

Iron Ore Reduction Plant in Goa

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- *469. { **Shri P. C. Borooah:**
Shri P. Venkatasubbaiah:
Shri Ravindra Varma:
Shri Rameshwar Tantia:

Will the Minister of Steel and Mines be pleased to state:

(a) whether it is a fact that the ESSO Ltd., has offered to set up an iron ore reduction plant in Goa;

(b) if so, the terms of the offer, and Government's decision thereon; and

(c) the broad outlines of the project?

The Deputy Minister in the Ministry of Steel and Mines (Shri P. C. Sethi): (a) Yes, Sir.

(b) and (c). The proposal is under consideration.

Shri P. C. Borooah: May I know whether it is a fact that the condition to purchase crude oil from the ESSOs in return for the setting up of the plant at Goa will undergo a change or it may even be cancelled, if their offer for collaboration in the Madras refinery is accepted?

Shri P. C. Sethi: All these details are yet to be settled, and the matter is in a very initial condition.

Shri P. C. Borooah: What will be the foreign exchange earnings per year through the export of the end-products of this plant?

Shri P. C. Sethi: It is said that the foreign exchange earning would be about \$ 30 millions.

Shri K. D. Malaviya: How are the ESSOs qualified, especially, to set up an iron ore reducing plant in Goa?

Mr. Speaker: The hon. Member could say that better.

The Minister of Steel and Mines (Shri Sanjiva Reddy): It is a new process which has been experimented,

and with naphtha, they think that they can process this ore and export it. It is a new process and they think that they can put it up. But it is tied up with the import of crude; and since they need naphtha, naturally, we cannot take a decision ourselves, and the Oil Ministry is closely connected with it.

Shri Shinkre: The Deputy Minister has just now said that the proposal is under consideration. May I know whether Government are considering this proposal with the ESSO Ltd. on one side and the Government of India on the other, or whether they are also considering this proposal on the basis of ESSO Ltd. on one side and some private individual or private company on the other?

Shri Sanjiva Reddy: As I said earlier, the establishment of this is dependent on the import of crude oil, because naphtha is necessary for the process. Negotiations are proceeding with the Ministry dealing with oil.

Mr. Speaker: Next question.

Shri Shinkre: My question has not been fully answered. The Minister is willing to reply.

Mr. Speaker: Some other time.

Transfer of Industrial Licences

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- *470. { **Shrimati Savitri Nigam:**
Shri P. R. Chakraverti:
Shri P. C. Borooah:

Will the Minister of Industry and Supply be pleased to state:

(a) whether any cases involving the transfer of industrial licences before taking any steps for the establishment of units for which these licences had been granted, came to Government's notice during 1963-64 and 1964-65 so far;

(b) if so, how many; and

(c) the amount in all paid for the mere transfer of licences?

The Minister of Heavy Engineering and Industry in the Ministry of Industry and Supply (Shri T. N. Singh):

(a) No, Sir. In this connection I would invite the attention of the Hon'ble Members to the answer given in reply to Unstarred Question No. 435 on the 5th June, 1964.

(b) and (c). Do not arise.

Shrimati Savitri Nigam: Has the hon. Minister seen a news item where it has been mentioned that a few cases have been found where industrial licences have been transferred to other persons before any steps were taken for establishment of units for which licences were granted, and some profits have been earned by the licencees? If so, what action has been taken to verify and make inquiries?

Shri T. N. Singh: I do not know to what specific cases the hon. Member is referring. But the rule on the subject is very clear. It does not permit a licencee to do that. In the case of an established undertaking, the question is different because they are entitled to have change in their names according to the law . . .

Mr. Speaker: That is given in the statement.

Shri T. N. Singh: Yes, Sir.

Shrimati Savitri Nigam: Has any such case been brought to the notice of Government where they wanted permission from the Ministry to make such changes?

Shri T. N. Singh: Two cases were under consideration of the licensing committee. They were not inclined to favour such a change.

Shri Heda: May I know whether Government have come to know the *modus operandi* of those persons who transfer licences by selling away the firms and then the new owners change the names of the firms? Subsequently, have Government decided to go into their past actions, and then take action?

Shri T. N. Singh: I would like to clear up the position as there seems to be some misunderstanding. The licences are not permitted to be transferred. The rule made under the Act says that if there is any change in the ownership of a registered undertaking. . . .

Mr. Speaker: Members complain that in spite of the rule, transfers take place.

Shri T. N. Singh: No, Sir. It is not allowed. I can assure the House that if any such case is brought to our notice, appropriate action will immediately be taken.

Shri Nath Pai: Will the Minister deny that there is a flourishing market in Bombay on industrial licences, and before he denies, he should consult his colleague to his left, that licences are sold at a premium and leading industrial and commercial journals in Bombay give quotations of the different licences, showing the premia for the different kinds of licences? I can produce that.

Shri T. N. Singh: Industrial licences cannot be transferred and are not permitted to be transferred. Only established undertakings can be transferred. . . .

Shri Nath Pai: I do not ask the law whether it can be or cannot be transferred. I am asking about the practice, whether such a practice is there or not.

Mr. Speaker: He is not prepared to consult his colleague to his left and he does not know it himself.

Shri U. M. Trivedi: We also know it. He has also experience. He was Chairman of the Public Accounts Committee. How can he deny it?

Mr. Speaker: Order, order.

Shri P. C. Borooah: Has the Controller of Capital Issues asked Government not to allow any payment to mere promoters of industries for transfer of their licences? If so, what is Government's reaction thereto?

Mr. Speaker: Is he referring to an individual case?

Shri P. C. Borooah: No, I am asking generally.

Shri T. N. Singh: I could not understand the question of payment in this question.

Labour Co-operative Societies on Railways



*471. { **Shri Man Sinh P. Patel:**
Shri Vishram Prasad:

Will the Minister of Railways be pleased to refer to the reply given to Starred Question No. 545 on the 3rd October, 1964 and state:

(a) whether final decisions have since been taken regarding the handing over of contracts of the value of less than Rs. 5 lakhs on the Railways to the Co-operative Societies formed by the Labour; and

(b) if so, the main features thereof?

The Minister of State in the Ministry of Railways (Dr. Ram Subhag Singh): (a) and (b). The minutes of the meeting between the representatives of the Ministries of the Railways and that of Community Development and Co-operation held on 12-8-1964, have since been finalised.

The Labour Co-operative Societies of actual workers are eligible to be entrusted with earthwork contracts upto a limit of Rs. 5 lakhs and other simple works of small magnitude relating to amenity works, staff quarters, maintenance works, etc. The Labour Co-operative Societies of actual workers have, however, to tender along with other contractors and they are not eligible for any preference in that respect.

Shri Man Sinh P. Patel: Is the Minister aware that for such labour co-operatives in the CPWD or in the State PWD departments, special concession of 5 per cent is allowed?

Dr. Ram Subhag Singh: Yes, Sir. We are aware of all these things.

Shri Man Sinh P. Patel: Would Government continue the same system of getting tenders for the stalls at the different stations?

Dr. Ram Subhag Singh: We are going to give preference to the co-operatives, but the preference will be according to the decision that we took on 12th August, 1964 in the meeting with the Ministry of Community Development and Co-operation.

Shri Lahri Singh: Before the contract is given to such co-operative societies, may I know whether it is ascertained that the society is formed of genuine labourers?

Dr. Ram Subhag Singh: That is our point, because we are not going to give it to any persons who are not genuine labourers. Our intention is that the co-operative must be of labourers.

श्री श्रीकार लाल बेरवा : मैं यह जानना चाहता हूँ कि इन सहकारी समितियों को क्या क्या फ़ेसिलिटीज़ दी जायेंगी—सिक्कूरिटी, लोन और पेमेंट के विषय में उनको क्या सुहूलियतें दी जायेंगी ।

डा० राम सुभग सिंह : इसमें ग्रॅन्ट मनी का केवल 50 प्रतिशत देने की बात है और इनिश्ल सिक्कूरिटी डिपॉजिट में उनकी आय का करीब पांच प्रति शत की दर से काट लिया जायेगा ।

श्री श्रीकार लाल बेरवा : पेमेंट की फ़ेसिलिटी क्या होगी ?

डा० राम सुभग सिंह : जो काम होगा, उस के अनुसार मिलेगा ।

श्री श्रीकार लाल बेरवा : मेरा मतलब यह है कि बिल का पेमेंट एक महीने में होता है । क्या उनको पन्द्रह दिन में पेमेंट किया जायेगा ? इसके अलावा गवर्नमेंट पांच लाख के ठेके पर सहकारी समितियों को बचास हज़ार रुपये का काम शुरू करने के लिए