

**RAJYA SABHA***Friday, the 1st June, 1990**Vaishya, 1912 (Saka)*

House met at eleven of the clock.  
The Deputy Chairman in the Chair

**REPRIMAND TO SHRI K.K.  
TEWARY**

**THE DEPUTY CHAIRMAN :**  
The House will now administer reprimand for the act of contempt committed by Shri K.K. Tewary.

I urge upon all the Members to observe silence while the contemner is being reprimanded so that the authority of the House and the significance of the occasion are realized.

Deputy Director of Security, is the contemner in attendance ?

**DEPUTY DIRECTOR OF  
SECURITY :** Yes, Madam.

**THE DEPUTY CHAIRMAN :**  
Produce him at the Bar of the House.

*[Shri K. K. Tewary was then brought to the Bar of the House]*

**THE DEPUTY CHAIRMAN :**  
K.K. Tewary, this House has deplored the grave act of misdemeanour for which you bear responsibility in committing contempt of this House. The House is pained that a citizen of India should ever have been so at fault and apparently be unrepentant thereafter.

This House, therefore, reprimands you and a more severe penalty is not administered only in the hope that through introspection you would realize the seriousness of your misdemeanour towards this House and to the sacred system of Parliamentary democracy.

I now direct you to withdraw.  
243 R.S.—1.

*[Shri K.K. Tewary then withdrew]*

**SHORT NOTICE QUESTION**

**Modernisation of Durgapur Steel  
Plant**

**1. SHRI RAM AWADHESH  
SINGH :** Will the Minister of STEEL AND MINES be pleased to refer to the answer to Unstarred Question 491 given in the Rajya Sabha on the 10th May, 1990 and state :

(a) what are the details of the deals with the German Consortium and the suggestions given by R & D and MECON from time to time regarding modernisation of Durgapur Steel Plant;

(b) what is the cost of modernisation for an increase of one million tonne of steel in Durgapur and of TISCO, respectively ;

(c) what amount has been spent by SAIL on Durgapur Steel Plant during the last two Plans on replacement, modernisation, rationalisation and for improving productivity ;

(d) what amount TISCO has spent for the same purpose and during the same period and with what results ;

(e) what is the rate of energy consumption by Durgapur Steel Plant after modernisation ; and

(f) what are the details of the authorities responsible for the deal with the multi-national companies and what action is proposed to be taken by Government against them?

**THE MINISTER OF STEEL  
AND MINES WITH ADDITIONAL  
CHARGE OF THE MINISTER  
OF LAW AND JUSTICE (SHRI  
DINESH GOSWAMI) :** (a) to (f)

A Statement, is laid on the Table of the House.

### Statement

(a) Contracts for the following packages of Durgapur Steel Plant modernisation project have been awarded to Consortia, in which West Germany firms are members:—

Sl. Package No.	Value of Orders (Rs./crores)
1. Raw material Handling	397.77
2. Basic Oxygen Furnace	574.69
3. Blast Furnace	338.52
4. Rolling Mill Part I	45.86
5. Rolling Mill Part II	23.56

M/s. Maanesman Demag Hütenteknik (MDH) of West Germany are leaders of the consortia awarded the contracts for Sl. No. 1 and 2 and members of the consortia for Sl. No. 3, M/s. Siempelkamp of West Germany are leaders of the consortium for S. No. 4 and M/s. Hostemberoché and Klutsch for Sl. No. 5.

While SAIL continually draws upon the experience and expertise of RDCIS for conceptualising the schemes for modernisation, etc. of its plants, MECON are the prime consultants for the Durgapur Steel Plant (DSP) modernisation project and have been fully involved in the project, at all its stages, right from the preparation of the detailed project report, tendering, selection of contractors and execution.

(b) to (d) A one to one comparison of the nature implied in part (b) of the question is impossible to make because of several differences in the investments. The moderni-

sation schemes of DSP and Tata Iron and Steel Co. (TISCO) are not comparable because the plant and equipment needing replacement and the areas covered in the modernisation programmes are different for the two plants. The purpose of modernisation of DSP is to enable the plant to produce at annual capacity of 1.876 million tonnes of crude steel, replace old and worn out machinery and introduce modern technology. The total cost of the DSP modernisation project would be Rs. 2667.6 crores.

The expenditure incurred by SAIL during the last two Plan periods or addition, modification and replacement schemes and on modernisation of DSP was Rs. 835.42 crores.

According to information made available by TISCO, the company has invested ground Rs. 1449 crores in their modernisation programme between 1979-80 and 1989-90. Implementation of 2 of the 3 phases of TISCO's modernisation has resulted in increase of steel making capacity by 0.450 million tonnes.

(e) Energy consumption in DSP after its modernisation is expected to be 8.30 Giga calories per tonne of crude steel.

(f) Negotiations with tenderers and finalisation of award of contracts for global packages are conducted by the Plant Level Committee and APEX Committee in SAIL and packages are awarded after approval by the Committees according to values of contracts. Approval of the Empowered Committee of Secretaries are taken by SAIL wherever necessary before the award of the major global packages. If any irregularity comes to notice, the Government would look into it and take appropriate action.

श्री राम ब्रजेश सिंह : सभापति महोदया, यह जो सवाल मैंने पूछा है

शोर्ट नोटिस क्वेश्चन के जरिये इसमें कुछ सप्लीमेंटरी सवाल पूछने के पहले मैं थोड़ा बैकग्राउंड देना चाहता हूँ...

**उपसभापति :** बैकग्राउंड नहीं दे सकते। आप सप्लीमेंटरी पूछिये। स्टील का बैकग्राउंड लम्बा होगा।

**श्री राम अवधेश सिंह :** मंत्री जी को मालूम है लेकिन सदन को मालूम नहीं है।

**उपसभापति :** सदन को भी मालूम है।

**श्री राम अवधेश सिंह :** स्टील माडर्नाइजेशन की जो बात है वह करीब साढ़े हजार करोड़ का है। ओरीजनली 15 हजार करोड़ का बना था। उसमें मल्टी-नेशनल कम्पनियों से कंसोर्टियम और माडर्नाइजेशन के लिये हम लोगों ने साइन किया था। स्टील अथॉरिटी और इसके पदाधिकारी, तत्कालीन स्टील मंत्री जो इस हाऊस के इस वक्त सदस्य हैं, इन तामाम लोगों ने मिलकर बहुत भारी घपलेबाजी की... (व्यवधान)

**SHRI MAKHAN LAL FOTEDAR :** Madam, you have not heard what he has said.

**THE DEPUTY CHAIRMAN :** You are not the Minister. The Minister should answer it.

**SHRI RAM AWADHESH SINGH :** You are very much in the House, and you have every right to reply and defend yourself. You will be attacked because you had been the Steel Minister and you were responsible for all the scandal. (Interruptions)

**THE DEPUTY CHAIRMAN :** Order please.

**श्री राम अवधेश सिंह :** यह बोफोर्स से दस गुना बड़ा स्कैंडल है। बोफोर्स में तो 64 करोड़ का घोटाला है इसमें

सैकड़ों करोड़ रुपये का स्कैंडल हुआ है। (व्यवधान)

**SHRI MAKHAN LAL FOTEDAR :** Has he given any notice of the question ?

**THE DEPUTY CHAIRMAN :** Yes, this is a short-notice question.

**SHRI S.B. CHAVAN :** A point of order I would like to raise.

**THE DEPUTY CHAIRMAN :** It is a short-notice question which has been permitted by the Chairman. He is asking a question, and the Minister will reply. There is no debate or discussion on this matter. It is only a question like other questions in the Question Hour. It is only a short-notice question which he is being permitted.

**SHRI S.B. CHAVAN :** My point of order is that when he makes an allegation against any Member of the House, he has to give notice to the Chairman mentioning the allegations that he proposes to make. (Interruptions).

**SHRI JAGESH DESAI :** This is an allegation.

**SHRI RAM AWADHESH SINGH :** The matter will be discussed. If anybody is connected or related to the matter, he is very much in the House. He can defend himself.

**SHRI JAGESH DESAI :** Madam I have a point of order. (Interruptions).

**THE DEPUTY CHAIRMAN :** What is the point of order ?

**SHRI VIREN J. SHAH :** During the Question Hour no point of order. (Interruptions)

**SHRI JAGESH DESAI :** You cannot stop me.

**THE DEPUTY CHAIRMAN :** I remind the Members that it is the

[The Deputy Chairman]

Chair who has to dispose it of. According to the Rules, the Chair has to dispose of a point of order. If he has raised it, let me dispose it of. (Interruptions)

SHRI SATYA PRAKASH MALAVIYA. There is no point of order in the Question Hour. (Interruptions).

THE DEPUTY CHAIRMAN : That is exactly what I will tell him. If you know the Rules, I also know the Rules.

Mr. Desai, if you look at the Rules Book, this is almost a Question Hour because this is a short-notice question. There is no discussion. So, there is no point of order on this matter.

SHRI MAKHAN LAL FOTEDAR : In the Short Notice Question he has not at all mentioned anything about this.

SHRI JAGESH DESAI : Madam, I fully agree. But my point is, if any allegations are to be made, then, they should be told to the Chairman. (Interruptions)

श्री राम अवधेश सिंह : क्या एफ. आई.आर. किया ? जो अमानत में खयानत किया है इस देश के साथ गद्दारी की है स्टील के मामले में तो क्या सरकार केस करेगी?

उपसभापति : आप सवाल पूछिये ।

श्री राम अवधेश सिंह : मैं यह पूछना चाहता हूँ कि दुर्गापुर, बर्नपुर, राउलकेला और भिलाई के माडर्नाइजेशन का निर्णय सरकार ने किया था तो उसके बारे में क्या ग्लोबल टेंडर हुये थे । अगर ग्लोबल टेंडर हुआ था तो कितने कितने रुपये का ग्लोबल टेंडर हुआ था और उसमें कौन कौन पार्टियाँ आई थी और किस आधार पर उसकी स्कूटनी हुई थी ? दूसरा सवाल मेरा यह है कि टिस्को ने उसी समय में जिस समय में हमने मोडर्नाइजेशन शुरू किया,

1983-84 से, उसी समय से टिस्को ने भी किया और उसने दो फेजेज में 1047 करोड़ रुपये खर्च करके 1.2 मिलियन टन प्रोडक्शन बढ़ाया और हमने उसी पीरियड में राउलकेला में 650 करोड़ रुपये खर्च कर दिये और उसका आधा या एक लाख टन या दस हजार टन भी नहीं बढ़ा । 650 करोड़ खर्च करने के बाद फिर 2667 करोड़ खर्च करने के लिये केवल दुर्गापुर पर लगे हैं । इसमें हमारा रेशियो क्या होगा ? जब बाहर के कंसोर्टियम से मल्टी नेशनल से मोडर्नाइजेशन कर रहे हैं । तो देश से फायदा होना चाहिये और टिस्को से कम में होना चाहिये ।

उपसभापति : आप सवाल छोटा करिये ।

श्री राम अवधेश सिंह : मैं सवाल छोटा कर रहा हूँ । उसने 1.2 मिलियन टन ज्यादा पैदा किया और फर्स्ट फेज और सेकेंड फेज में टिस्को ने 1043 करोड़ खर्च करके किया और इनमें इंडिजिनस ज्यादा था और हम जर्मन कंसोर्टियम से बाहर के कंसोर्टियम से करते हैं तो हमारा खर्च सब मिला कर 3337 करोड़ होता है । जब कि सातवीं योजना में पूर्वतः 650 करोड़ रुपये खर्च करते हैं और वह भी केवल दुर्गापुर पर । इस पर डिबेट होनी चाहिये ।

SHRI DINESH GOSWAMI: Madam, I will reply to the question leaving aside the observations made by the hon. Member. Primarily three questions have been asked from me. They are : (1) What was the procedure that was adopted for choosing the consortia or the parties ? Who are the parties to whom the contracts have been given ? And (3) whether TISCO has been able to modernise at a lesser cost than one involved in our modernisation experience at Durgapur.

So far as the question about the first part is concerned, in Durgapur there were 16 packages. Six were

meant for global tendering and ten for indigenous tendering. So far as the global packages are concerned, tenders were asked from pre-qualified bidders selected by SAIL and MECON. After the tenders were received, of the six packages orders for which had to be placed, five were given to five consortiums. For raw material handling complex the orders were placed on Mannesman Demag Huttenteknik-led consortium the value of the contract being Rs. 397.77 crores; for Sinter Plant Tiajprom-export (TPE) led consortium had the contract valued at Rs. 121.31 crores; for Blast furnace TPE-led consortium Rs. 338.52 crores; for Basic Oxygen Furnace MHD-led consortium—Rs. 574.69 crores; for the continuous casting plant, Concast Standard AG consortium—Rs. 178.49 crores and rolling mills part I and part II Siempelkamp and H & K—led consortium/consortia at Rs. 45.86 crores and Rs. 23.56 crores respectively.

The third part of the question relates to comparison between the Durgapur Steel Plant and that of TISCO. So far as TISCO and Durgapur plants are concerned, I don't think a very simple comparison is possible, because the one aspect that should be kept in mind is that so far as TISCO is concerned, it had a programme of continuous modernisation. Modernisation there took place continuously. It is a continuous modernisation.

श्री राम अवधेश सिंह : सिक्स्थ फाइव इयर प्लान में कितना खर्च किया है ? यह मेरा मूल सवाल है और सेंवथ फाइव इयर प्लान में कितना किया ? यह दोनों पहले बता दीजिये । सिक्स्थ फाइव इयर प्लान में और सेंवथ फाइव इयर प्लान में कितना पहले खर्चा कर चुके हैं और आगे कितना कर रहे हैं, यह दोनों मिलाकर बताइये ?

SHRI DINESH GOSWAMI:  
I hope Ram Awadhesh Singhji

will be slightly quiet while I answer his question. So far as the Durgapur steel plant is concerned, the definitive investment proposal is of Rs. 2,667.6 crores and it will lead to an increase of about 1 million tonnes of steel from the present day level of production. The Durgapur project was sanctioned in September, 1987. The definitive cost has been sanctioned in February, 1989 and completion schedule is March, 1993. Therefore, the modernisation programme in that sense has started from late 1989.

TISCO modernisation and replacement programme is a long programme beginning from 1979-80 to 1994-95 and TISCO has envisaged investment in three phases. In the first phase it was Rs. 225 crores. In the second phase it was Rs. 847 crores and their estimated investment in the third phase is Rs. 1537 crores. So taken together TISCO investment will be Rs. 2609 crores for an increase of 1.18 million tonnes of crude steel. But I must point out that it is not possible to compare the cost, in that manner because as I said, they have their modernisation and replacement programme right from the beginning of the Eighties. Since then the rupee value has gone down. There has been inflation. Therefore, that aspect has to be taken into account. Unfortunately we had not pumped money at the right time to the steel plants, a fact which you must concede. Probably it would have been better if money was injected regularly. We did not inject money regularly. Our depreciation was more and, therefore, we have to bear more cost a lesson which the country should learn from its experience. It was a turn-key project giving the consortia a particular time schedule within which they are to complete the work and also at a definite cost. It is quite natural that in the cost, in the tendered amount they are likely to keep some cushion and also the fact remains that there

[Shri Dinesh Goswami]  
are certain procedural complications relating to their responsibilities. Therefore, taking this... (interruptions)

श्री राम अवधेश सिंह : मैडम, मैंने स्पष्ट पूछा है कि...

उपसभापति : आप सप्लीमेंटरी जब पूछेंगे तब पूछ लेना।

श्री राम अवधेश सिंह : सातवीं योजना और झट्टी योजना के माइन इजेशन पर, रिप्लेसमेंट पर खर्चा कोई किया या नहीं? दुर्गापुर के बारे में यहां फिगर दी गई है कि 50 करोड़ रुपया तो सातवीं योजना की फिगर क्या है?

SHRI DINESH GOSWAMI: I will give all the figures. ... (Interruptions)...

SHRI JAGESH DESAI : How you have allowed it?

THE DEPUTY CHAIRMAN : It is not the Minister who allows the question but it is the Chairman who allows it. It is the follow-up an earlier question. I must remind the Members, it is the Chairman who allows. You may please go through the procedure. Let me not read it out and waste the time of the House.

डा० रत्नाकर पाण्डेय : ... (व्यवधान) ...

उपसभापति : आप बैठ जाइये ... (व्यवधान) प्लीज सिट डाउन। देखिये मैं आपसे विनती करती हूं कि यह क्वेश्चन आवर है, इसमें बीच में खड़े होकर बोलने की प्रथा मत डालिये।

SHRI DINESH GOSWAMI: Madam, I must point out that a notice for this question was sent by the Secretariat and after I became Steel Minister, steel had not been discussed and therefore I had accepted this question. I am giving all the figures and while giving all the figures, I will be fair to everybody. I have pointed out that a comparison of the cost of Durgapur with that of the TISCO is not possible in a simple manner. There are difficulties and I pointed out those difficulties. My friend is asking for figures.. I give him the figures. I

the last two Plan periods, so far as additions, modifications and replacements are concerned, we had spent in Durgapur an amount of Rs. 390 crores for replacements. It is unfortunate that Mr. Jagesh Desai has objected to this. I would like to state that if it is the decision of the House that we should not accept Short Notice Question, nobody will be more happy than the Minister.

SHRI JAGESH DESAI : I have not said so.

श्री राम अवधेश सिंह : महोदया, इंटरनेशनल कंसोर्टियम के नाम पर भारत के बिड़ला टेक्निकल सर्विसेज को भी उसमें एक शेज दिया गया। 461 करोड़ रुपये का उनको दिया गया जबकि बिड़ला टेक्निकल सर्विसेज के पास मुश्किल से मुट्ठी भर लोग हैं। उनके पास कोई टेक्निकल नो हाउ नहीं है। जब हमने दूसरा सवाल पूछा तो उन्होंने जवाब दिया कि नेशनल इंजीनियरिंग कम्पनी का एक हिस्सा है। फिर भी 461 करोड़ का काम प्राइवेट सेक्टर को दिया और प्राइवेट सेक्टर फिर किससे काम करा रहा है? दुर्गापुर में एम.एम.सी. है, उससे करा रहा है। ऐसी कई पब्लिक सेक्टर की कम्पनियों को काम दिया गया और बिना किसी काम के, जो मुझको जानकारी मिली है, मंत्री जी बतायेंगे कि 21 करोड़ रुपये का काम एम.एम.सी. ने किया और वह दुर्गापुर में है। काम होना है दुर्गापुर में, लेकिन घुमाकर आ रहा है जर्मनी से फिर जर्मनी से घुमकर आया बिड़ला टेक्निकल सर्विसेज को और बिड़ला टेक्निकल सर्विसेज फिर देता है एम.एम.सी. को। एम.एम.सी. को बिड़ला देता है 21 करोड़ रुपये और बिड़ला "सेल", से चार्ज करता है 80 करोड़ रुपये। केवल पेपर ट्रांसफर के लिये 59 करोड़ रुपया चार्ज किया हुआ है। इस तरह की घपलेबाजी स्टील मिनिस्ट्री में हुई है। तो मैं मंत्री महोदय से जानना चाहता हूं कि ऐसी घपलेबाजी करने वाले अफसरों के खिलाफ जो स्टील मिनिस्ट्री में हैं, स्टील अथॉरिटी में हैं - स्टील मिनिस्टर से लेकर

क्या एक जांच समिति बहाल करेंगे कि किन-किन लोगों ने इतनी बड़ी वपले-बाजी की और उनके खिलाफ कार्यवाही की जाय, पूरी जांच की जाय, क्या आप इसके लिये तैयार हैं ?

**SHRI DINESH GOSWAMI :** Madam. I do not accept this omnibus allegation that there has been *Ghaphlebaai*. I do not find any adequate English word for that. The fact remains that Mr. Ram Awadnesh Singh is also a very strong advocate for public sector and I admire him for that. So, we should also keep in mind that after the contract for Durgapur has been concluded, if we start some enquiry when the entire process of the modernisation programme is going on, it will have a demoralising effect on the public sector and from the point of view of time and cost, it will create more difficulties for us. But I had assured this House that if something specific comes to my notice or is brought to my notice by any hon. Member which needs an enquiry, I will be the first person to make an enquiry and take the House into confidence. In fact, I can point out to the House that it came to my notice that so far as one item was concerned—continuous casting—package—Durgapur sought to purchase it for Rs. 178 crores and from the same company, a similar item was purchased at Rs. 38 crores by TISCO. It is not far for me to come to the conclusion that both these items were the same items the items are similar, purchased from the same company but obviously, I cannot come to the conclusion that these were the same. The moment it came to my notice, on my own, even before it was raised in this House—because subsequently it was raised ...

**SHRI G. G. SWELL :** I raised it in the House.

**SHRI DINESH GOSWAMI :** Even before Mr. Swell raised it in the House. I ordered an inquiry and I can take the House into confidence that I have ordered an in-

dependent inquiry and a person who commands confidence and who has a reputation for integrity will look into this aspect whether this machine that we purchased for which we paid Rs. 178 crores or a similar machine was available for Rs. 38 crores and whether there was any deficiency on SAIL's part. After the inquiry is over and the report has come, definitely I will take the House into confidence. If Members point out to me, from any part of the House, about these things, or any particular case, I will not hesitate to make an inquiry. But I am not prepared for a roving inquiry on the ground that there has been a large-scale abuse so far as the Durgapur Complex is concerned.

**श्री राम अवधेश सिंह :** महोदया, मेरे सवाल का ... (व्यवधान)

**उपसभापति :** आपका सवाल हो गया ।

**श्री राम अवधेश सिंह :** उस सवाल का उन्होंने गलत जवाब दिया है। मैं उस पर क्लैरिफिकेशन चाहता हूँ ।

**उपसभापति :** अभी आपके दो सप्लीमेंटरी हो गये हैं। मुझे जब स्वेल् साहब को बुलाने दीजिये ... (व्यवधान)

**श्री राम अवधेश सिंह :** मैं यह चाहता हूँ कि जब मल्टी-नेशनल कंसाटियम से हम सहायता ले सकते हैं, तो पब्लिक सेक्टर ...

**उपसभापति :** वह आपने पूछ लिया है ।

**श्री राम अवधेश सिंह :** तो पब्लिक सेक्टर का अपने देश में कंसाटियम बना कर माडर्नाइजेशन में इस्तेमाल क्यों नहीं कर सकते हैं ? क्या मंत्री जी पब्लिक सेक्टर के कंसाटियम को बनाने के लिये तैयार हैं ?

**SHRI DINESH GOSWAMI :** I am happy that I have got an oppor-

[Shri Dinesh Goswami]

tunity at the fag-end of this Session to clarify certain points. Now the Durgapur contracts are over. And I must point out that the SAIL, probably in their wisdom from the past experience, because there were time and cost over-runs, both in Bhilai and Bokaro 4 MT expansion programmes where from an estimated cost of Rs. 900 crores each went up to Rs. 2200 crores and from a time period of five years to ten years, decided to go for turn-key contracts. But I have before me two modernisation proposals of Rourkela and Burnpur. I know that Members not only from this side but also from the other side have raised queries. In Rourkela, I have decided now to go for a different procedure and I would like to take the House into confidence. So far as the second phase of Rourkela is concerned, I have ordered now, yesterday on the last 31st May that in the second phase of Rourkela modernisation, the SAIL will go for global calls for procurement of plant and equipment that is not available in India, that universal offers be invited from parties, both from India and from outside, for consideration for being short-listed and the merit and cost-effectiveness of these offers will be the criteria for awarding the contract and nothing else. A completely transparent system of procedure would be evolved by the SAIL which can bear public scrutiny and which stands the test of both technological requirements of the SAIL and public satisfaction. Modernisation would be conceived with. Optimisation of utilisation of the indigenous capacity and only what is not capable of being done in India will be imported. Foreign exchange outgo will be kept at the barest minimum required. Suitable system of performance guarantee and liquidated damage keeping the international practice in view would be evolved. Full participation and utilisation of the indigenous consultancy organisa-

tions will be made both within the SAIL and outside. A judicious mix of turn-key and non-turn-key modes of execution of packages will be adopted. And I would be extremely glad if the Public Sector Consortium responds to these tender notices and we will definitely consider it and try to give priority to it if we are satisfied that it satisfies the requirements.

श्री राम अवधेश सिंह : बिरला टेक्नीकल सर्विसेज के बारे में तो वह बोले ही नहीं हैं। . . . (व्यवधान)

उपसभापति : राम अवधेश जी, अब आप बैठ जाइये।

श्री राम अवधेश सिंह : बिरला टेक्नीकल सर्विसेज को ट्रांस-नेशनल कर दिया . . . (व्यवधान) He did not reply to my question.

SHRI DINESH GOSWAMI: I have not answered him. I will be fair to the Member. Because it was a turn-key concept giving a definite time and because the parties insisted that they should have say in the selection of the Indian parties, though we kept a clause that the SAIL Government will have veto power. Now these foreign parties asked for the Birla Technical Services and this party was allowed. (Interruptions).

श्री राम अवधेश सिंह : यह मेरा सवाल नहीं है। सवाल है कि . . . (व्यवधान) . . . 21 करोड़ में दुर्गापुर काम कराता है। . . . (व्यवधान) . . .

SHRI G. G. SWELL : I cannot shout. You want me to shout. I don't want to shout... (Interruptions)...

उपसभापति : राम अवधेश जी, मंत्री जी को जितना जवाब देना था, वह मंत्री जी ने दे दिया। अब आप बैठ जाइये।

SHRI G. G. SWELL: I don't want to shout... (Interruptions)... Madam, please ask him to sit down... (Interruptions)...



**THE DEPUTY CHAIRMAN:**  
Mr. Swell, please ask your question.  
...(Interruptions)...

श्री राम अवधेश सिंह : 21 करोड़  
... (व्यवधान) ... उसका जवाब तो होना  
चाहिये न ?

उपसभापति : जितना जवाब उन्होंने  
दिया, आप अगर उससे सेटिसफाइड नहीं  
हैं तो यह दूसरी बात है। अब आप  
बैठिए, दूसरे मੈबर को भी हक है बोलने  
का। ... (Interruptions)...

**SHRI G. G. SWELL:** Let me  
put my question. You are inter-  
fering in my right ... (Interruptions)...

**THE DEPUTY CHAIRMAN:**  
Mr. Ram Awadeshji, please sit down.

**SHRI G. G. SWELL:** Madam,  
I can't join the competition of shout-  
ing. Shouting is not the norm of  
this House. There have been mean-  
ingful questions and meaningful  
answers. Now the Minister, a  
little while ago, was pleased to  
repeat in the House what he said  
on the 10th of May that the Durga-  
pur Steel Plant in purchasing a  
particular machine, the continuous  
casting machine, paid Rs. 38 crores  
in foreign exchange whereas at the  
same time Tata Steel purchased  
a similar machine from the same  
company and paid only Rs. 30  
crores in foreign exchange accord-  
ing to the Minister and according  
to his own statement. Whether  
it is Rs. 36 crores, I do not know.  
According to his own answer, it is  
Rs. 30 crores, and there is a  
difference of Rs. 8 crores. The  
Minister, of course, was good  
enough to cover his plant. He  
said that he could only point out  
that these orders were placed long  
before he came to office and some-  
body else had given them. Now I  
would like to know—20 days have  
elapsed since the Minister gave this

assurance to this House: has he  
been able to find out whether there  
is a needle of suspicion to mal-  
feasance, administrative, financial  
skulduggery? I do not know  
whether he has seen that and I  
would like to know during  
whose period and during whose  
ministership these orders were  
placed. Number two, Madam.  
He spoke about sixteen packages  
of modernisation. He spoke about  
an expenditure of three thousand  
crores of rupees. I would like to  
know from the Minister whether he  
has discovered that there has been  
malfeasance, that there has been  
unfair play. And will he have a  
look over the entire programme  
and the estimate of the  
modernisation of Durgapur Steel  
Plant, and come to an estimate  
as to how much money is being  
siphoned away in someone's  
earnings.

**SHRI DINESH GOSWAMI:**  
Madam, the difficulty of answering  
my esteemed colleague, Mr. Swell's  
question is that you should keep a  
dictionary with you because he  
uses such words which I sometimes  
find it difficult to understand.

Madam, Mr. Swell was good  
enough to ask this question on the  
last occasion and I had told him  
that even before this question was  
referred to me by him, this had come  
to my notice and I had asked the  
DGTD to look into this. But,  
later on, I thought that even a re-  
port by the DGTD might not be  
satisfactory to the House and,  
therefore, I asked for an indepen-  
dent inquiry by an individual who  
has a reputation for independence  
and integrity and has experience,  
very wide experience, in the public  
sector and once his report comes  
to me, I will be able to tell the  
House.

**SHRI SUBRAMANIAN  
SWAMY:** Who is that independent  
person?

**SHRI DINESH GOSWAMI:**

It is Mr. Loveraj Kumar. Well, I had asked him to do the job and, therefore, I can assure the House that the moment the report comes to me, I can tell as to what is to be done. I am left with two options. One is that if there is some irregularity or some illegality, then, as a Minister I must take care of it and I must not condone it. The other is that, at the same time, I must not create an atmosphere of uncertainty in the public sector by going in for a roving inquiry, which I am not prepared to do. Therefore, the answer to the first part of his question is the same as I had given earlier that since this matter has come to my notice, I am ordering an inquiry, but I am not prepared for a roving inquiry into the entire Durgapur matter.

**SHRI G.G. SWELL:** Madam, he has not answered the second part of my question. Madam, I had asked whether, if he finds that what has been stated is true, he will have a thorough look into the entire thing. This is what I want to know.

**THE DEPUTY CHAIRMAN:**  
Yes, Mr. Balaram.

**SHRI N.E. BALARAM:** Madam, the honourable Minister has, in his reply, stated that these bidders were allowed on the basis of their pre-qualification. What is this pre-qualification. I do not know this and that is why I am asking. What is this pre-qualification and what is the basis of pre-qualification. If pre-qualification is a qualification, it automatically means that many are excluded from participating in the bidding. That is why I am asking this question. Therefore, I would like to have a clarification from the honourable Minister.

**SHRI DINESH GOSWAMI:**  
Madam, I would like to mention that the SAIL and the prime con-

sultants, MECON from their experience decide that these were the parties who were qualified to bid for the contracts and offer the tenders to them. But I feel that. It is better that instead of our selecting the parties there is open competition in the field. I feel there should be open competition. Therefore, I have pointed out that so far as Rourkela is concerned, I am going in for global offers where all the parties, who feel that they are capable of doing the job, will be able to put in their own prequalification and, after assessing their respective qualifications, we will go in for the final tender.

**THE DEPUTY CHAIRMAN:**  
Yes, Dr. J.K. Jain.

**DR. JINENDRA KUMAR JAIN:** Madam, my questions are very brief and they are simple and they are in simple English and I expect only simple answers.

I would like to know whether the honourable Minister has examined the point that only the West German consortium was asked to supply resulting in a very high price for Durgapur.

Secondly, were the prices ever compared with the then ruling international prices for similar equipment and, if so, what were the results?

With regard to the Continuous Casting Plant price comparison between TISCO and Durgapur, I find from the replies of the Minister that he has given the comparison of prices of one machine for two places, that is, Rs. 78 crores in the case of Durgapur and Rs. 38 crores in the case of TISCO. I do not know whether the machines are similar.

**SHRI RAM AWADHESH SINGH:** The same machine.

**DR. JINENDRA KUMAR JAIN:** So, they are not similar,

but the same. And, Madam, the same company is supplying two machines to two persons, one to Durgapur and another to TISCO. Then, why is there so much of price difference and why has it been accepted by the Government?

I would also like to know from the Minister whether it is true that the contract to M/s Birla Technical Services was given for Rs. 80 crores whereas the Birlas got this job done for Rs. 20 crores from within the country. Is it true? If it is true, what is the Government going to do to correct this anomaly to save unnecessary expenditure of Government money, of public money?

**SHRI DINESH GOSWAMI :** So far as the first question is concerned, it is not that tenders were invited only from one party. Tenders were invited from a number of parties and in some cases two or three, more than two, parties offered their tenders...

**SHRI RAM AWADHESH SINGH:** How many in Durgapur?

**SHRI DINESH GOSWAMI:** I am talking of Durgapur. So far as the six foreign packages are concerned, tenders were offered to a number of pre-qualified bidders and more than two parties submitted their tenders and the lowest tenderer was accepted in all these. I am to accept that in the consortium...

**DR. JINENDRA KUMAR JAIN:** I asked very straight questions and in very simple English...

**SHRI DINESH GOSWAMY :** I am answering you. As regards the shortlisted parties, so far as raw material handling is concerned, the number of shortlisted parties was 11, for Sintex plant the shortlisted parties numbered 8, so far as blast furnace is concerned,

7 parties were shortlisted, so far as the basic oxygen furnace is concerned, it was 6, so far as continuous casting is concerned the number of shortlisted parties was 6, for rolling mills part 1 the shortlisted parties were 7 and for rolling mills part 2 the shortlisted parties were 5. Therefore, it is not that SAIL gave their offer to only one party. So far as the question of continuous casting machines is concerned, I have said that it appears that the machines were similar but I have not been able to come to a conclusion that the machines were the same and, therefore, an inquiry has become necessary. I can only come to a certain conclusion after the inquiry. So far as the Birla Technical Services is concerned, I have answered this question. The Birla Technical Services was given work worth Rs. 461.60 crores.

**उपसभापति :** राम अवधेश जो आप बैठ जाइए । जो जवाब हो गया, हो गया ।

**श्री राम अवधेश सिंह :** यह देश के साथ अन्याय है । (व्यवधान) 80 करोड़ रुपया लेगा बिना कोई काम के ... (व्यवधान) ...

**THE DEPUTY CHAIRMAN :** I think the matter is over now. You can ask for half an hour, you can ask for one hour, but not now. Now I am allowing only two more questions...

**DR. JINENDRA KUMAR JAIN:** May I just seek a small clarification?

**THE DEPUTY CHAIRMAN :** I request you to take your seat.

**DR. JINENDRA KUMAR JAIN:** I am not talking out of any personal grudge against anybody. It is national money and if Members point out here in this House and bring to the attention of the Government how wastage is taking place, how corruption is ruining us, you should not suppress us.

THE DEPUTY CHAIRMAN:  
I am not suppressing.

DR. JINENDRA KUMAR JAIN: My point is here is a glaring example.

श्री राम अवधेश सिंह : इस बात की भी जांच करायेंगे मंत्री जी कि 21 करोड़ रुपया बिरला ने दिया अपनी एजेंसी को और एम.एम.सी. को और सरकार से लिया 80 करोड़ रुपया एक ही काम के लिये। अपना कुछ काम नहीं किया केवल पेपर्स ट्रांसफर किया। यह बहुत सीरियस चार्ज है। 59 करोड़ का मामला है और मंत्री जी इसको रिजेक्ट कर रहे हैं। (व्यवधान) आप कहिए कि आप इसकी जांच करायेंगे ?

SHRI RAJ MOHAN GANDHI: Madam Deputy Chairman, the honourable Minister was good enough to say that he had appointed a man of independence and integrity and I believe he also gave the name though we could not hear it on this side. Has he set a time-limit for the result of the inquiry ?

SHRI DINESH GOSWAMI: Well, the name I gave was Mr. Lavraj Kumar who was a former Petroleum Secretary. Though I have not given a time-limit, I will ask him to give his report as soon as possible. So far as Mr. Ram Awadhesh Singh's question is concerned, I have told him, if he brings to my notice specific cases, I will look into them.

SHRI RAM AWADHESH SINGH: I have given them in the notice itself.

SHRI KAMAL MORARKA: Mr. Lavraj Kumar is the same person who was involved in the Kuo Oil scandal and he was indicted by the PAC. How can he do an independent inquiry? I am surprised. You can appoint a person with a better record.

THE DEPUTY CHAIRMAN:  
The Question is over. Now, Statement by Minister Correcting answer to Questions... (Interruptions) That is over. I say the Question Hour is over now. Please take your seat... (Interruptions) The question is over. I am not permitting. Nothing is going on record which you are saying. Take your seat... (Interruptions)

SHRI DIGVIJAY SINGH (Bihar): Mr. Lov Kumar is a notorious man and he should not be allowed to be the chairman of the inquiry... (Interruptions)

#### STATEMENT BY MINISTER

Correcting the reply given in the Rajya Sabha on the 7th May, 1990 to unstarred Question 275 regarding Committees on Drug Issues.

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI M.S. GURUPADASWAMY): I beg to lay on the Table a Statement (in English and Hindi) correcting the reply given in the Rajya Sabha on the 7th May, 1990, to Unstarred Question 275 regarding Committees on Drug Issues. [Placed in Library. See No. LT—[147/90]

Correcting the reply given in the Rajya Sabha on the 30th May, 1990 to unstarred Question 2326, regarding arrest of Swami Saroopanand Saraswati.

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI SUBODH KANT SAHAY): Madam, I beg to lay on the Table a statement (in English and Hindi) correcting the reply given in the Rajya Sabha on the 30th May, 1990, to Unstarred Question No. 2326, regarding