2.93 million tonnes. In 1995-96, the demand was for 2.5 million tonnes and we supplied 2.8. This is the picture. Now, a very vital question has been raised as to whether we are not making the Vizag Steel Plant suffer by making this agreement. Again, I have a lot of respect for Shri V.P. Singh, Shri Arun Nehru and others. I don't want to bring in their names here. I am just saying it. In 1991, the demand for Vizag was 10 lakh tonnes in one lump and we had given seven lakh tonnes. Then, 5.15 lakh tonnes full was demanded. In 1992, the demand was for 10 lakh tonnes in one lump and we gave 8 lakh tonnes. In 1993, the demand was for 12 lakh tonnes and we gave 9 lakh tonnes. In 1994, the demand was for 15 lakh tonnes and we gave 9 lakh tonnes. In 1996-97— as Mr. Gurudas Das Gupta also asked as to what will happen after the expiry of this international agreement with Japan—they have demanded 17 lakh tonnes in one lump and we have promised them 17 lakh tonnes. They wanted 35 and we have made provision for 38 because we thought that some expansion will be there. Not only that... Let me finish. For God's sake, it is not proper. I will answer to your supplementary... (*Interruptions*)...

SHRI JIBON ROY: To give a captive mine to a private company why... (*Interruptions*)...

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Mr. Jibon Roy, will you please keep quiet for some time?

SHRI SONTOSH MOHAN DEV: What about others? There are nine such gas-based steel plants, four of them are gas-based and others are coal-based. Whatever is their requirement, we have committed and we have agreed to commit them from 1996 onwards, when this international agreement will be over. The advantage of this present 11-B, in five, I don't know which is to initially produce lump and convert a part of it in the CLO, but in 11-B, automatically, CLO will come. So the cost of that particular mine will be comparatively cheaper. But if you

compare 10 and 11-A and 11-B, some questions have been raised by the Members, 10 and 11-A have got infrastructural facilities like, school, college, hospital, everything; 11-B has to have its independent infrastructure and ultimately it will be costlier. In the case of 11-B, NDMC went because that infrastructure was taken into consideration, these ~~DER or IIR~~ was less. One question was raised whether it is not a fact.

It is a fact because when the NMDC is doing, infrastructure is available and when others are doing infrastructure is not available. So I have tried to answer why 11(b) will be explored, why it has been given to the private sector, you might have a different view but I have been as much transparent as I can be. If you want to make me more transparent, I may burst, I cannot grow further transparent. It is beyond my limit. A balloon can be swollen to a certain extent. After that it may burst.

SHRI S. JAIPAL REDDY: Beyond that it will be an exposure.

SHRI SONTOSH MOHAN DEV: Exposure, right. Go ahead. Make it an issue. Now the foremost question that has come up is this. Mr. Gurudas Das Gupta has threatened that nobody will be able to go there and it will be opposed tooth and nail and it cannot be implemented and so on and so forth. I have full faith in the trade unions. I, in my career as Steel Minister, have no difference of opinion with any trade union. What I have done has been appreciated by them. I am sure that I will be able to convince them. If they are not convinced and if they create a situation, then it is to be decided by the Madhya Pradesh Government, not by me because its location is there. I will discuss with them and decide.

SHRI GURUDAS DAS GUPTA: The Minister is excellent in passing on the buck. He can rest assured that here is a letter from the INTUC and the AITUC, both leading and only representative recognised unions, both of them have written to me and kindly note: "We shall leave no stone unturned, even going to the extent of stopping them forcibly in the area." It has been written by Mr. Pillai of the INTUC and Mr. Siddiqui of the AITUC. This is a fore-warning. Let him react to it.

SHRI SONTOSH MOHAN DEV: I will react to it. I have to react to it politically. Mr. Jaipalji and Mathurji will support me, today if there is a strike in IISCO, how many of them will participate? Everyday I get 50 to 100 postcards in my office from the IISCO people, your trainees and workers, who write to me, "Public sector or privatisation, we want modernisation." I don't want to name, one of your topmost leaders, it would be unethical, I fully support you, he also told me one-to-one, "Go ahead". I said. "You first give me clearance that the Bill will be passed in both the Houses, but I am assuring Mr. Gurudas Das Gupta, please sit down, let me answer. I can assure Shri Gurudas. If I continue for the full term, I will complete IISCO, I will complete IJISCO.

SHRI GURUDAS DAS GUPTA: It is good for him.

SHRI SONTOSH MOHAN DEV: It is good for you also!

SHRI GURUDAS DAS GUPTA: I will compliment the Minister....(*Interruptions*)....That is not the issue. The issue is trade unions...(*Interruptions*)....

SHRI SONTOSH MOHAN DEV: That is the question I am answering. He

is again asking me a question, telling me to behave. *(Interruptions)*.

SHRI GURUDAS DAS GUPTA: I am not saying that. *(Interruptions)*

SHRI SONTOSH MOHAN DEV: Madam, Chairperson, I am a daily visitor to the Library to read Bengali newspapers. I read one news item in 'Aaj Kal' which is the favourite paper. They have given the proceedings of the CPI Committee of the State of West Bengal. May I proceed further, Mr. Das Gupta?

SHRI GURUDAS DAS GUPTA: You can. *(Interruptions)*

SHRI SONTOSH MOHAN DEV: In that, Mr. Gurudas Das Gupta, along with supporters, tried to oppose Jyoti Babu's policy. Ultimately he was outnumbered and Jyoti Babu's policy was accepted. To be more sure, I checked up with one of the CPI Members of the other House and asked him, "You tell me whether this view is correct." He said, "Yes." Ultimately, Mr. Gurudas also accepted. It is correct enough. But the fact remains that in a democracy, in your own party, there are going to be differences. *(Interruptions)*.

AN HON. MEMBER: We do not refer to the other House. This is against the convention.

SHRI SONTOSH MOHAN DEV: You are a friend of mine. *(Interruptions)* I will accept whatever you say.

SHRI DIPANKAR MUKHERJEE: This is too subjective. *(Interruptions)* When Bailadila is discussed, let us discuss that. *(Interruptions)*

SHRI SONTOSH MOHAN DEV: You also ask questions and I am answering! *(Interruptions)* I have got highest respect for Shri Gurudas Das Gupta. He

is an investigating Member of Parliament and he has got many a success in the past. I have no enmity against this when he brought all these things to a national newspaper. Mr. Mathur referred in his speech to "The Statesman." I am a reader of "The Statesman" right from my thenth year. My father used to tell me, "Read 'The Statesman' everyday. You will learn English, You will get good news." But, "The Statesman" of 1995 and the "The Statesman" of 1950 are quite different. It is quite different.

SHRI M.A. BABY: It is like the Congress.

SHRI SANTOSH MOHAN DEV: Maybe, he is right.

SHRI SATISH AGARWAL: Why only that? The statesman of the 1950's and the statesman of 1995 are different.

SHRI GURUDAS DAS GUPTA: Also, Madam, a child of ten years and the gentleman of above fifty must also be different!

SHRI SONTOSH MOHAN DEV: Correct. He is right. What I am saying is, I have nothing against them personally though they have raised certain issues. This is the ethos of democracy. Things have to be discussed. If they want to go in the streets and make an Enron of if they want to go and start an agitation, it is their prerogative. I shall only appeal to them. The Ministry of Steel is doing a good work. Steel Authority of India Limited. SAIL, is doing good work. NMDC is not a sick organisation. We are not stripping them; they are checked; they are one of the best run public sector undertakings. Official are also good. I have nothing against them. But, why are you doing it to help private sector? That

is my Government's policy and not my personal policy. *(Interruptions)*

SHRI GURUDAS DAS GUPTA: What is the Government's policy? *(Interruptions)*

SHRI SONTOSH MOHAN DEV: I subscribe to this policy and, I hope, after this debate, the august House will accept it. *(Interruptions)*

SHRI GURUDAS DAS GUPTA: Madam, the main point I had raised, the main point that the House raised, the main point the press and the nation have raised is only one: Why such a profitable organisation as the NMDC has been denied the opportunity of mining 11B having rare category of iron content in the whole world? That is the question we ask. The hon. Minister has been beating about the bush, but he has never addressed himself to the main question.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): The Minister has not completed his reply. Let him reply.

SHRI SONTOSH MOHAN DEV: Whenever the general situation in the political circle in India demanded, I have never beaten about the bush. I run through the bush. I do not run about the bush.

SHRI GURUDAS DAS GUPTA: The Minister of Finance disagreed with him... *(Interruptions)*... Now he is in the company of an hon. Member of this House... *(Interruptions)*... Let us discuss everything again and find out what the reaction was. ... *(Interruptions)*... What was the reaction?

SHRI SONTOSH MOHAN DEV: The point he has raised, I have myself... *(Interruptions)*...

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Please speak one by one... *(Interruptions)*... Why do all of you get up? Let him answer.

SHRI SONTOSH MOHAN DEV: In my own statement ... *(Interruptions)*... I have made it clear that we have decided to be with the private sector. We have also made it clear in our perception that it should not be a commercial bid. It should be a captive mine. Now, as I said, in our system one Ministry can differ from the other. But, when a decision is taken in the Cabinet, it is collective decision. All of us become a party to it. The Ministry of Finance—whatever they have said in their wisdom, they are not wrong. From their point of view it is right. I have put a question to the other Members to tell me of a single mine that has been given on commercial consideration.

But no answer has been given. So, this is my valued view and opinion. I would like to impress upon the House that they should accept our view, they should honour it. I can assure the august House that we shall take care of the NMDC as well as of others. If there are any further questions, they can be asked. But, I would request the Members to be very brief because I am also hungry and the lunch time is over.

SHRI S. JAIPAL REDDY: Madam I have always admired the temperamental Sontosh Mohan Dev. He knows how to disarm people more through his conduct than through his arguments. He did not answer a single definitive question... *(Interruptions)*... Madam, we asked him as to how he settled upon this mystical figure of 11 per cent equity. He did not answer that. It is a Government policy. I have not been able to understand the Government's policy. He has carefully avoided the spelling out the Government policy. Number one.

Secondly, the transparency. Naturally he himself has admitted that transparency beyond a point would be a dangerous thing. It has been *Expose*—exposure. He made a statement that NMDC recommended, so and so parties. NMDC never recommended because you framed for bench-mark in such a manner that it came down to one or two parties. You

never explained that. Our Members went on putting questions to you as to why no charge was levied on the reserves—this particular mine has reserves of one billion metric tons. So, one billion metric tons has been donated to a private company without charging anything and the Minister says that it is not a commercial transaction. The finance Minister took objection. He says that the Finance Ministry has been overruled by the Cabinet. Okay. It is a fact. But he has not been able to explain as to what was the basis because of which this observation of the Finance Ministry was overruled by your Ministry and the Cabinet. You have not been able to answer any of these questions.

SHRI GURUDAS DAS GUPTA: The basic question is...*(Interruptions)*. I again/request the hon. Minister to state categorically as to what prevented the Government from allowing the NMDC to take up the development of 11B...*(Interruptions)*...There was no resource crunch.

SHRI SONTOSH MOHAN DEV: I was trying to avoid many a thing because many the hon. Members said that we are not discussing west Bengal. Now and again he is bringing it in and trying to drag me into it...*(Interruptions)*.. I have got in my hand a list showing seven projects which the West Bengal Government has signed with same equity with the private parties. What I am saying is, I agree...*(Interruptions)* There is nothing wrong. *(Interruptions)*

THE VICE-CHARIMAN (MISS SAROJ KHAPARDE): Please sit down. I have given permission to Dr. Biplob Dasgupta to speak. Let him put his question to the Minister.

DR. BIPLAB DASGUPTA: Madam, I have two very specific questions to ask and both on policy issues. Now that the Finance Minister is here it would certainly help me because if there is any ambiguity on the part of Shri Sontosh Mohan Dev's new economic policy, I am sure Dr. Manmohan Singh would be able

to correct him. My first question relates to the autonomy of the public enterprises. NMDC is a public enterprise. If I understand the new economic policy correctly, there is a certain policy towards the public enterprises. Which is this? Number one: The public enterprise should be viable financially, should not become a burden on the Government and should be able to run the financial affairs on their own without too much of support from the Central Government. This is one aspect. The other aspect of it is this. The public enterprises should be allowed to run without any interference from the Ministers, without any interference from the bureaucrats. And the idea was this—that the Central Government which came to a Memorandum of Understanding with the public enterprises should ensure independence from the Minister and the bureaucrats so that they can follow their own policies and should make the enterprise viable. In this particular case, if this is the policy of the Central Government and as Shri Sontosh Mohan Dev has mentioned the 1991 policy decision and all that,—is it not inconsistent with the policy; though NMDC did not want this particular mine to be privatised and even then the decision was imposed on them by the Ministers, by the bureaucrats even though NMDC was not interested in it? By doing this, number one, their autonomy has been infringed, number two, their operation has become non-viable. Will the Finance Minister answer this question? By doing this they have not been inconsistent as far as their own economic policy is concerned. The second question is, I am sure Dr. Manmohan Singh knows a lot more about this than perhaps Shri Sontosh Mohan Dev knows—there has been a certain experience with privatisation under the dictates of the World Bank and the I.M.F. all over the world. I would certainly mention the experience in Africa. In a large number of countries in

Africa this is exactly what is happening. These countries are selling off their public enterprises, not the weak one's, not the ones which are making losses, but the ones which are making most profit because they were the ones which were in demand from the market, they were the ones in which the multinationals were interested, they were selling them off and as a consequence what is happening is this. The public enterprises are becoming less and less viable, they are losing whatever profit they were making earlier. And they are becoming bigger burden on the Government and the fiscal deficit is going up. And so the economic policies have failed in those countries largely because of this particular way of functioning. And this has been the outcome in a very large number of economies all over the world. What I am saying is this. Why are you going in for privatisation and doing a favour to the companies by selling it cheap? If you want to sell it at a commercial priced, why are you not bothering to pay a heed to the bit of judgement of the Finance Minister on this issue? Why are you sticking to your particular point? I am not clear about the point which you have mentioned that since 1991 so many things have happened. My point is this—it is irrelevant that since 1991 there has been a new economic policy. What we are asking is whether the policy you are following is consistent with your own policy? That is the general question we are asking.

उपसभाध्यक्ष (कुमारी सरोज खापड़ें): सिकन्दर बख्त जी आप कुछ पूछना चाहते हैं?

(श्री सिकन्दर बख्त): विपक्ष के नेता मैं पूछना तो नहीं चाहता हूँ मगर मिनिस्टर साहब की जो तर्ज जवाब देने की है, उस पर मुझे सख्तीन एतराज है। अपोजीशन की तरफ से जो सवालालात उठाए गए हैं, वह स्पेसिफिक है। मिनिस्टर साहब ने सिर्फ अपना फैसला सुनाया। फैसला सुनाने का तरीका अगर गवर्नमेंट का है तो इस हाऊस में बैठ कर बहस करने का कोई मकसद नहीं रह जाता। इनको स्पेसिफिक सवालालात के स्पेसिफिक जवाब देने चाहिये और वह जवाब आने हैं। बुनियादी तौर पर

यह तर्ज जो गुफ्तगु की है, यह बिलकुल गलत है। हमारा सख्तीन एतराज यह है मिनिस्टर साहब कि फैसला सुनाने का हक यहाँ बैठ कर मिनिस्टर को नहीं है। फैसला आपने क्यों किया है उसकी दलील क्या है, उसकी वजह क्या है, यह हमारे सामने आना चाहिये। जो स्पेसिफिक सवालालात अपोजीशन की तरफ से उठाए गए हैं उनका उसी तरीके से जवाब आना चाहिये। यह क्या बात है? यह क्या तरीका है?

॥ श्री सिकन्दर बख्त: میں پوچھنا تو نہیں چاہتا ہوں مگر منسٹر صاحب کسی جھوٹے جواب دینے کی بجائے اس پر صحیح سخت ترین اعتراض ہے۔ اپوزیشن کی طرف سے جو سوالات اٹھائے گئے ہیں وہ اسپیسیفک ہیں۔ منسٹر صاحب نے صرف اپنا فیصلہ سنایا۔ فیصلہ سنانے کا طریقہ اگر گورنمنٹ کا ہے۔ تو اس معاملے میں بیٹھ کر بحث کرنے کا کوئی مقصد نہیں رہ جاتا۔ انکو اسپیسیفک سوالات کے "اسپیسیفک" جوابات دینے چاہیئے اور وہ جواب آتے ہیں۔ بنیادی طور پر یہ فرسز جو گفتگو کا ہے یہ بالکل غلط ہے۔ ہمارا سخت ترین اعتراض یہ ہے منسٹر صاحب کہ فیصلہ سنانے کا حق یہاں بیٹھ کر منسٹر کو نہیں ہے۔ فیصلہ اپنے کیوں کیا ہے اسکی دلیل کیا ہے۔ اسکی وجہ کیا ہے۔ یہ ہمارے سامنے آنا چاہیئے۔ جو اسپیسیفک سوالات اپوزیشن کی طرف سے اٹھائے گئے ہیں انکا اسی طریقہ سے جواب آنا چاہیئے۔ یہ کیا بات ہے۔

श्री जगदीश प्रसाद माथुर: उपसभाध्यक्ष महोदय, मेरे दिमाग में तीन चार सवाल हैं। आपने यह तो कहा है कि जो नयी भर्ती होगी वहां से लोकल की जाएगी। मैंने सवाल उठाया था कि क्या यह आपने आश्वासन दिया है कि आज जो वहां पर मजदूर हैं उनमें से किसी को भी रिट्रैच नहीं करेंगे। आपको यह वायदा करना पड़ेगा कि रिट्रैचमेंट नहीं होगा और जो नयी कम्पनी है, वह सब को रखेगी। नम्बर दो, आपने यह भी कहा कि जो कुछ होगा, केपटिव आवश्यकता होगी, वह पूरी करेंगे और बाद में एन०एम०डी०सी० उसकी योजना करे कि किस को कहां कितना देना है। आपने यह नहीं बताया कि एन०एम०डी०सी० उसका माध्यम बनेगी केवल उसका डिस्ट्रीब्यूशन करने के लिए who will get the profit?

पैसा तो उसी कम्पनी को जाएगा। क्यों? क्या एन०एम०डी०सी० को केवल कुछ कमीशन मिल रहा है? What is the position?

अन्तिम सवाल मेरा यह है कि मंत्री महोदय ने अपनी व्यक्तिगत जान बचा ली। बिलकुल ठीक है। उन्होंने कहा कि मेरा फैसला नहीं है, यह केबिनेट का फैसला है। हमारे वित्त मंत्री महोदय भी बैठे हैं। वह साक्षी होंगे कि हमने नोट दिया था, मुखालफत की थी लेकिन जैसे सब ने पूछा है मुख्य सवाल यह है कि आखिर केबिनेट ने यह फैसला क्यों किया? यह बताइये। अगर आप नहीं बता सकते हैं तो मेरी मांग है कि प्रधानमंत्री स्वयं आ कर बताएं मेरी सिंपेथी आप दोनों के साथ है, मनमोहन सिंह जी के साथ भी है और आपके साथ भी है। आखिर इन बेचारों को बलि का बकरा क्यों बनाया जा रहा है? केबिनेट ने ऐसा फैसला लिया है तो प्रधानमंत्री स्वयं आ कर बताएं कि हमने यह फैसला किसलिए लिया है। अगर यह दोनों मंत्री बता सकते हैं तो बता दें अन्यथा प्रधानमंत्री को आना चाहिये बताने के लिए। इन दोनों के ऊपर आक्षेप आ रहे हैं। एक ने ऐतराज किया, दूसरे ने मान लिया, नहीं माना, मैं मानता हूँ कि यह इनके मंत्रिमंडल का फैसला है। अगर इनका अपना अकेले का फैसला होता तो मैं इनको कटघरे में खड़ा कर देता लेकिन दोनों बैठे हुए हैं, अगर बता सकते हैं तो बता दें अन्यथा प्रधानमंत्री यहां आ कर बताएं।

SHRI SATISH AGARWAL: Madam Vice-Chairman, I have a very small question. Despite the fact that many questions have been raised here, the hon.

Minister has tried unsuccessfully to reply to them. NMDC is a profit-making public sector unit. How is it that you have kept your equity at 11 per cent? Why not 49 per cent or 45 per cent or 45 per cent? Even if you have decided wrongly or rightly to enter into a joint venture with the Mittals, how is it that you have kept it at 11 per cent? Then you could have kept only 2 per cent, which is nominal. So, this does not appeal to me at all. What is the rationale for keeping only 11 per cent, particularly when the iron ore is so good, best in the world, and the company is also a profit-making one, and there are good prospects for future also? Why were you so generous to the private company that you say, "you have 89 per cent, we will have only 11 per cent"?

AN HON. MEMBER: And hostile to NMDC.

SHRI SATISH AGARWAL: And hostile to NMDC, of course.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Mr. Dipankar Mukherjee, don't take more than one minute because I have another Bill also before me.

SHRI DIPANKAR MUKHERJEE: Madam, may I submit before you that I had spoken for ten minutes? As was requested by the Chair, I had put only questions and nothing else, and none of the questions has been clearly replied to by the Minister, right from the question why there is a difference between the statement that he has given here and the NMDC's Chairman's statement in the Annual Report of the Company. He has not replied to that. Why should the public be fed this? There is no reference to 'joint sector' in the Annual Report. Only after the 25th May, 1995 we have this joint sector business.

Secondly, he asked me one question. He replied to my question, saying that out of this 4.5 million tonnes from Bailadila 11B, just 1.5 million tonnes goes to this company and the remaining 3

million tonnes goes to the NMDC for distribution. He clarified it, but I am afraid, it is not correct. He has to further clarify this point because in the conditions which were imposed, it is laid down that an agreed portion of the production of the calibrated lump ore (estimated 2.2 million tonnes) and fine ore (estimated 2.5 million tonnes) shall be made available for llocation/ distribution by NMDC. It means, the NMDC would not be allowed to sell the three million tonnes separately. It would be 'an agreed portion'. It means that, under the agreement, both the NMDC and the private party would have some say. Would he please clarify; Would the hon. Minister assure in the House itself that this three million tonnes, after whatever is used in rayaged, would be utilised only by the NMDC?

SHRI JAGESH DESAI: Madam, I want to ask only one question. This eleven per cent has been kept because the private company wanted to have the total management with them and because we did not have resources.....

SHRI S. JAIPAL REDDY: we have resources.

SHRI JAGESH DESAI: We have succumbed to the pressure.

SHRI SATYA PRAKASH MALAVIYA: Mr. Desai, are you answering, or, are you putting a question?

SHRI JAGESH DESAI: I would like to know why the Government succumbed to this kind of a pressure from the private sector. Merely because we did not have finance did not mean that we should succumb to this kind of a pressure. Where they said: 'If you do not give us 89 per cent, we are not interested'. Why should Government succumb to this kind of a pessure?

SHRI GURUDAS DAS GUPTA: The last question should be answered first.

SHRI SONTOSH MOHAN DEV: Madam, what Mr. Sikander Bakht said is

very unfortunate. He was not present throughout the whole debate. By coming just at the last moment and making this kind of a remarks has not done justice to me. I have answered point by point. Some more clarifications have been sought. I would answer them. I have no desire to override this House, this august House. I owe an explanation, as a Minister. If I had been deficient, I would again answer. I have no desire to override the wisdom of this House. It is not my intention. You have misunderstood me.

Now, Madam, a question has been raised here: why did not go in for 11B; why did go in for 10/11A? What are the programmes of the NMDC in the Eighth Five-Year Plan and the subsequent Plans? In respect of the Eighth Five-Year Plan, they went before the Planning Commission with a plan of Rs. 1,400 crores. This includes not only Bailadila 10/11A, other than 11B, but also other areas. For all these schemes the NDMC wants Rs. 1,400 crores. Some Members have said: 'Rs. 200 crores'. Some others have said: 'Rs. 300 crores'. For argument's sake, let us say, it is Rs. 1,400 crores. I am answering in front of the Finance Minister. In the case of public sector, just like in personal life, one should take a loan which one is in a position to service. Let us say, my monthly income is Rs. 10,000/-. Let us say, Mr. Sikander Bakht is willing to give me another Rs. 10,000/- as a loan. I am ready to take it, provided I am in a position to return it to him later on. Otherwise, he would say: 'Come from the Congress to the BJP'. I have to return the loan only from out of my monthly income. As I said in my statement as well as in my reply, the NMDC has got a plan of Rs. 1,400 crores. When a private company comes in for investment, I have to ask the company. He won't come to 10/11A. He won't come to other things. Then what am I to do? I have to overborrow and make the public sector sick. We have

already many sick companies. What have we done? Why is the power sector sick? It is due to this reason. For political reasons, we want to set up a coal-based power plant where coal is not available! We are not like that. We are pragmatic in our ideas. This eleven per cent.....(*Interruptions*)

SHRI GURUDAS DAS GUPTA: We do not accept it. (*Interruptions*) It has to be from an authoritative source (*Interruptions*)

SHRI SONTOSH MOHAN DEV: Their information is not correct. Now, another question...(*Interruptions*) ...

SHRI GURUDAS DAS GUPTA: I can quote from the NDMC document. NDMC says they are in a position to develop. I can again quote. The Hon. Minister is absolutely misplaced. He is producing an argument which is not tenable. He is only trying to defend the case which cannot be defended.

SHRI SONTOSH MOHAN DEV: It is not fair...(*Interruptions*)

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): You are not listening...(*Interruptions*) ...

SHRI GURUDAS DAS GUPTA: He has no business to say whether they are in a position to pay or not. We cannot accept his position because he has got the technical knowledge, nor the expertise.

SHRI S. JAIPAL REDDY: The NMDC and the Finance Ministry, both were of the view that it can be done by the NMDC. How does Mr. Sonthosh Mohan Dev arrive at his own conclusion? The only question they are putting to you is as to what is the basis, and you have arrived at the conclusion that NDMC is not capable of doing so.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): They have already asked that question and he is replying to it.

SHRI GURUDAS DAS GUPTA: No, Madam. His reply is totally arbitrary and without any basis.

SHRI S. JAIPAL REDDY: It is non-reply.

SHRI SONTOSH MOHAN DEV: The other question is, with a 11 per cent what are the difficulties and deficiencies, because you have not 51 per cent or 49 per cent? Now, when the decision was taken, some conditions were laid down, for which the MOU has been signed. What are the conditions? That for amendments to the memorandum and articles relating to the provisions, merger, amalgamation and liquidity of the organization, permission of the NMDC and the Government has to be taken.

SHRI GURUDAS DAS GUPTA: I also channege this.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): This is not fair, Mr. Das Gupta. You have raised certain issues and the Minister is trying to reply to you...(*Interruptions*) ...

SHRI GURUDAS DAS GUPTA: It has to be decided in a court of law. The NDMC cannot enforce that 11 per cent.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): This is reply to the Calling-Attention. Please go ahead, Mr. Minister.

SHRI S. JAIPAL REDDY: Madam...(*Interruptions*)...

SHRI SONTOSH MOHAN DEV: I am not yielding. I have yielded enough.

SHRI S. JAIPAL REDDY: His speech will show that all the statements he is making are untenable. Will he agree for a judicial inquiry, or an inquiry by JPC?

SHRI GURUDAS DAS GUPTA: Or a House Committee? Let the Minister face a House Committee.

SHRI S. JAIPAL REDDY: Let there be a JPC...(*Interruptions*) ...

SHRI GURUDAS DAS GUPTA: The Hon. Minister says this is an august house. Because this is an august House, I propose, let the Minister agree and let us have a House Committee to make a

pronouncement on the wisdom of the judgement made by the hon. Minister with regard to the privatization of Bailadila 11-5. Let him agree to it.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Mr. Das Gupta and Mr. Jaipala Reddy, I would just like to request you to let the Minister reply to whatever questions you have put to him, without any kind of interruption.

SHRI SONTOSH MOHAN DEV: I should be given a chance to answer. Now, they have said, with a small equity participation of 11 all per cent, what is the protection you are getting? And they said that we were surrendering all our rights. Now, some special concession has been obtained from them ...*(Interruptions)* ...Let me finish. And he is challenging....*(Interruptions)* ...

श्री सिकन्दर बख्त: सिर्फ दो बातों का जवाब दें, मिनिस्टर साहब...*(व्यवधान)*...

+ [श्री सिकन्दर बख्त: صرف دو باتوں کا جواب دیجئے گا
کاجواب دیں منسٹر صاحب "مہمہ داخلہ"۔]

SHRI SONTOSH MOHAN DEV: This is not fair. You ask me after I finish.

SHRI SIKANDER BAKHIT: There are only two things.

SHRI SONTOSH MOHAN DEV: You ask me after I finish. and I will tell you. You are the Leader of the Opposition. After I finish if you ask me, I will give you The answer.

SHRI SOKANDER BAKHT: All right.

SHRI SONTOSH MOHAN DEV: Mr. Gurudas Das Gupta is challenging that I am misleading.

SHRI GURUDAS DAS GUPTA: You are not misleading. You are not telling the facts. I never said that you have mislead.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): You are not allowing him to complete his reply. That is why there is confusion.

SHRI SONTOSHMOHAN DEV: Now, I am telling that it is in the MOU. It is in the Cabinet decision. He can challenge it in the court. There is nothing wrong in it. He has got the right to do so.... *(Interruptions)*

Let me finish, brother.

Amendment to Memorandum and Articles of Association relating to provisions on merger, amalgamation or consolidation liquidation or recognition; consultation will be required by the NMDC in respect of approval of issue of shares by increase of capital allotment of fresh shares to persons other than existing shareholders. The NMDC shall have the right to pre-emption to purchase the shares of other parties if such shares are available for sale. ...*(Interruptions)*

You may not like it. ...*(Interruptions)*

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Please listen to his reply....*(Interruptions)*

SHRI GURUDAS DAS GUPTA: In a court of law, it is absolutely untenable. If 89 per cent of the shares is in the hands of Mittal, they are not bound by the MOU. They are never bound by it. Eighty-nine per cent of the shares are in the hands of Mittal.

श्री सिकन्दर बख्त: सदर साहिबा, सही जवाब आ नहीं रहे हैं। इस पर हमें सख्ती-तरीन एतराज है और अब हमारे पास कोई चारा नहीं रह गया है कि हम इस एबान से वाक-आउट करें।

+ [اینتاوردھی دل شری سیکندر بخت:
صدر صاحبہ - صمیمیہ جواب آپ نہیں دے رہیں۔
اس پر ہمیں بڑا سخت ترین اعتراض ہے۔
اور اب ہمارے پاس کوئی بچاؤ نہیں رہا
کیا ہے کہ ہم اس ایوان سے واک آؤٹ
کریں۔]

+ [Transliteration in Arabic Script.]

(At this stage, some hon. Members led the Chamber.)

SHRI GURUDAS DAS GUPTA: We want a Committee of the House. He does not agree to this. In protest we walk out. We shall see that Mr. Sontosh Mohan Dev is not able to carry out his programme.

(At the stage some hon. Members left the Chamber.)

SHRI S. JAIPAL REDDY: We shall take it both to courts and to streets.

(At this stage, some hon. Members left the Chamber.)

I. THE UNION DUTIES OF EXCISE (DISTRIBUTION) AMENDMENT BILL, 1995

II. THE ADDITIONAL DUTIES OF EXCISE (GOOD OF SPECIAL IMPORTANCE) AMENDMENT BILL, 1995

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Now, we take up the Union Duties of Excise (Distribution) Amendment Bill, 1995 and the Additional Duties of Excise (Goods of Special Importance) Amendment Bill, 1995. We are discussing them together.

Shri Pramod Mahajan. Not present.

May I request the hon. Minister, Dr. Manmohan Singh?

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Madam, I beg to move:

"That the Bill further to amend the Union Duties of Excise (Distribution) Act, 1979 as passed by the Lok Sabha, be taken into consideration."

Madam, I also beg to move:

"That the Bill further to amend the Additional Duties to Excise (Goods of Special Importance) Act, 1957, as passed by the Lok Sabha, be taken into consideration."

Madam, the above two Bills have already been approved by the Lok Sabha on 1st August, 1995.

The two Bills which I have moved today, arise out of the recommendations of the Tenth Finance Commission which have been accepted by the Government. The Report of the Commission along with the Explanatory Memorandum as to the action taken thereon by Government, was placed on the Table of the House on 14th March, 1995.

Madam, the first Bill provides for sharing and distribution of basic excise duties. The Tenth Finance Commission has recommended 47.5 per cent of the Union excise duties on all commodities, should be paid to States during the period from 1995 to 2000. 40 per cent are recommended for distribution to all the States while the remaining 7.5 per cent are earmarked for distribution exclusively to the deficit States in proportion to their post devolution deficits as assessed by the Tenth Finance Commission. The estimated transfer on this account to the States during the five years 1995-96 to 1999-2000 is of the order of Rs. 121692 crores.

The second Bill seeks to give effect to the recommendations for the distribution of the net proceeds of the additional duties of excise levied on sugar, tobacco, cotton fabrics, woollen fabrics and man made fabrics. As the House is aware, these duties are being levied from 1957 with the consent of the State Governments and are in lieu of the sales tax levied by them on these commodities. The scheme provides for the distribution of the entire collections, other than the portion of the proceeds attributable to Union territories, among the States in accordance with the principles recommended by the Finance Commission. The transfer to States on this account during the five year 1995-96 to 1999-2000 is estimated to be Rs. 19986 crores. The above two Bills were introduced in Lok Sabha on 8.5.1995 and 19.5.1995 respectively.

May I take this opportunity to bring to the kind notice of the Hon'ble Members that the two bills on Union excise duties