

Provided further that if adequate number of members of the Scheduled Tribes is not available, members from amongst other than Scheduled Tribes may be considered."

The question was put and the motion was negatived

Clause 29 was added to the Bill.

Clauses 30 to 50 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI ARJUN SINGH: Sir, I move:

"That the Bill be passed."

The question was put and the motion was adopted.

**The Tyre Corporation of India Limited (Disinvestment of Ownership)
Bill, 2007**

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): We shall now take up the next Bill. Shri Sontosh Mohan Dev.

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): Sir, I move:

"That the Bill to provide for disinvestment of Government's equity in the Tyre Corporation of India Limited and for matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration."

The question was proposed.

श्री सुरेन्द्र लाठ (उडीसा) : उपसभाध्यक्ष महोदय, धन्यवाद। "टायर कारपोरेशन ऑफ इंडिया लिमिटेड (डिसइन्वेस्टमेंट ऑफ ओनरशिप) बिल, 2007" सदन में लाया गया है और आज मैं यहां उस बिल पर चर्चा करने के लिए खड़ा हुआ हूँ।

महोदय, इस बिल को लाने का जो उद्देश्य बताया गया है या इस बिल में जो व्यवस्था दी गई है, उसे देख कर यह लगता है कि इस बिल के माध्यम से टायर कारपोरेशन ऑफ इंडिया का डिसइन्वेस्टमेंट करके, इसे निजी हाथों में देने की बात कही गई है। अगर हम 'टायर कारपोरेशन ऑफ इंडिया' का डिसइन्वेस्टमेंट करके, इसे निजी हाथों में देने की बात कही गई है। अगर हम 'टायर कारपोरेशन ऑफ इंडिया' के बारे में जानना चाहते हैं तो हम देखेंगे कि 1984 में उसका गठन हुआ था। उस समय दो कंपनियों, 'इन्वेक टायर्स लिमिटेड' और 'नैशनल रबर मैनुफैक्चरिंग लिमिटेड', को मिला कर, 'टायर कारपोरेशन ऑफ इंडिया' का गठन किया गया था।

5.00 P.M.

महोदय, जिस समय इन दोनों कंपनियों को मिला कर टायर कारपोरेशन ऑफ इंडिया का गठन किया गया, उस समय ये दोनों ही कंपनियां नुकसान में चल रही थी और तब ऐसी व्यवस्था थी कि जब भी कोई प्राइवेट कंपनी नुकसान में चलती थी, उसे नेशनलाइज़ कर दिया जाता था। सरकार उसे अपने हाथों में ले लेती थी और फिर उसे चलाने का काम सरकार ही किया करती थी और उसी परिपेक्ष में इन दोनों कंपनियों को लिया गया और 1984 में 'टायर कारपोरेशन ऑफ इंडिया' का गठन किया गया। उसके बाद से लेकर आज तक यह स्थिति बनी कि यह टायर कारपोरेशन ऑफ इंडिया शुरू से ही नुकसान में चलती रही। जब नुकसान अधिक हुआ तो इसे बीएफआईआर में भेज दिया गया और वहां भेजने के बाद बीएफआईआर ने उसका डिसइन्वेस्टमेंट करने का सुझाव दिया। उसी सुझाव के अंतर्गत, उसका डिसइन्वेस्टमेंट करने के लिए आज यह बिल सरकार के द्वारा सदन में लाया गया है।

महोदय, मैं सरकार से यह जानना चाहता हूँ कि आखिर सरकार की यह डिसइन्वेस्टमेंट की नीति क्या है? सरकार बार-बार यह कहती है कि जो पब्लिक सेक्टर अंडरटेकिंग्स हैं, हम उनका डिसइन्वेस्टमेंट नहीं करेंगे। यूपीए के कॉमन मिनिमम प्रोग्राम में भी यह बात कही गई है। मुझे पता नहीं कि यह बिल लाने से पहले सरकार ने अपने सहयोगी, जो हमारे वामपंथी मित्र हैं, उनकी अनुमति ली है या नहीं, उनसे परामर्श किया है या नहीं। मुझे लगता है परामर्श किया होगा, तभी यह बिल आया है। मेरा यही कहना है कि इस बारे में सरकार को अपनी नीति को स्पष्ट करना चाहिए। मैं डिसइन्वेस्टमेंट के खिलाफ नहीं हूँ और न ही हम इसका विरोध कर रहे हैं, किन्तु इससे पहले इसके सभी पहलुओं पर विचार करना आवश्यक है।

महोदय, इस विषय पर स्टैंडिंग कमेटी ने भी कुछ सिफारिशों की हैं और सरकार ने निश्चित रूप से पर सिफारिशों पर भी विचार किया होगा। मैं सरकार से यह जानना चाहता हूँ कि आखिर इस कंपनी को डिसइन्वेस्टमेंट करने की आवश्यकता क्यों पड़ी? क्या कारण है कि सारी कोशिशों के बावजूद भी इसका रिवाइवल नहीं हो सका? अगर इसके रिवाइवल की कोशिश की गई तो सरकार ने किस प्रकार की कोशिश की?

महोदय, 1984 में जब यह कंपनी बनाई गई, तो इसकी आथोराइज्ड कैपिटल 100 करोड़ थी, लेकिन आज इसकी जो आर्थिक स्थिति है, उसके अनुसार इसका एकुमुलेटेड लॉस 757 करोड़ तक पहुंच चुका है। आज स्थिति यह है कि कंपनी चलने की स्थिति में नहीं है। इसके पास कंपनी चलाने के लिए जिस वर्किंग कैपिटल की आवश्यकता होती है, वह नहीं है। कंपनी के जो काम हैं, वह अन्य टायर कंपनियों से जॉब वर्क किया करती है और उसी से थोड़ी-बहुत यह कंपनी चलती है। जब हम डिसइन्वेस्टमेंट की बात करते हैं, तो यह भी जानना आवश्यक है कि आखिर आज टायर कॉर्पोरेशन ऑफ इंडिया का टोटल वर्थ कितना है, क्या इसके बारे में सरकार ने कोई आकलन किया है? जब 1984 में दोनों कंपनियों को मिलाकर टायर कॉर्पोरेशन ऑफ इंडिया का गठन किया गया था, उस समय इसका वर्थ कितना था और आज जब हम इसका डिसइन्वेस्टमेंट करने जा रहे हैं, तब इसका वर्थ क्या है? इसकी चल-अचल सम्पत्ति आज कितनी है तथा क्या इसका किसी रिकॉग्नाइज्ड एजेंसी से आकलन कराया गया है?

महोदय, होता यह है कि जब हम किसी भी सार्वजनिक क्षेत्र के उद्योग को डिसइन्वेस्टमेंट करने जाते हैं, तो इसमें कई प्रकार की बातें उठती हैं, इनकी सम्पत्ति के बारे में, इनकी वास्तविक स्थिति के बारे में। सरकार को इस सब के बारे में स्पष्टीकरण देना चाहिए। आज जब हम सदन में इसको पास करेंगे, तो सरकार इसमें स्पष्टीकरण दे कि आखिर में इसकी वर्थ कितनी है, सम्पत्ति कितनी है, क्या इसे लेने के लिए कोई तैयार है, आप इसको किसे देना चाहते हैं तथा इसकी व्यवस्था किस प्रकार की होगी? आपने जो बिल लाया है, उसमें कर्मचारियों के बारे में बात की है कि किसी भी कर्मचारी को तीन साल तक उसमें से हटाया नहीं जाएगा। मैं यह जानना चाहता हूँ कि आखिर तीन साल क्यों? महोदय, अभी तक का जो हमारा अनुभव है, किसी भी कंपनी का जब प्राइवेटाइजेशन हुआ है, तब उसमें सबसे पहले काम यह होता है कि उसमें जो काम करने वाले कर्मचारी हैं, उनकी छँटाई की जाए। यह होता आया है। इस बारे में भी मैं माननीय मंत्री जी से स्पष्टीकरण चाहूँगा।

महोदय, आज टायर उद्योग तेज गति से विकास कर रहा है। टायर उद्योग में काफी बड़ी सम्भावनाएँ हैं। मुझे जो लगता है कि 1984 के बाद से अब तक इस कंपनी में किसी प्रकार के मॉडर्नाइजेशन का काम नहीं किया गया। आज भी उस कंपनी में जो पुराने इक्विपमेंट्स थे, जो पुरानी टेक्नोलॉजी थी, उसी से कम चलाया जा रहा है तथा इसको सुधारने के लिए कोई विशेष उपाय नहीं किए गए। इसके साथ-साथ इसका प्रबंधन जिन लोगों के हाथ में था, क्या उनकी एकाउंटिबिलिटी आपने फिक्स की कि आखिर ऐसा क्यों हुआ? मैं सरकारी उपक्रमों के नुकसान में जाने का सबसे बड़ा कारण प्रबंधन को मानता हूँ। आज जब सारे देश की टायर कंपनियाँ मुनाफा कर रही हैं, तो क्या कारण हैं कि यह कंपनी आज नुकसान में चल रही है? इसके बारे में जानकारी लेने की आवश्यकता है। इस प्रकार सरकारी उद्योग ठीक ढंग से चल सके, इसका उपाय करने की आवश्यकता है। महोदय, टायर उद्योग ट्रांसपोर्ट सेक्टर से जुड़ा हुआ है और हमारे देश का विकास जिस 9-10 प्रतिशत की गति से चल रहा है, उसका कहीं-न-कहीं असर हमारे ट्रांसपोर्ट उद्योग पर पड़ रहा है। हमारा ट्रांसपोर्ट उद्योग भी 50 से 60 प्रतिशत की गति से बढ़ रहा है। देश में टायर की मांग तेजी से बढ़ रही है। इस

के साथ-साथ रबर की मांग भी काफी तेजी से बढ़ रही है। भारत की जितनी भी टायर निर्माता कंपनियां हैं, ये संसार के 80 देशों में निर्यात कर रही हैं, किंतु हमारे यहां टायर का आयात भी बढ़ रहा है। हम बड़ी संख्या में टायर का आयात कर रहे हैं। अभी एक नया डवलपमेंट हुआ है जिस में चाइना से बड़ी मात्रा में कम दामों पर टायर का आयात किया जा रहा है। वर्ष 2004 में जहां हम प्रति माह 11 हजार टायर आयात करते थे, आज हम 70 हजार टायर प्रति माह आयात कर रहे हैं। पहले हम जहां अपनी आवश्यकता का 1 से 2 प्रतिशत आयात करते थे, अब वह बढ़कर 8 प्रतिशत हो गया है।

महोदय, चाइना से जो टायर आ रहा है, मैं उस बारे में कुछ कहना चाहता हूं। चाइना के टायर की क्वालिटी बहुत ही हल्की है और उसने दाम कम रखे हैं। अभी न्यूयार्क टाइम्स में एक न्यूज आई थी जिस के अनुसार चाइना ने जो टायर अमेरिका को दिए थे, उन टायरों को बड़ी संख्या में रिजैक्ट कर दिया गया। आज हमारे देश में बड़ी मात्रा में चाइना से टायर आ रहे हैं। सरकार को इस बारे में ध्यान देना चाहिए और अगर शक हो तो उस पर “एंटी डम्पिंग ड्यूटी” लगानी चाहिए। महोदय, चाइना से टायर के आयात के कारण हमारे घरेलू उद्योग पर भी असर पड़ रहा है। मैं चाहता हूं कि सरकार इस बारे में आवश्यक कार्यवाही करे।

महोदय, मैं अधिक न कहते हुए इस बिल का समर्थन करता हूं, किन्तु सरकार से यह भी मांग करता हूं कि सरकार अपनी **disinvestment** की नीति को स्पष्ट करे। इस बारे में स्पष्ट नीति बनाए। ऐसा न करें कि जब कोई उद्योग नुकसान में चला जाए और सरकार उसे चलाने में असमर्थ हो, तभी हम **disinvestment** के लिए जाएं। अतः सरकार इस बारे में गंभीरता के साथ विचार करे।

उपसभाध्यक्ष महोदय, आप ने मुझे इस विषय में बोलने का अवसर दिया, इस के लिए धन्यवाद देते हुए, मैं अपनी बात यहीं समाप्त करता हूं।

SHRI V. NARAYANASAMY (Tamil Nadu): Thank you, Mr. Vice-Chairman, Sir, for having given me this opportunity to speak on the Tyre Corporation of India Limited (Disinvestment of Ownership) Bill, 2007, moved by the hon. Minister, Shri Sontosh Mohan Dev. Sir, the Bill is very simple. The Government of India; the hon. Minister wants to disinvest the shares of the Tyre Corporation of India Limited, Kolkata for the purpose of increasing the facilities of manufacture, production and distribution of tyres, tubes and also rubber goods. For this the Government requires money. Earlier, two undertakings were there; the Inchek Tyre Limited and the National Rubber Manufacturers' Limited. Both were taken over by the Government in 1984 as mentioned in the Bill. To improve the production and productivity and also to better utilise the assets of the company, the hon. Minister wanted the moneys to be provided, and, therefore, the Bill has been brought to this august House for approval.

Sir, the hon. Members from the other side have been submitting that the Government of India policy, the present Government; the UPA Government's policy is that the public sector will not be disinvested. As a general rule, 'yes', but there is also an agreement and it was also an accepted policy. The hon. Prime Minister and also the hon. Minister for Public Enterprises mentioned several times in this august House and outside that the Government will make all possible efforts to revive the chronic loss-making units. When the revival is not possible, the Government will go for disinvestment and the money will be ploughed back into the public undertakings. This has been very clearly told by the hon. Prime Minister and also by the hon. Minister for Public Enterprises. Sir, you might have observed that in the whole country, there is one region, that is, in West Bengal and adjoining regions the public sector undertakings become sick; whether they are State-owned or Central Government owned. Several public sector undertakings in West Bengal, owned by the State Government, have been disinvested. When it comes to the question of public sector undertakings there, some of them have been disinvested by the Government. I

know of one case where the fertilizer industry which could not be started, but the salaries have been paid for more than 3-4 years by the public undertaking to the employees. Not even one bag of fertilizer was produced, but 3-4 years salaries were paid. I was a Member of the Public Accounts Committee. I was able to understand and get the information from them. Sir, this is the Standing Committee's observation which the hon. Member has mentioned. The objective of the Government is laudable. The Government is not taking away the disinvestment money from this industry to any other industry. The hon. Minister wants to raise funds for the purpose of expansion of the industry; and also to go in for manufacturing and increasing production.

The hon. Members from the other side have clearly mentioned that the transport industry is booming. Yes, it is booming. A lot of transport vehicles have come; two wheelers, four wheelers, eight wheelers, twelve wheelers etc, and tyres are required for this country. There was one stage when rubber was sold at a very high price. The tyre manufacturers were suffering. And even the rich public sector was also suffering. Now, the market is improving. The transport industry needs a lot of tyres. Therefore, the Government wants to increase production of tyres and for this the hon. Minister wants additional funds to be given.

Sir, in this regard, I would like to submit to the hon. Minister that whatever disinvestment of equity you are making, it should not go beyond 49 per cent. This policy has to be adopted by the Government. I would like to submit to the hon. Minister that it should not go beyond 49 per cent because it should not go into the private hands. I agree with the Left friends on this. But our Left Front always go by the policy of bringing U.S. investment in West Bengal; and they will prevent us from getting U.S. investment in other part of the country. That is a different story. Now, from our side, we want not more than 49 per cent to be disinvested. That I want the hon. Minister to make very clear. As far as the second part, that is, protection to the employees, is concerned, we are none less than the Left Parties in protecting the interests of the labour. The hon. Minister has mentioned very clearly in clause 5 that, for every officer, or, other employee of the company except the Chairman and the Director, job security is there. Protection has been given in clause 5 of the Bill by the hon. Minister. About disinvestment also, it has been mentioned. Now, the question arises: what is your plan of action for increasing the production? Then, what is the turnover going to be? What is the amount you are going to raise by disinvestment? When you plough back that amount, how are you going to improve the production and productivity? Whether you are going to employ more people when you go in for expansion. For increasing production, definitely, you will need more people to be employed. What is your plan of action for this? Whether any study has been conducted, any report has been submitted in this regard before the hon. Minister, I would like to know. Because I have seen in several public sector undertakings that these Undertakings come with their proposal for getting money from the market by disinvesting their shares, and, ultimately, that money is given only for sundry expenses, not for the purpose of increasing production and productivity. Therefore, I want the hon. Minister to clearly mention that this amount will be utilised for the purpose of increasing production and productivity and also for modernisation, because modernisation is the need of the hour. You are going to compete with the other industries like the MRF, etc. So many other private companies are there. You are going to compete with them. Therefore, cost-effectiveness should be there in the tyre industry. Because when you go to the market — when the cost of production increases — you will not be able to sell it at a competitive rate. Therefore, I want the hon. Minister to tell us what is his plan of action of expansion, to increase the production and

productivity? What will be the capacity of the people whom, he is going to employ additionally, apart from the people already employed there? I would like to submit that the Common Minimum Programme, as far as the public sector undertakings are concerned, should be strictly adhered to by the hon. Minister while getting the nod from this august House for this Bill. With these words, I support this Bill. Thank you for having given me this opportunity.

[THE VICE-CHAIRMAN (SHRI PRASANTA CHATTERJEE) in the Chair.]

SHRI TAPAN KUMAR SEN (West Bengal): Mr. Vice-Chairman, Sir, at the outset, I will request the hon. Minister to clear the confusion. One of us, either myself or Shri V Narayanasamy is confused. As per Mr. Narayana Samy this Bill, after disinvestment, the money to be garnered by the Government of India will be ploughed back in that industry; I don't think there is any such scope within this Bill. If I am wrong, please correct me, and if Mr. Narayanasamy is confused, please also remove that confusion. (*Interruptions*).

SHRI SURENDRA LATH: It is very clear about ownership also.

SHRI TAPAN KUMAR SEN: Secondly, I would also like to respond to the submission of my friend Shri Surendra Lath when he says that he is not opposed to privatisation, definitely, not. Whatever privatisation and strategic sale in the name of handing over the public sector to the private hands, whatever such incidents have taken place, took place during the NDA regime only and all those cases of handing over were cases of under-valuation, under-sale and a loot on the public exchequer, as has been confirmed by successive reports of the CAG and following which they had to go from power. My first submission to the UPA Government and also to the hon. Minister is, let us not forget that lesson. Before taking any step in that direction, please take note of that.

Sir, automobile tyre is a product whose market has been consistently in an expansion mode since the last two decades; at no time has its market fallen down. It is a shocking revelation that a potentially viable public sector unit has been slow-poisoned by successive Governments—I don't wish to blame the UPA Government alone—to reach such a condition of no-return that everyone is raising hands to stamp for its privatisation. This is really a tragedy and this Bill is a novel example of a conspicuous, conspiratorial process to finish the public sector. The prevailing economic philosophy, the neo-liberal policy, is definitely creating a kind of situation where a public sector in difficulty is pushed into more difficulty if it is already in a difficulty and is thrown to ruins. That kind of a situation has developed and this Bill is an example of the concluding stage of such a conspiratorial process.

Sir, I would like to urge upon the hon. Minister who has taken commendable initiative in reviving many other public sector companies within the public sector framework, to kindly ponder over this particular aspect. He knows well the history of this issue. Even the Statements of Objects and Reasons says that as per the BRPSE recommendation, this Tyre Corporation is going to be disinvested to a strategic partner. That is what is mentioned in the Statement of Objects and Reasons of 14th May; and, on 17th May, 2007, this Bill was introduced in the Parliament. Please note the date. As per the BRPSE recommendation, this was being disinvested to a private strategic partner.

Sir, I would like to draw the attention of the House as also of the hon. Minister to the reply to Unstarred Question No. 626, dated 16th August—please note the date again—

where the Parliament was informed, the Lok Sabha was informed, that the Tyre Corporation would be revived within the public sector framework. That was the recommendation of the BRPSE. So, in May, 2007, BRPSE recommended it to be disinvested to a strategic private partner and after three months, Parliament was informed that BRPSE recommended the Tyre Corporation to be revived within the public sector framework as per reply to Unstarred Question No. 626, dated 16th August in Lok Sabha. Which one is true? Is the statement made in the Statement of Objects and Reasons dated 14th May true or the information you have given to the Parliament on the 16th August 2007 is true? Both cannot be true at the same time! And if one is true and the other is not, then the Government owes an explanation to the Parliament as to why a misleading information was given to the Parliament by recording a misleading information in the Statement of Objects and Reasons. This needs to be clarified before the Government proceeds on this Bill.

Secondly, Sir, I wish to draw your attention to the fact that at no point of time — this is a record— BRPSE, or for that matter, BIFR ever recommended disinvestment of the Tyre Corporation. The records show that. I would like to draw the attention of the hon. Minister to the fact that as per the BIFR proceedings dated 8th December, 2003, the Government — of course, not your Government; it was the NDA Government— in a written proposal, have proposed the privatisation of Tyre Corporation. At no point of time did BRPSE propose that. On 16th of August, you have stated in your reply that they recommended its revival in a public sector framework. It is the Government who have been pushing for this. Since 1984, no investment was made; no modernisation was done, and after its being nationalised, it was pushed towards sickness gradually despite the fact that tyre market is a booming market. And there was every possibility of its revival. Don't make BRPSE the villain of everything. That is not the right kind of approach. During the NDA regime, it would have been sold out itself. It was because of the Supreme Court judgement in the HPCL and BPCL cases that the Tyre Corporation could not be sold out. It is that case which was made by the employees of the HPCL and BPCL unions. Because of that, it was brought now to such a position that there was a point of no return and disinvestments Bill has been brought here. Secondly, Sir, I would like to point out that this is the case of breach of commitment. Tyre Corporation had two units — Tangra and Kakinada units. On 26.6.2000, the then Government placed before the BIFR that they wanted to close the Tangra unit and they would revive the Kakinada unit. BIFR agreed on that condition. Tangra unit was sold and after some time now Kakinada unit, the only unit left out has been brought through this bill for sale into the private hands. So, it is a breach of commitment. Why is there breach of commitment taking place, the Government must explain before they proceed on the Bill. The third point is that the Bill originally envisages the protection of employees for one year, and I am glad and thankful to the hon. Minister that he is now proposing for three years. My question is: Why is it for one year or three years? The Bill says that the Tyre Corporation is being disinvested to ensure continuance of manufacturing operations by inducting better technology, capital, etc., etc. Therefore, plant is to run and for that disinvestment is being made. Workers, despite all hostile policy initiatives of the Government and hostile environment, are working hard with a very paltry wage to bring the company into operating profit by job work. And now you are going for disinvestments and giving it to a strategic partner to make it more efficient for manufacturing. Then why for one year or three years? Why not till their retirement? What is the question? Does it mean that you are handing over to private hands, the first act will be showing the doors to workers? What is the sanctity of one year or three years? And you

are telling that you are making a big concession to workers and employees. If the company is to run after disinvestments and if that is the policy for selling off the company, there is no question of one year or three years. I insist and urge upon the hon. Minister that while handing over they must ensure that workers must continue in their work till their retirement. Of course, if there are disciplinary cases like theft or corruption, they can be removed. Of course, they are all different things and that is a normal process. But normally the workers must continue in their work till their retirement. That must be ensured. That is the rationale. The whole Objects and Reasons of the Bill prescribes you like that, that to ensure manufacturing operations by way of induction of new technology, you are disinvesting. So, workers must continue. So, I urge upon the hon. Minister to ensure this. Now, I would like to draw the attention of the House to the directions of the Standing Committee of the Industry while dealing on this Bill. They directed the Government to submit all information on valuations, the chance of new joint venture and the prospect of the company and related details before the Parliament. The Standing Committee directed the Government to submit all those information before the Parliament before the Bill is taken up for passage. I think, the hon Minister should have commended the Bill along with all those information. The propriety of the democratic institution dictates the Government to do so. I would like the hon. Minister to clarify that position.

Now, Sir, I would like to make last but very crucial point. I would draw your attention to the perception of the Government of India as reflected in the submission by the Department of Heavy Industries to the Standing Committee which mentions about a company which is going to be disinvested. The perception of the Government of India is that unless the Balance Sheet of the company under disinvestment was cleaned up, that is, relieved of all loans and liabilities, no private partner will come forward to enter into joint venture with the company. The Tyre Corporation is now free from all debts and major liabilities except liabilities towards the Government which have to be waived or sacrificed by the Government as envisaged by BRPSE. Now, that is an absolutely right perception. I agree to this perception that if a new partner has to be inducted, it cannot be with a Balance Sheet full of loans and liabilities. That has to be cleansed. But, my submission is, as to why that perception has to be implemented only in the cases where a public sector company is going to be taken over by a private player. I think, the same perception, right and scientific perception, should be implemented when a public sector company is going to be taken over by another public sector company. Why do you play, at that time, differently on these loans and liabilities? I would like to draw the attention of the hon. Minister and of the House towards the Press Release of the Press Information Bureau, dated 26th November, 2007, informing the Cabinet approval of the revival of Bharat Heavy Plates and Vessels Limited, Visakhapatnam, by way of take-over by BHEL. That was the Cabinet approval for the revival package which was announced by a Press release dated 26th November, 2007. Now, that was withdrawn. What was that package? It was that BHEL would take over and the Government of India would settle all the loans and liabilities of BHPV to facilitate take-over of BHPV by BHEL; and, BHEL is going to invest Rs.275 crores in that. It is a very good proposal. I thank the hon. Minister for that. But, silently, that Press release was withdrawn from the website of PIB. And, here lies the conspiracy. Now, it is being learnt that issue of waiver of loans and liabilities of BHPV, prior to its take-over by BHEL, is reopened and poor Department of Heavy Industries is now asked to renegotiate (the issue with the Finance Ministry on issue of waiver of loans and liabilities of BHPV. Why? When a private company takes over a public sector company, their loans and liabilities, everything is erased as was done in the case of Jessop & Co. Ltd. The Government has

sacrificed. In "tyre Corporation also, they are going to sacrifice Rs. 616 crores just to facilitate a private taker to buy that company. Why is it reopened in the case of BHPV, if I am correct? If I am wrong, I will be the happiest man. I will insist on the hon. Minister to explain and clarify whether the Cabinet approval on BHPV, which was announced and recorded in the Press Information Bureau release dated 26th November, 2007, will be implemented *in toto*. The House must be assured of that. The Government cannot have two standards - one in case of private sector buyer and other in case of public sector buyer

THE VICE-CHAIRMAN (SHRI PRASANTA CHATTERJEE): Now, please, conclude.

SHRI TAPAN KUMAR SEN: It lacks propriety. So, before I conclude, I again insist that the points raised by me be clarified. I again insist that the provision on employees' protection should continue till their retirement when you are going to disinvest to make the manufacturing more efficient and in a running condition. Please, clarify the BHPV and BHEL case also that they will follow the similar patterns, that is, the loans and liabilities of BHPV will be erased before it is taken over by BHEL. With this insistence, I urge upon the hon. Minister to please re-consider the issue.

THE VICE-CHAIRMAN (SHRI PRASANTA CHATTERJEE): Mr. Silvius Condpán.

SHRI SILVIUS CONDPAN (Assam): Sir, I am not speaking.

THE VICE-CHAIRMAN (SHRI PRASANTA CHATTERJEE): Okay. Mr. Kumar Deepak Das.

SHRI KUMAR DEEPAK DAS (Assam): Sir, I am not speaking.

THE VICE-CHAIRMAN (SHRI PRASANTA CHATTERJEE): Okay. Then, the hon. Minister will reply.

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): Sir, at the very outset, I thank the hon. Members who have participated in this debate for passing this Bill. The first and foremost point, raised by one hon. Member, is, what is our policy on disinvestment? Our policy on disinvestment in the Common Minimum Programme is that we will not disinvest, the *Nov Ratna* companies. And, in case of perennial sick companies, if there is no other alternative, we will take the option of disinvestment. But, before doing so, we will negotiate with the trade unions of that particular company. We will go to the Government and take permission, we will take the permission of the BRPSE and we shall pay all their statutory liabilities. Such cases are very few. Till now, we have written off many of the Government loans; we have given help for working capital; and have issued guarantee for bank loans. So, with regard to this particular point, which you have raised, it is not the policy of the Government to disinvest all of them; only few, where there is no other alternative, will be considered for disinvestment.

Then, with regard to this particular Bill, which has come before this House, what Mr. *Tapanbabu* has said, he is slightly missing the point because first it was wanted by BRPSE to negotiate with a public sector tyre company. Unfortunately, in this country, there is no company which produces tyre under public sector. All companies are private companies. Hence, we have to safeguard the interests of the workers. There are 235 permanent labour in addition to contracted labour of 657. We have to protect their interest. To the credit of the contractors, it has two units, the Kakinada unit and the Tangra unit. One unit allowed to sell and with the money which we got out of this, that is, Rs. 207 crores, we first paid the statutory liability of the workers and then the balance of Rs. 10 crore is with the State Bank of India. This money will be spent now after modernisation. And, whoever will come as a

partner in this particular project, they are also supposed to bring money. That money, along with this money, will be the working capital. We shall also have to modernise some of the machineries which have become obsolete. Thereby, the production will be better. As the hon. Member has said, today, in the market, there is a huge demand for tyres. I do agree. It is there and we know that this company, if taken care of, by giving some money, will do better. Now also, they are doing work some private collaboration with Ceat and Apollo tyres and others and they are making working profit as such. This is proved that if investment is made, it will be a good thing. The introduction of new technology will be there.

Then, the question has arisen that BIFR has suggested certain things and we have done something else. As I have said, there was no public sector company we had to go and that was done with the concurrence of all concerned so that we can protect the company and this was probably a good thing to be done.

Sir, he has compared this company with the company of Andhra. We are going for super critical production and whatever the Bharat Heavy Plate and Vessels Ltd. are producing, we will need them for our super critical production. So, we have had deliberations with experts and they have recommended that it can be taken over and we have decided to take it over. Yes, there is a rider in-principle and the Cabinet has already passed it. But there is some difference of opinion between Finance and us about some amount to be written off. The amount that has to be written off will be decided by mutual discussion. This is a normal process and there is nothing new about it. We will follow the same process which we followed with the Bridge and Roof and other companies. That finance has helped us in a big way. So, there is no problem about that.

Some questions have been placed before us by some hon. Members like why the Government is trying to sell some of the companies. After the UPA Government came to power, we have not sold any company; it was done during the NDA time. As far as possible, we are trying to revive them. If circumstances so arise, we have to come to Parliament and take its permission. And we shall take due permission. I have explained the reason for disinvestment.

Another basic point was raised by Mr. Narayanasamy. He asked, "Are you going to sell other companies like this?" No, we are not going to sell other companies. Nor we are going for disinvestment. On BRPSE's recommendation, we have revitalised many companies. There are 16 such companies and six or seven of them are in Kolkata. They are earning their own salaries. At one time, we have had to pay for their salaries. After we have written off the backlog and all the losses, they are making profit. So, there is no difficulty in revitalising that company.

On import and export of automobile tyres, definitely, it is a good market now. Today, India has become a hub of automobile industry. We produce the highest number of two-wheelers. We are second in the world in terms of manufacturing of three-wheelers. We are also improving in production of new cars. Many of the world's manufacturers are coming to India. They are asking us for good roads; they are asking us for good ports; and they are asking us for better facilities. We are giving all this and they can give jobs to our engineers. Technical boys are getting jobs now. Automobile engineers are getting jobs. This is our Government's policy. In my Ministry, we have a project of Rs. 1,600 crore with NATRIP, whereby, we give training for safety in running of vehicles. Also, we are going in for homogenisation of all the policies. In hilly areas also, like the North-East, we should bring something, so that less accidents take place, in respect of drivers being given license too. Why? It was started during the NDA

Government. This project was sanctioned during the NDA Government. We are carrying on with it. This will give a good impetus to the automobile industry. Automobile industry is not facing problem. Those problems which were being faced will be overcome by the present Government. We are sure that we will be able to do better.

Tyre Corporation has one of the units in West Bengal. It is definitely in a good position now and I am sure, with the help of...*(Interruptions)*...

SHRI V. NARAYANASAMY: Only one unit is in good position. What about others?

SHRI SONTOSH MOHAN DEV: This unit which I am saying is in good position, is earning a good working capital because of your guidance and help. Thank you, Members of Parliament for that. There is no problem about it.

Sir, with these words, I would request the august House to pass the Bill.

THE VICE-CHAIRMAN (SHRI PRASANTA CHATTERJEE): The question is:

That the Bill to provide for disinvestment of Government's equity in the Tyre Corporation of India Limited and for matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration.

The motion was adopted.

THE VICE-CHAIRMAN (SHRI PRASANTA CHATTERJEE): We shall now take up clause by clause consideration of the Bill.

Clauses 2 to 6 were added to the Bill.

Clause 1, the Enacting Formula, the Preamble and the Title were added to the Bill.

SHRI SONTOSH MOHAN DEV: Sir, I beg to move:

That the BHI be passed.

The question was put and the motion was adopted.

The Payment and Settlement Systems Bill, 2007

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): Sir, I beg to move:

That the Bill to provide for the regulation and supervision of payment systems in India and to designate the Reserve Bank of India as the authority for that purpose and for matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration.

Mr. Vice-Chairman, Sir, the payment system can broadly be understood as a mechanism that facilitates transfer of value between a payer and a beneficiary by which the payer discharges the payment obligations to the beneficiary. Sir, presently, there are diverse payment systems functioning in the country, ranging from the paper-based system, where the instruments are physically exchanged and settlements worked out manually, to the most sophisticated electronic fund transfer systems which are fully secured and settle transactions on a gross real time basis. They cater to both the low value retail payments and large value payments relating to the settlement of inter-bank money market,