

shares and over one thousand, it is 0.25 per cent.

DR. BHAI MAHAVIR: Sir, my question was about the holdings of the house of Tatas in this company...

MR. CHAIRMAN: What you said was self-explanatory, and, therefore, it was not necessary to....

DR. BHAI MAHAVIR: He has to say 'yes' or 'no'. I may be mis-informed; who knows whether I am correctly informed or not.

MR. CHAIRMAN: I am just saying that your meaning was perfectly clear.

DR. BHAI MAHAVIR: Sir, if it is more clear to you than to me, I would like to be enlightened. I do not know what particular meaning the hon. Chairman has taken of my question, and I would like to be enlightened. I would also like to know whether the same meaning has been taken by the hon. Minister?

SHRI PRANAB MUKHERJEE: I have given the pattern of distribution of the shares. If he is interested to know the individual shareholding of the Tata Houses, I will have to give that information. But from the pattern of distribution of the shares, one can easily understand that it is not concentrated in the hands of a few or in the hands of a group, because, most of the shareholders, more than 50 per cent, are those shareholders who are having shares from one to ten. Hence, 50 per cent of the shares are not with them. (*Interruptions*)

MR. CHAIRMAN: Mr. Bhupesh Gupta. It is rather derogatory to the House to read a newspaper.

SHRI BHUPESH GUPTA: I am prepared to accept any penalty by you. If you like, I will not ask my question. It is not a question of 50 per cent of the shares being held by others. The fact remains that this company is under the control of one family, namely, the Tatas, and what is more, this

company is now being run on huge bounties from the State and the Government itself said the financial institutions have a heavy stake in this. In view of this, why should it not be possible or is it not considered advisable on the part of the Government to nationalise this undertaking, because, the Government have a heavy stake and secondly, it is in the key sector and steel is supposed to be in the public sector. If this had been started by the Tatas earlier, it was not our fault. This had been started during the British days. I would like to know: Is it because of a special reason? This company is not being nationalised for a special reason. Is the hon. Minister aware that in an affidavit filed before the Bombay High Court during the Second General Elections—I do not know where you have been placed at that time—Tata had said that he had contributed Rs. 10 lakhs to the Congress Party at that time—not the 'I' part of it; minus 'I' at that time; 'I' had not arrived yet—and some to the right-wing Opposition parties, because they were considered helpful to his business? Do I understand that the spirit of the Tata affidavit before Mr. Justice Tendulkar of the Bombay High Court is still prevalent and is persuading the Government of India not to touch Mr. J. R. D. Tata but to bring him to the National Integration Council to plead for the Presidential system along with Mr. K. K. Birla?

MR. CHAIRMAN: These are more insinuations...

SHRI PRANAB MUKHERJEE: I would just quote the language of the hon. Member. It is possible to nationalise but it is not advisable to do so.

Fall in Profits of Steel Authority of India Limited

*24. SHRI HARVENDAR SINGH HANSPAL: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that there has been a fall of 82 per cent in the

profits of the Steel Authority of India Limited this year;

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

(c) what steps are proposed to be taken to avoid these losses in future?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (c) A statement is laid on the Table of the House.

Statement

(a) The Hon'ble Member is presumably referring to the year 1979-80, as the question of assessing the profitability of SAIL for the current financial year, 1980-81 at this stage does not arise. During 1979-80 the profits of Steel Authority of India Limited came down to Rs. 31.09 crores (before providing investment allowance reserve) from Rs. 65.84 crores during 1978-79, i.e., a fall of 52.77 per cent over the year 1978-79.

(b) The main reason for the decline in profits was lower production of steel due mainly to severe constraints in the supply of coking coal and power.

(c) Some of the important steps taken/proposed to be taken to optimise the production of saleable steel at SAIL plants are indicated below:—

(i) To supplement the indigenous supply of coking coal, import of 1.2 MT coking coal was arranged in 1978-79. The entire quantity has been received by August/September, 1980. Government have allowed further import of 0.6 MT of coking coal during this year and supplies have already started arriving. Global tenders for an additional 1.0 MT of coking coal have also been issued.

(ii) Power generation from captive units in the steel plants is being maximised.

(iii) As a long term measure, steps have been taken to augment the existing captive power generation facilities at Bokaro and Durgapur by 180 MW and 120 MW respectively.

(iv) Close and constant liaison is being maintained with coal and power supplying agencies and the Railways so as to secure maximum supplies of coking coal and power. Constant monitoring of the position in regard to the availability of coal and power is also being done at various levels through inter-Ministerial consultations.

SHRI HARVENDAR SINGH HANS-PAL: Is the Government going to increase the price of steel to overcome the losses or, is it making efforts to improve the efficiency of the steel plants which has deteriorated in the last couple of years?

SHRI PRANAB MUKHERJEE: Sir, here, I would like to submit, through you, to the hon. Member and to the House that on the price matter, if we just make any premature announcement, it will have its effects on the market either way. If I say that we are going to enhance the price, there will be a tendency to corner the stocks. If I say 'no' and subsequently I do it, somebody may bring in a charge of privilege against me. So, if you permit me, let us not discuss the question whether we are going to increase the price or not, at this stage.

SHRI HARVENDAR SINGH HANS-PAL: Why since 1978 is the Government spending hard earned foreign exchange on import of mild steel while the country's demand of mild steel can be safely met by increasing the efficiency of indigenous plants?

SHRI PRANAB MUKHERJEE: It is true that we are importing the steel because capacity utilisation in the integrated steel plants is less.

Even the performance which we achieved some years back, say during 1976-77 when the capacity utilisation was of the order of 91 per cent average and in certain integrated steel sector it was 103 per cent, is just 68 to 69 per cent. Naturally, therefore, in order to bridge this gap we have no other option but to import certain items. This will at least bridge the gap between demand and availability partly.

SHRI V. B. RAJU: Sir, the statement lays emphasis on shortages of coking coal. It reads: The main reason for the decline in

SHRI KALYAN ROY: Sir, you look to right and left, not straight.

MR. CHAIRMAN: When did you come in the centre?

SHRI V. B. RAJU: I read it again:

"The main reason for the decline in profits was lower production of steel due mainly to severe constraints in the supply of coking coal and power."

Sir, even before we have reached the production level of 10 million tonnes of steel, the problem of the supply of coking coal has arisen. Can the Minister enlighten the House as to what are the prospects of domestic supply of coking coal and what are the prospects of import? How does the position stand because we have not reached even the production level of 10 million tonnes today?

SHRI PRANAB MUKHERJEE: According to the scientists the reserves of the coking coal which we have, are not adequate. Secondly, there is another problem of more ash content. Presently, the ash content of the coking coal which we are using is of the order of 20 to 24 per cent. That is why at some point of time it was thought that at least for blending purposes we should import some coking coal with lower ash content, blend it with indigenous coking coal and then use it.

In regard to the current year's problem, Sir, we had a projection of requirement in the order of 17 million tonnes. For the first few months, from April to September, our requirement was of the order of nearly 9 million tonnes, but actually the availability was of the order of 7 million tonnes. As a result we had to reduce the pushings which had also created problems and has been reflected in the production.

Apart from that, it is known to the hon. Member that four of the integrated steel plants are fed by DVC alone and if there is no sufficient power supply from DVC, production in the integrated steel plants, at Bokaro, IISCO, Durgapur Alloy Steel Plant and Durgapur Steel Plant, cannot be augmented. Last time also I had explained the position. Today we have accumulated steel ingots in the order of more than 700,000 tonnes. In other words, these ingots plus power mean steel and we can produce steel, but because of the non-availability of power we could not do so. Only one little prospect is there; from the month of October our production has started improving a little bit. We could get some more power and certain readjustments were also made in the plant itself. Compared to the month of September the production in the month of October was nearly 1000 tonnes more.

SHRI SURENDRA MOHANTY: From the Minister's statement, it is clear that the main constraints were the lack of power and coking coal. As far as the power aspect is concerned, Rourkela Steel Plant, Bokaro Steel Plant and Bhilai Steel Plant were never known to have been shut down for lack of power. At least the shortage of power in these three plants was never reported.

As regards hard coking coal, only till the other day the previous Government had to import hard coking coal from foreign countries when they found that the ash content was gradually rising. May I know from the hon. Minister if full utilisation of the existing capacity was not being re-

sorted to due to wrong management? It is no use assigning the blame to power and shortage of hard coking coal.

Secondly, the hon. Minister has mentioned about the import of mild steel from foreign countries. May I know from the hon. Minister if it is not a fact that Durgapur Alloy Steel Plant is still having 12,000 tonnes of alloy steel? It is still lying unsold, while the Government is importing alloy steel. I want a categorical answer from the Minister on these two aspects.

SHRI PRANAB MUKHERJEE: Firstly, the hon. Member is wrong in saying that there was no power shortage in Bhilai, Rourkela and Bokaro. The hon. Member comes from Orissa itself and he knows that the Rourkela Steel Plant is fed from the Orissa grid and it is hydel power. Because of the acute drought, the power position was extremely bad till May of the current year. So far as the current year is concerned, the situation has improved. So far as Bokaro is concerned, the major power comes from the DVC and the hon. Member would appreciate that when the minimum demand for production is of the order of 88 MW I am not talking of the contractual obligation which is 128 MW—there we are getting hardly 30 to 35.....

SHRI KALYAN ROY: Is it a charge-sheet against Mr. Ghani Chaudhri?

SHRI PRANAB MUKHERJEE: It is not a charge-sheet against anybody; it is a statement of facts.

SHRI KALYAN ROY: He should go.

SHRI PRANAB MUKHERJEE: It is a statement of facts. It is not a charge-sheet. He cannot produce power from heaven.

SHRI KALYAN ROY: Then why did Mr. Tripathi go?

SHRI PRANAB MUKHERJEE: I am not going into that aspect. I am on my legs and let me explain the position. It is not correct to say that Madhya Pradesh has equally the same

problem. I am afraid from December, there will be a fresh power cut. So it is not correct to say that the power aspect is not there. I have explained in reply to an earlier question, that till today I have 7 lakh tonnes of ingots and ingots plus power means finished steel. If there is power, these ingots can be converted into finished steel.

In regard to import of coking coal, I have explained the position that the idea is to blend it with the indigenous coal and reduce the ash content.

In regard to the third aspect that he has mentioned, we are permitting certain imports of the alloy steel which are necessary. But we always take into account the indigenous availability.

SHRI SURENDRA MOHANTY: That was not my question. I asked why 12000 tonnes of alloy steel was lying unsold...

SHRI PRANAB MUKHERJEE: The hon. Member has mentioned about the stock. I have understood his question. But we shall have to see what type of alloy steel is there. Alloy steel is not a global nomenclature which can cover all the items. Unless we get that specific thing, in Durgapur what we are producing we are not importing; but alloy steel is not a global nomenclature which can be given to many other items and there are specifications. Therefore, only those items are permitted to be imported which are not available in this country. And the hon. Member would appreciate that as Commerce Minister it is my interest to reduce imports and not to encourage imports.

SHRI SURENDRA MOHANTY: My point is very clear. 12000 tonnes of alloy steel is still lying in the Alloy Steel Plant.

MR. CHAIRMAN: Not alloy steel. Is it alloy steel?

SHRI PRANAB MUKHERJEE: Alloy steel is also there of various specifications and if the hon. Member wants I will examine whether what is availa-

ble in India is being permitted to be imported or not. That is his main question. I will examine it.

SHRI SURENDRA MOHANTY: I want to know what type of alloy steel is lying unsold in Durgapur and what type of alloy steel the Government is proposing to import.

SHRI PRANAB MUKHERJEE: I cannot give this technical information now.

MR. CHAIRMAN: So you want notice for that Mr. Rameshwar Singh, then Mr. Viren J. Shah because he comes from the steel section.

SHRI VIREN J. SHAH: That is no reason, Sir.

SHRI PILOO MODY: In that case why have you called Mr. Rameshwar Singh? He comes only from cotton section.

SHRI MAGANBHAI BAROT: His brother is from Jameshpur.

SHRI KRISHNA CHANDRA PANT: Sir, I raised my hand first.

श्री रामेश्वर सिंह : श्रीमन्, मंत्री जी ने यह कहा है अपने प्रश्न के उत्तर में कि कोकिंग कोल का प्रोडक्शन हमारा अच्छा नहीं है। एक तो यह उन्होंने कहा है दूसरा उन्होंने कहा है कि पावर हम को कम मिली। इसलिए हमारा प्रोडक्शन नहीं हो पाया। तो क्या मंत्री जी बतायेंगे कि भविष्य में कोकिंग कोल प्रोडक्शन को ये अच्छा करेंगे? क्या मंत्री जी यह गारण्टी हाउस को, देश को देंगे कि जो पावर की कमी है, यह पावर की कमी गवर्नमेंट की असफलता के कारण हुई है, गवर्नमेंट की अक्षमता के कारण हुई है। गवर्नमेंट की जो मशीनरी है वह ठीक नहीं है। इसलिए ये सारी गड़बड़ियां बिजली और कोकिंग कोल में हैं और ये गड़बड़ियां दूर करने के लिए सरकार ने कौन से निर्णय लिये हैं और कब तक इसका सुधार रहे हैं।

SHRI PRANAB MUKHERJEE: Sir, we are trying to improve the power position and availability of coking coal. So, we are trying our best and a little improvement is there. That is why, I said, in October production was a little more. Still, it is not up to the satisfactory level.

श्री रामेश्वर सिंह : श्रीमन्, जो मेरा प्रश्न था, उसका उत्तर मुझे नहीं मिला . . . (Interruptions) मेरे प्रश्न का उत्तर नहीं है . . . (Interruptions) सभापति जी, मेरी बात एक मिनट सुन लें, प्रश्न यह है कि बिजली की कमी है . .

श्री सभापति : आपने पहले सवाल का जवाब नहीं सुना कि बिजली की कमी इसलिए हुई कि बारिश कम हुई और पानी कम होने से हाईड्रिल प्रोजेक्ट में बिजली कम पैदा हुई। पहले सवाल में यह जवाब मिला था।

श्री रामेश्वर सिंह : मेरा कहना है कि गवर्नमेंट की मशीनरी जो है वह पैरेलाइज्ड है, वह खराब है, गवर्नमेंट की मशीनरी चुस्त नहीं है, इसके कारण यह हुआ . . . (Interruptions) कल भी मैंने कहा था कि 9 अरब 92 करोड़ का कोल नुकसान हुआ और यह जवाब देने से सरकार कतरानी है, आपको कतराना नहीं चाहिए, सरकार को सीधे सीधे बनाना चाहिए कि आप यह गारण्टी मुल्क को दें कि हम 6 महीने में, साल में, दो साल में, पांच साल में या 10 साल में या कब तक इस स्थिति को सुधारेंगे, यह गारण्टी मुल्क आपसे चाहता है। मैं यह जानना चाहता हूँ कि आप इस गड़बड़ी को कब तक दूर करेंगे, कितना समय लेंगे ?

SHRI PRANAB MUKHERJEE: There is no use in giving any guarantee. We are trying our best. After all, the hon. Member will see for himself what we are able to do.

MR. CHAIRMAN: Mr. Viren Shah. Last question.

SHRI VIREN J. SHAH: Sir, the hon. Minister, in his reply, has stated—and also repeated a number of times—the main reason being power shortage due to coal not being available, and this has been the reason known for the last several years. May I ask whether the Government would like to consider having, apart from captive power plants, also captive coal mines in the steel sector, owned by SAIL which entirely owned by the Government so that it could lead to greater production of steel? Secondly, relating to the earlier question, what are the comparative earnings in the last five years, percentage earnings on invested capital by SAIL and by the Tata Iron and Steel Company? Could he please give us the percentages for the last five years?

SHRI PRANAB MUKHERJEE: So far as captive power plants are concerned, in regard to captive power generation to meet the requirements of the steel plants . . .

SHRI VIREN J. SHAH: Coal mines.

SHRI PRANAB MUKHERJEE: I am coming. Let me answer first about power. Then coal. In regard to that, in the main text of the reply itself I have mentioned that, for instance, in Bokaro we are going to have 180 megawatts and in Durgapur 120 megawatts in addition to the capacities which are already existing. Work has already started and because normally 36 months are taken to install a plant like this, I hope by the end of 1982 this power will be available. In regard to having captive coal mines, for certain integrated steel plants we have them. For instance, in IISCO we have them. So far as the steel sector is concerned, the hon. Member is aware that even not long ago, coking coal was part of the Ministry of Steel itself. Sometime back steel and coal were together in one integrated Ministry. In regard to his suggestion for having coking coal mines attached to the Steel Ministry,

it is a matter of suggestion and I cannot react to this immediately. And in regard to the profitability of these integrated steel plants and the Tatas, I can give the figures to the hon. Member. In 1975-76, the profit was Rs. 27.72 crores; in 1976-77, Rs. 81.22 crores.

SHRI VIREN J. SHAH: Percentage earning I have asked for—relative percentage earning.

SHRI PRANAB MUKHERJEE: I will have to calculate. I do not have those figures. I can give you the absolute figures, if you are interested. If you like, I can lay the figures on the Table of the House.

MR. CHAIRMAN: He has offered to place the figures on the Table of the House. Accept that.

SHRI VIREN J. SHAH: He has not finished reading.

SHRI PRANAB MUKHERJEE: Sir, I will take one minute to quote these figures. In 1975-76—I am talking of the public sector steel plants—it was Rs. 27.72 crores; in 1976-77, Rs. 81.22 crores; in 1977-78, Rs. 40.97 crores; in 1978-79, Rs. 65.84 crores; and in 1979-80, Rs. 31.09 crores.

SHRI VIREN J. SHAH: And the Tatas?

SHRI PRANAB MUKHERJEE: The Tatas figures I am giving you.

SHRI VIREN J. SHAH: Is this after appreciation?

SHRI PRANAB MUKHERJEE: I do not have the figures for 1975-76 and 1976-77, but from 1977 onwards I have. In 1977-78, it was Rs. 7.77 crores; in 1978-79, Rs. 17.55 crores; and in 1979-80, Rs. 15.93 crores.

SHRI KALYAN ROY: Sir, the Minister should be fair to the House. It is not a true picture. The House should know that some of the best captive coking coal mines in India are controlled by the Tatas, which are denied to the Hindustan Steel Limited. The

Hindustan Steel Limited and IISCO have got only three coal-mines, in Chasnala, Jitpur and Ramnagar, and they are in a mess.

SHRI PILOO MODY: They are bound to be.

SHRI KALYAN ROY: Unless the Minister personally goes to the areas and sees how the contractors are looting these particular coal-mines, the production in the coking coal-mines under the Steel Ministry would further go down. This is No. 1.

MR CHAIRMAN: What is the question?

SHRI KALYAN ROY: There is a shortage of coking coal because of the mess in the captive coal-mines controlled by the Steel Ministry. So what steps is he going to take to improve the performance of the three mines which are under him? My second point is that when these plants were designed, either the Bokaro plant or the IISCO plant or the Durgapur plant, we knew about the high ash content. The ash content is unfortunately higher than in many other countries, but they are using the same coking coal to produce steel but after washing the coal. I would like to know one thing from the Minister. What price are you paying to the Coal India for one tonne of coking coal after washing and what price are you paying to Australia, Japan and other countries for one tonne of coal and the transport charges you are incurring? It will be seen that the price of a tonne of coal which is imported from abroad is Rs. 700—800 and the price you are paying to the Indian public sector company is less than Rs. 200. This amount can easily be utilised for going in for massive coal washing plants which you are now neglecting. Import from outside has been unanimously condemned by every member of the Consultative Committee on Coal, including Mr. Pant. So why don't you give up the suicidal attempt to import coking coal from abroad and start washing coal? What steps are you going to take to increase the coal washing capacity and improve

the performance so that this artificial gap—I say, artificial—can be reduced and wastage of a huge amount of foreign exchange is stopped?

DR. RAFIQ ZAKARIA: Sir, he has taken five minutes.

SHRI KALYAN ROY: Five and a half minutes

SHRI PRANAB MUKHERJEE: Sir, the hon. Member has a lot of misunderstanding. He is just projecting that we are going to meet our entire requirements by importing coal.

(Interruptions)

SHRI KALYAN ROY: Why are you following in his foot-steps?

SHRI PRANAB MUKHERJEE: It is very marginal in the sense that if you take the current year, for instance, I did not agree to import any coking coal, but when I found that I was not getting it, and the ash content is of the order of 24-25 per cent, naturally I would have to blend it. But I agree with him that the ultimate answer lies in creating capacity in washeries. We are doing that. And we are doing that. Where is the contradiction? What he has suggested, what the Consultative Committee of the Energy Ministry has said, we are going to do that. Ultimately we have to depend on the indigenous availability, not on import.

SHRI KALYAN ROY: He did not answer. What is the price?

MR. CHAIRMAN: Eight hundred.

SHRI KALYAN ROY: What is the price they are paying to the Coal India and what is the price they are paying for imports from abroad? The figures are in the file, Sir.

MR. CHAIRMAN: The last question.

SHRI KRISHNA CHANDRA PANT: Some time ago the Chairman of the SAIL was summarily dismissed by the Government. The Government seems to feel that the solution to all the pro-

blems is summary dismissal of the top officers.

MR. CHAIRMAN: That is not the question.

SHRI KRISHNA CHANDRA PANT: Yes, Sir, I am putting the question. Unless I preface it he will not understand it.

MR. CHAIRMAN: I know. Unless there is an air of innuendo all round...

SHRI KRISHNA CHANDRA PANT: It is not innuendo, Sir. Is the Government aware, is the Minister aware that the summary dismissal of this officer who, as far as I know, had a good reputation for efficiency and ability, has created great demoralisation in the SAIL, not only in the SAIL but among the technocrats in other branches of the Government? May I know the reason for his dismissal?

SHRI PRANAB MUKHERJEE: I do not agree with the conclusion which the hon. Member has come to. In fact, the figures speak something different because, as I have already mentioned, the production has increased in the month of October. We are expecting to maintain that production figure. I am not making any reflection on any individual. After all, if I have to deliver goods, I have to choose my own team. Mr. Pant will agree that it is the prerogative of the Government and the Minister to choose a team to manage the show. The person who has replaced him is also known as one of the most competent persons in the steel family in the country.

Sale of smuggled articles on the pavements of Delhi and New Delhi

*25. SHRI S. K. VAISHAMPAYEN: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the fact that smuggled goods are often being sold on the pavements in Delhi and New Delhi;

(b) whether Government have probed into the sources of supply of these

items and the genuineness thereof; if so, with what results; and

(c) whether these pavement sellers pay sales tax on these items; if not, what steps are being taken to encompass them for purposes of charging sales tax on them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): (a) and (b) According to reports received by Government, there is no large scale open display and sale of smuggled goods in Delhi and New Delhi. However, possibility of some of the goods brought by international passengers as part of their baggage under the normal baggage rules finding their way to the market, cannot be ruled out. Such goods may sometimes be available for display and sale with pavement vendors in certain markets in the city. Action is taken from time to time by the concerned agencies against such vendors. In many cases, goods sold by pavement vendors have been found to be fake and spurious.

(c) Sales Tax is a State subject. The Delhi Administration have intimated that under the Delhi Sales Tax Act, 1975, only registered dealers are liable to pay Sales tax. Therefore, such of the pavement vendors as are not required to be registered under the aforesaid law, would also not be liable to pay Sales tax.

SHRI S. K. VAISHAMPAYEN: Sir, the reply given by the Minister is very general. I had asked a very specific question:

"(b) whether Government have probed into the sources of supply of these items and the genuineness thereof; if so, with what results;"

The hon. Minister has not given any specific, concrete reply to part (b) of my question. Then, Sir, I would like to say that whatever it is, smuggling is taking place even though its intensity is not as the hon. Minister feels. May I know from the hon. Minister the type of articles which are smug-