

## RAJYA SABHA

*Tuesday, the 10th, September, 1991/ Bhadra  
19, 1913 (SaJca)*

The House met at eleven of the clock.

Mr. Chairman in the Chair.

### ORAL, ANSWERS TO QUESTIONS

#### **Additional Demand by the State Trading Corporation for Newsprint purchased by Newspapers**

\*201. SHRI G. G. SWELL: Will the Minister of COMMERCE be pleased to state:

(a) whether the State Trading Corporation has demanded from newspapers an additional amount of Rs. 60 crore for the newsprint earlier sold to and paid for by them;

(b) if so, what are the reasons therefor;

(c) whether the newspapers have refused to pay this amount and have demanded decanalisation of import of newsprint; and

(d) if so, what is Government's reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) to (d) A statement is laid on the Table of the House.

#### **Statement**

(a) and (b) STC had proposed an increase of Rs. 3790 PMT on standard newsprint and Rs. 9650 PMT on glazed newsprint (high seas sales) as a result of exchange parity adjustments. The increased amount to be adjusted by the proposed price increase is Rs. 60.63 crores.

(c) and (d) After discussions with representatives of newspaper industry, it has been agreed that an additional amount of Rs. 800 PMT on standard newsprint and, Rs. 2300

PMT on glazed newsprint (high seas sales-basis) will be recovered from the industry as surcharge on a total quantity of 2,50,000MT standard newsprint, and 40,000 MT glazed newsprint. The amount to be realised from the industry by way of this surcharge is Rs. 29.20 crores.

Thus, an amicable settlement has been arrived at. The industry has also made a suggestion for de-canalization of import of newsprint, which is under consideration.

SHRI G. G. SWELL: Sir, the Minister or his Ministry is less than honest or too clever by half in giving this reply. Now, kindly look at my question, Sir. The question is whether the State Trading Corporation has demanded from newspapers an additional amount of Rs. 60 crores for the newsprint earlier sold to and paid for by them. The answer given is that the STC has increased the price of newsprint and glazed newsprint and so on and so forth as a result of which Rs. 60 crores has to be paid. The question is whether this particular newsprint was sold about a year-and-a-half ago, paid for by the newspapers and was consumed by them. Now, you retrospectively want to charge them Rs. 60 crores more. Your officers probably have not briefed you probably. But why have they given this answer? It is because you have restarted to the old practice of roll-over, from 180 days to 360 days. You do not pay your foreign suppliers in time and you roll it over. And, when the devaluation came, you found that you had to pay more rupees against this and that is why this amount of Rs. 60 crores is there. That is number one.

In this connection, I would like to ask whether the roll-over was only in respect of the newsprint only or many other items, which are in the canalised category, canalised group. If it is for the canalised imports, what are those imports and what is the total additional amount that you have to pay for newsprint and other additional canalised imports? Then, Sir,...

MR. CHAIRMAN: How many questions will you put? You have already put two questions.

SHRI G. G. SWELL: I am referring to his reply to parts (a) and (a), and (c) and (d) parts are still there.

MR. CHAIRMAN: You can put them in your next supplementary. You have already taken four minutes.

SHRI G. G. SWELL: Sir, in his statement, he has not stated that they had to use muscle-flexing, they had to use carrots. Not only are they charging surcharge,...

MR. CHAIRMAN: You put your question now. You have already taken four minutes.

SHRI G. G. SWELL: Mr. Minister, you have given them the carrot of increasing the rates for the DAVP advertisements. Now, I would like to know what the real situation is, what the total of additional money in rupees is which you have to pay as a result of the roll-over.

SHRI SALMAN KHURSHEED: Sir, the hon. Member is always welcome to enlighten us. The hon. Member said that our officers do not necessarily give us the entire information, and it is always a welcome thing to have hon. Members enlighten us. The issue of role-over arises only because we have instructions from the Finance Ministry either to have seller's credit or to role-over under different schemes, which is the banker's acceptance facility. This is a method by which we are financing a lot of our foreign purchases. There is nothing wrong with it. It is not clandestine. In fact, the industry knows this as well. And therefore, when this issue of devaluation came and the extra cost because of the devaluation the industry sat down with us and an amicable settlement was made out. In that amicable settlement, the industry has to pay a surcharge, and the rest of the expense is to be borne by the Government. Of this, the industry has to

pay only an extra Rs. 29.20 crores, and the Government would bear the burden of Rs. 31.24 crores. Nobody would have expected an unprecedented and large devaluation of the sort that took place, and certainly a Government organisation or a public sector unit could not have given the impression that the devaluation is about to take place. This is the answer to the first question.

Sir, the second question is about the carrots. In a free society, carrots are permissible. We give carrots from time to time. And there is no reason why we should not be giving greater advertisement revenue to the media. In fact, the media is very happy with the greater advertisement revenue. Our final position is that the media has settled this matter with us. They have accepted an amicable settlement. The Minister of Information and Broadcasting has made a statement to the House. And, therefore, nothing further remains.

SHRI G. G. SWELL: Sir, my question has not been answered. The question was whether this role-over was in respect of only the imports of newsprint or of other canalised imports. What is the total amount involved?

SHRI SALMAN KHURSHEED: Sir, the question pertains to commerce. This practice, as I said, is in other cases also followed by STC and MMTC But I require another notice for that.

SHRI G. G. SWELL: Now, my second supplementary, Sir. I understand that the STC is at war with its own staff. It says, 'we have about 1,000 redundant staff in our hand.' Is it true that these 1,000 employees of the STC are under the axe? And is it true that these members of the staff have said that the ostentatious spending of the STC exceeds their entire wage bill? And, lastly, Sir, of these 1,000 employees who are under the axe, how many are north of the

Vindhyas and how many south of the Vindhyas?

SHRI SALMAN KHURSHEED: Sir, I am afraid, this question has no relation with the newsprint. Nobody is under the axe because of the newsprint negotiations which have taken place. Whatever the position in the STC is, we will require notice to be able to answer.

SHRI KAPIL VERMA: Sir, I would like to know whether the Government is aware of the fact that a number of newspapers have been closed down because of this decision of the Government to ask them to pay more for the newsprint already bought and used. For example, Sir, the 'Dinman Times' of the Times of India chain, you might be aware, has been closed down. And the Illustrated Weekly of India which you must have read in your childhood and which is 150 years old, has to change its format because it has been given glazed newsprint..

MR. CHAIRMAN: You put your question.

SHRI KAPIL VERMA: I would like to know whether the Government is aware of the fact that a large number of newspapers have been closed down? And has any survey been carried out as to how many have closed down? What measures is the Government taking to revive them?

SHRI SALMAN KHURSHEED: Sir, the question really pertains to Information and Broadcasting. (Interruptions) I have the good fortune of the Minister sitting next to me. We have no information that any papers have closed down or magazines closed down.

SHRI KAPIL VERMA: I have given you two names...

MR. CHAIRMAN: He says that the question does not pertain to this Department of Commerce because it is the Ministry of Information & Broadcasting which has more information

about which papers are there, which are closing down and which are doing what. He asks: Do you know that because of this, some papers have closed down?

SHRI SALMAN KHURSHEED: I say categorically 'no'.

SHRI KAPIL VERMA: You don't know (Interruptions)

MR. CHAIRMAN: He says no. None has closed down because of this.

SHRI KAPIL VERMA: I have given the name: 'Dinman Times' (Interruptions)

MR. CHAIRMAN: He says that it may have closed down, but not because of this. (Interruptions) You enquire whether it has closed down because of this.

SHRI SALMAN KHURSHEED: It has not been brought to our notice (Interruptions)

MR. CHAIRMAN: He is not supposed to keep information about all the papers. (Interruptions) No, no. It does not come within his purview. Please sit down.

SHRI VITHALBHAI M. PATEL: Sir, the whole newsprint industry is in a mess.

MR. CHAIRMAN: Put your question on the price.

SHRI VITHALBHAI M. PATEL: Indigenous newsprint is costlier than the imported newsprint. The mills are not producing newsprint according to their installed capacity. Hardly 50 per cent newsprint is being produced by the paper mills. Is the Government going to increase the production of paper mills according to the installed capacity?

SHRI SALMAN KHURSHEED: Sir, the hon. Member is a very senior Member and he knows that the question pertains to the Ministry of Industry. This has only come to me as a bait and I refuse to take it.

MR. CHAIRMAN: No, no. Here the question is very simple. (Interruptions) wait a minute. Here the question is about import of newsprint and

production here. Both are connected. And you are connected with import.

So naturally he wants to know, is your Ministry trying to see that the newsprint in India is produced according to the installed capacity?

SHRI SALMAN KHURSHEED: With all the emphasis at our command we can only request the Ministry of Industry to look into this matter more carefully and find out what is the basic flaw in the production units of the newspaper industry.

MR. CHAIRMAN: You kindly take it up with the Ministry of Industry.

Shri Mohammed Afzal.

**श्री मोहम्मद अफजल उर्फ सीम अफजल :** सर, مجھے خبری ہوئی اور افسوس بھی ہوا کہ جو اہم سوال اخباروں کے سوال پر श्री कपिल वर्मा जी ने उठाया उसका बारे में कहा गया कि इनकी मिनिस्ट्री का उससे कोई ताल्लुक नहीं है। इसलिए बात आई जाई हो गई। लेकिन मैं आपकी प्रोटेक्शन चाहता हूँ। मामला न्यूज पेपर इंडस्ट्री का है और इसका ताल्लुक एस.टी.सी. से है.... (अवधान)। मैं سوال पूछना चाहता हूँ कि जब डिवेल्यूएशन हुआ तो पेपर की प्राइस आपने बढ़ाई तो क्या दिल्ली से निकलने वाले एक 15 राजा रिसाले ने गवर्न-मेंट से कर्ज लेकर बहुत बड़ी क्वान्टिटी में एस.टी.सी. के पास जितना कागज पड़ा हुआ था उसको एक रात में उठा लिया और जिन लोगों ने एस.टी.सी. को पैसेंट की हुई थी उनको पेपर नहीं दिया गया ? कई करोड़ का उसके अन्दर घोटाला है। क्या मंत्री जी की नालेज में यह बात है ? अगर नालेज में नहीं है तो क्या वे इसकी इन्क्वायरी करायेंगे।

†[श्री محمدافضل عرف م- افضل:]

سر - مجھے خوشی ہوئی اور افسوس

بھی ہوا کہ جو اہم سوال اخباروں

†[ ] Transliteration in Arabic Script.

کے سوال پر شری کپل ورما جی نے اٹھایا اسکے بارے میں کہا گیا کہ انکی منسٹری کا اس سے کوئی تعلق نہیں ہے - اسٹے بات اُننی گئی ہو گئی - نہ کہ میں آپکی پروڈکشن چاہتا ہوں - معاملہ نیوز پیپر انڈسٹری کا ہے اور اسکا تعلق ایس ٹی سی سے ہے۔۔۔ (مداخلت)۔۔ میں سوال پوچھنا چاہتا ہوں کہ جب قی ریلیو ایشن ہوا تو پیپر کی پرائس آپنے پڑھائی تو کیا دھنی سے نکلنے والے ایک پندرہ روزہ رسالہ نے گورنمنٹ سے قرض لیکر بہت بڑی کرائیجی میں ایس ٹی سی کے پاس جتنا کاغذ پڑا ہوا تھا اسکو ایک رات میں اٹھا لیا اور جن نے لوگو ایس ٹی سی کو پیمائش کی ہوئی تھی انکو پیپر نہیں دیا گیا - کئی کروڑ کا اسکے اندر کھوٹالہ ہے - کیا منسٹری جی کی ناليج میں یہ بات ہے - اگر ناليج میں نہیں ہے تو کیا وہ اسکی انکواي کرائيلکے۔]

**श्री सलमान खुरशेद :** अगर यह सूचना हमको सदस्य महोदय देते हैं तो उसमें हम लोग पूरी इन्क्वायरी करायेंगे। अगर हमको किसी घोटाले की सूचना पहले से होती, तो अभी तक इन्क्वायरी हम लोगों ने करवा ली होती।

**श्री समापति :** अफजल साहब से उसको लेकर पूरी उसकी जांच करा लीजिये।