

units like Heavy Engineering Corporation, Heavy Electricals, the Committee suggested that the aim should be, to set up during the Fifth Five Year Plan period an integrated iron and steel plant, limiting the foreign exchange requirement only to a small percentage for technical know-how and highly sophisticated equipment.

Hindustan Steel Limited also set up a Committee to study the maximisation of indigenous procurement of spare parts.

Private and public sector steel plants have both in the past, and, particularly in the last two or three years of acute foreign exchange shortage begun making a number of spare parts and other maintenance requirements in their own workshops as well as obtain such items from other production units.

**SHRI ARJUN ARORA :** May I know whether any of the steel plants is really able to be self-reliant in the matter of expansion plans in the Fourth Plan period?

**SHRI P. C. SETHI :** It will not be possible to have complete self-reliance as far as putting up of steel plants is concerned, but gradually the percentage of indigenous material is increasing and now it will be 55 to 60 per cent in Bokaro.

**SHRI ARJUN ARORA :** Sir, may I know . . .

**MR. CHAIRMAN :** I am afraid the Question Hour is over.

12 NOON

# SHORT NOTICE QUESTIONS AND ANSWERS

## LEASE OF CHROMITE MINE IN FAVOUR OF M/S. SERAJJUDDIN AND COMPANY

4. **SHRI BANKA BEHARY DAS :**†  
**SHRI A. P. CHATTERJEE :**

Will the Minister of MINES AND METALS be pleased to state :

(a) whether it is a fact that M/s. Serajjuddin & Co., or any other firm controlled by Mohd. Serajjuddin has

† The question was actually asked on the floor of the House by Shri Banka Behary Das.

applied for renewal of the lease of their chromite mine at Noashahi in Orissa and for lease of certain other iron and manganese mines and that the Government of Orissa have recommended those cases to the Government of India;

(b) whether on the basis of this recommendation, the Government of India have already approved the renewal of the lease of the chromite mine;

(c) if so, what are the reasons, therefor, and whether the Government of India were satisfied that the earlier agreement for the lease had been fulfilled; and

(d) whether the recommendations of the Government of Orissa for renewal of the lease of some other mines or granting of fresh lease to these firms were considered and if so, what decision was taken thereon?

**THE MINISTER OF MINES AND METALS (SHRI S. K. DEY) :** (a) and (b) M/s. Serajjuddin and Company applied on 5th May 1964 to the Government of Orissa for renewal of their mining lease for chromite over an area of 100 acres in village Noashahi, district Keonjhar, which expired on 1st December 1964. The State Government rejected their application on 7th February 1966. Being aggrieved by this order of the State Government, the Company submitted to the Central Government a revision application under rule 54 of the Mineral Concession Rules, 1960 on 28th February 1966. Later, on 22nd June 1966, the same party submitted another review application against the failure of the State Government to pass orders, within the prescribed period on their application, dated 28th October 1965 for grant of renewal of mining lease for manganese over 2499.40 acres in Keonjhar district. Both these applications are pending consideration of the Government of India.

(c) Does not arise.

(d) During the last five years, no proposal has been received from the Government of Orissa for grant or renewal of a mining lease in favour of this Company.

**SHRI BANKA BEHARY DAS :** May I know from the hon. Minister whether.

in connection with the Siljaura manganese mines of over 2499.40 acres referred to by the Minister, the Orissa Government first rejected the petition and because of the impending elections they have again recommended that petition and whether the Central Government has approved it? Then in the case of the Sukrangi mine which has not been referred to by the Minister, may I know whether it is a fact that the Orissa Government because of some trespass cancelled the lease and now that person has come in a revision petition to the Government of India?

SHRI S. K. DEY : Sir, the hon. Member has raised questions about mines completely outside what the question tabled by him includes and unfortunately I do not have the data of all the mines operated by this Company or for which it had been applying to the State Government for lease or renewal. As I mentioned in my answer during the past five years there has been no recommendation from the State Government for grant or renewal of mining lease in favour of this Company and I stand by that statement.

SHRI BANKA BEHARY DAS : This question arises because the main question refers to entire Orissa and these are in Keonjhar district. I would request the Minister to enquire into it. May I know whether the Minister is aware of the fact that this Serajjuddin has been convicted of bribing some of the high-ups in his Ministry and is facing trial for cheating the Government of foreign exchange by under-invoicing export Bills and for income-tax cases and may I know whether the Ministry will think it proper to blacklist the firm for all time to come and to have no transaction including granting or renewal of leases to this mine-owner?

SHRI S. K. DEY : Sir, it is a suggestion for action. We will try to look into the cases of conviction, if any, standing against this firm. As far as I understand, there are a number of cases pending in the Calcutta court against this firm for bribery and corruption of Government servants. I do not know of any case which has finally been decided upon by the court. We

will look into this and I can assure the hon. Member that in granting further licences, if any, the Company will be judged entirely on merits.

SHRI A. P. CHATTERJEE : Sir, I think the hon. Minister has not been quite forthright in his answer. The question raised was that in view of the fact that many cases are pending against this firm and in view of the fact that it is a known fact that they have bribed some of the high-ups in the Ministry of Mines and Metals, whether the Ministry was thinking of blacklisting the firm for all time to come. The question was not whether they will consider giving some mining leases in favour of this firm or not in future as applications come from this firm. The question is this. In view of the past record of this firm and the past record is very much known to the Minister; Mr. K. D. Malaviya had to go out of the Ministry—is the Ministry going to blacklist the firm in respect of future mining leases and other favours by the Ministry or not? That is the plain question and we want a plain answer.

SHRI S. K. DEY : Sir, I must plainly confess that I am not aware of any direct facts which have been proven in a court of law against this firm but I am aware at the same time of the grave reputation of this firm in the past. Therefore, I can assure the hon. Member and this House that we shall look into all these questions and whatever steps are needed to see that action against the firm is taken if the firm is guilty will be taken by the Government.

SHRI LOKANATH MISRA : Sir, there was a revelation in the other House some years back that one of the ex-Chief Ministers of the Orissa had a partnership with this particular business firm and both are blacklisted I am told. But all the same in view of the fact that one of the ex-Chief Ministers is interested there might be some pressure brought on his Ministry and in spite of that pressure, can the Minister assure us here that cases will be decided only on merits and nothing else?

SHRI S. K. DEY : I can assure the hon. Member that I will not be pressurised even by God himself.