

facts that they had so appeared or such and such newspapers had published them, but these were assumptions on their part which the Government did not concede.

**Shri Nanda:** Yes, that is so.

#### SHORT NOTICE QUESTIONS

**Dastur and Co.**

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**SNQ. 7. Shri Tridib Kumar**

**Chaudhuri:**

**Shri N. C. Chatterjee:**

**Shri C. K. Bhattacharyya:**

**Shri Yashpal Singh:**

**Dr. Ranen Sen:**

**Shri Shinkre:**

**Shri Kashi Ram Gupta:**

**Shri H. P. Chatterjee:**

**Shri Gauri Shanker Kakkar:**

**Shri N. Shroekantan Nair:**

**Shri S. C. Samanta:**

**Shri Surendranath Dwivedy:**

**Shri B. K. Das:**

**Shri Dinen Bhattacharya:**

**Dr. U. Misra:**

**Dr. S. K. Saha:**

**Shri P. C. Borooah:**

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

(a) whether his attention has been drawn to a news item published in the 'Statesman' dated the 28th November, 1965 to the effect that M/s Dastur and Co., the steel consultants, have been selected by Government as the sole Indian Company for the work concerning the Bokaro Steel Plant, and that a final decision in this regard has already been taken by Government; and

(b) if so, whether the effect of this step on the timely execution and completion of the Bokaro Steel Project has been considered in consultation with the Soviet collaborators for the Project?

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

(b) Subject to a satisfactory agreement on the precise scope of the work

to be carried out and the fees therefore, it has always been Government's intention that such work relating to the setting up of the Bokaro Steel Plant as will not be the responsibility of the Soviet Organisations and as it will be necessary to carry out in India through private Indian consulting engineering firms, should be assigned to Messrs Dastur & Company. The precise scope of the work will be settled only after consultation with the Soviet Organisations concerned. In taking the above view all relevant factors, such as the timely execution and completion of the project, were taken into consideration.

**Shri Tridib Kumar Chaudhuri:** May I know what are the special considerations that have led the Government to appoint a single firm of consultant engineers, namely, M/s. Dastur & Co., as their sole consultants for such designing, supervisory and consultancy services as are to be entrusted to Indian engineers. When as the report of the British-American Steel Consortium for India has pointed out, we have several engineering firms doing this kind of work, why preference was shown, or special favour was shown to one firm only and why no open tender was called?

**The Minister of Steel and Mines (Shri Sanjiva Reddy):** I have not known anything about the British-American Consortium saying something. But there is a background for this . . .

**Shri Tridib Kumar Chaudhuri:** He does not know even about the basic . . .

**Shri Sanjiva Reddy:** That is a separate report. We are talking of Bokaro and Dastur & Co. Dastur & Co. have nothing to do with the Anglo-American Consortium nor Bokaro has anything to do with it.

There is a background for this. My predecessor, the Minister for Steel and Heavy Industries in those days, announced on the floor of this House that the Indian consultants, M/s. Dastur & Co., would be associated with the

designing and engineering of this project. This was in April, 1964. But, later on, when we entered into an agreement with the Russians, naturally, the Russians wanted to have a share in it, and they wanted to be responsible for their own equipment and machinery. Therefore, even in the draft agreement which was not signed, there was a clause that if the suppliers wanted to have any part of the consultancy, then Messrs. Dastur & Co. should give up to that extent the consultancy fees.

The Russians took a part of the work, and the rest of the work, in view of the moral commitment which was given on the floor of the House, was to be given to Messrs. Dastur & Co. It is not a commitment which has been entered into in recent months. Again, there is a lot of history behind it.

We attempted to negotiate with Messrs. Dastur & Co. and convert that company into a public sector concern, but, unfortunately, that did not materialise. But we took a decision that apart from what the Russians would do, apart from what the Construction Corporation would do and apart from what the Bokaro Steel Corporation would do, the balance of the work would be given to Messrs. Dastur & Co. I do not think the work will suffer. It is not as though we are not aware that there are other consultants also in India. We make use of their services also. The fact that the work has been given to Messrs. Dastur & Co. does not mean that the others are going to be excluded from anything else. Messrs. Dastur & Co. has been associated with Bokaro from the beginning, and there is some moral commitment, and, therefore, we feel that this is necessary.

**Shri Tridib Kumar Chaudhuri:** It seems that the hon. Minister is trying to confound the issue by referring to moral commitment. The basic fact involved in this question is why originally Messrs. Dastur & Co. were appointed as consultants, and a moral commitment was given on the floor of the House without calling for open

tenders when it was known to Government that there were various consulting engineering firms in this country. May I know why no open tender was called and why the whole thing was carried on by private negotiations?

**Shri Sanjiva Reddy:** Normally that is done; when a consultant writes a project report, they are also used for the later stages. Messrs. Dastur & Co. are there not only for Bokaro, they are our consultants for the Steel Ministry, we use them for various consultations, and we pay them a couple of lakhs of rupees every year; we consult them on various issues. Therefore, it is not only for this project. A number of schemes have been referred to them.

**Mr. Speaker:** The only question now is why an open tender was not called for.

**Shri Sanjiva Reddy:** The then Minister in charge and the Government considered that this company should do the job and they almost entered into an agreement; as I said, the legal commitment was not there because the agreement was not signed, but it was initialled, and, therefore, it was a moral commitment.

**Shri Harish Chandra Mathur:** The question is not being asked about what the hon. Minister personally did. The question is with reference to what the Government have done, and Government includes also the hon. Minister's predecessor. We would like to know why this procedure was adopted earlier.

**Shri Sanjiva Reddy:** This was the procedure adopted, and I think there was nothing wrong in that.

**Shri N. C. Chatterjee:** Is it a fact that in the latest project report, the BASIC (British-American Steel Indian Consortium) has clearly reported that in this country there is available 50 to 60 per cent of the requisite engineering and technical skill for the purpose of building up this kind of steel plant, and if so, why did Government not consider that report and also the technical skill and the qualifications

of five or six other concerns which are equally competent to undertake this job?

**Shri Sanjiva Reddy:** I am told that tenders are not generally called for for consultancy. A proper person is considered responsible and useful and negotiations are carried on with him about the price or the fees. That was done in this case. There was nothing irregular or wrong in what was done two years ago in this respect.

**श्री यशपाल सिंह :** क्या सरकार ने इस बात की जानने की कोशिश की है कि इस की गवर्नमेंट किसी हद तक फ इनेस करेगी या दस्तूर कम्पनी खुद ही इसको चलाएगी।

**Shri Sanjiva Reddy:** I do not know what the hon. Member means; we shall pay them for the work done by them.

**श्री यशपाल सिंह :** कितना रुपया हम में सरकार दे रही है ?

**Shri Sanjiva Reddy:** That is to be negotiated. It was stated in the answer.

**Shri C. K. Bhattacharyya:** In the case of the Bhilai steel plant, it was announced that the Russians would do it in consultation with Hindustan Steel and no intermediaries were called for. Could not the same procedure be followed in the case of Bokaro, that is, the thing being left to the Bokaro Steel Ltd. and the Russians without calling in any intermediary?

**Shri Sanjiva Reddy:** No, there must be some consultant, to help in the construction whether it is Bhilai or Bokaro.

**Shri Shinkre:** Is it not a fact that the Russians originally had discarded the project report prepared by Dastur & Co. because if it were accepted and given effect to, the Bokaro steel plant would cost something like Rs. 20—40 crores more? If this is a fact, what steps have Government taken to see that the original project report of

Dastur & Co. will not be taken only to please them and thereby force Government to spend more money than necessary? Also, is it not a fact that Dastur & Co. refused to become a public sector undertaking and thereby forced Government to accept this arrangement?

**Mr. Speaker:** Only one question need be answered, about the project report.

**Shri Shinkre:** They are all parts of the same question.

**Mr. Speaker:** But the parts cannot go on for so long.

**Shri Sanjiva Reddy:** First he said about the project report. The project report was written in anticipation of American assistance. Later on when the Russians came into the picture, they wanted a different type of project report to suit their technology. Therefore, they wanted to write their own project report, and they wrote it. Naturally, Dastur & Co.'s association will be based on the Russian project report, not on the old report which Dastur had written. That is gone now, that is not there. The Bokaro steel plant will be constructed, based on the project report written by the Russians which is new. Therefore, that has no bearing on this.

**Shri Shinkre:** Have they refused to become a public sector undertaking?

**Shri Sanjiva Reddy:** For that negotiations were held. It was not possible to enter into an agreement with them.

**श्री काशी राम गुप्त :** माननीय मंत्री महोदय ने बतलाया कि यदि रशियन किसी बात को कहेंगे तो वह काम दस्तूर कम्पनी से ले लिया जायेगा। मैं जानना चाहता हूँ कि क्या दस्तूर कम्पनी से कोई इस तरह की शर्त की गई है कि इस बोकारो प्लांट के लिये कोई निश्चित रकम उन को दी जायेगी, या कि जितना काम वह करेंगे उस के हिसाब से दिया जायेगा ? अगर हिसाब से रुपया दिया

जाना है तो क्या उसके लिये कोई शर्तें तजवीज कर ली गई हैं।

**Shri Sanjiva Reddy:** As I said, apart from what the Russians would do, our own corporations are there. There is the public sector Construction Corporation. Bokaro Steel also will do some work. Therefore, we will have to fix up the balance of the work that will be given to Dastur & Co, and then only we will be able to say how much money will be paid to them. We will have to negotiate that, the scope of work and the money.

**Shri H. P. Chatterjee:** Is it a fact that six other firms, namely, M/s. Kuljian Corporation, Calcutta, M/s. Tata-Ebesco Consulting Engineering Service (Bombay) M/s. Bilaney & Co., Bombay, M/s. United Engineers, Calcutta, M/s. Bhagwati & Kubhani, Calcutta, M/s. Chatterjee & Palk, Calcutta and also the Central Engineering and Designs Bureau of HSL (Ranchi)

**Mr. Speaker:** He might put the question now.

**Shri H. P. Chatterjee:**... have represented to Government that they are prepared to undertake and bid for tenders for services that may be required at Bokaro? If so, what has been the reaction of Government to these representations? Or have these representations been rejected outright?

**Shri Sanjiva Reddy:** I have already stated the whole case. We have considered all aspects. One or two companies' representatives also met me. Having taken all things into consideration and because of the commitment that was made on the floor of the House, we have taken a decision to give Dastur & Co. the work.

**Shri Gauri Shankar Kakkar:** May I know what has been the special nature of the circumstances which warranted giving preference to Dastur & Co.? Why was not the work given to any one of the other firms?

**Mr. Speaker:** There is some peculiarity in this particular question—that everyone stands up with a prepared supplementary.

**Shri Gauri Shankar Kakkar:** Sir, I wanted to put a very simple question. What are the special features of this company for which it was preferred in comparison to other companies, and was shown favours..... (Interruptions.)

**Mr. Speaker:** That has already come.

**Shri N. Sreekantan Nair:** May I know whether other consultants and engineering companies are equally competent to carry on the work in question and, if so, whether in future when work is given they would also be given a share in the work that is to be executed?

**Shri Sanjiva Reddy:** I do not think I should express my opinion about these things. There are technicians. Comparative merits should not be discussed on the floor of the House.

**Shri S. C. Samanta:** The hon. Minister said that no open tender was invited for engineering consultants. May I know whether for designing and other things and the other engineering works, open tenders will be invited?

**Shri Sanjiva Reddy:** No, Sir. I have explained the whole case. Other than what the Russians and Public Sector undertakings will do, the balance of the work will be given to Messrs. Dastur & Co.

**Shri Surendranath Dwivedy:** We have a well-organised unit, the Hindustan Engineering and Designing bureau. May I know whether this bureau will be associated with the Bokaro Plant construction and consultation at any time? Why have we not taken that into account?

**Shri Sanjiva Reddy:** No, Sir, because they have enough work on hand, with the expansion of Bhilai,

Durgapur and Rourkela. The expansion projects are there. Bokaro is a separate corporation, Hindustan Steel could not do this.

**Shri B. K. Das:** Since the work of preparation of the report has been taken over by the Russians from Messrs. Dastur and Company, have they been associated with the Bokaro steel plant in any capacity?

**Shri Sanjiva Reddy:** Not in the project report, Sir. I have explained the whole case.

**Shri Dinen Bhattacharya:** What will be the total cost of designing and supervising outside the scope of what will be undertaken by Dastur and Company?

**Shri Sanjiva Reddy:** After the project report is received and after we have discussed it with the Russians, only then we will be able to assess what portion of the work will be given to Dastur and Company.

**Shri P. C. Borooah:** May I know whether the total cost of the works that will be given to this company would be about Rs. 400 crores?

**Shri Sanjiva Reddy:** No, Sir; Rs. 400 crores for the whole steel plant.

**Dr. U. Misra:** The Minister said that there was a moral obligation towards Dastur and company. Will the government better fulfil this obligation and take it over just like the bureau of designs of Hindustan Steel and make it a separate bureau for the Bokaro plant by taking over Dastur and Company?

**Mr. Speaker:** That is a nice suggestion.

**Shri Vidya Charan Shukla:** Is it not a fact that Dastur and Company is the only purely Indian company in India whose competence and ability has been praised not only in India but in many countries abroad and is it not a fact that Dastur and Company was selected for this work because of its competence rather than

only a commitment made in this House?

**Mr. Speaker:** Now, the other side.

**Shri Sanjiva Reddy:** I do not mind saying something about the competence of Dastur and Company but I do not want to condemn the others; others are equally good.

**Shri Harish Chandra Mathur:** What is the government's own plans for the development of consultancy services in the public sector itself? We have already put up three major steel plants. Have we not been able to develop consultancy services by ourselves to look after the future expansion as well as the setting up of new plants?

**Shri Sanjiva Reddy:** We have a very good designing cell at Ranchi. They are doing very good work. But our expansion schemes are so many and they are not able to take on additional work. In our steel plants also we have small cells. The Central Engineering and Design Bureau at Ranchi is a very big unit and there are a number of engineers. That is not enough to take up the whole steel expansion work.

**Shri Harish Chandra Mathur:** My question is whether we do not have a plan to have our own consultancy services in a manner that we shall be able to look after the future expansion and the setting up of new plants? Is it your plan or not?

**Shri Sanjiva Reddy:** Immediately you cannot have an organisation to take all that work. I entirely agree with the hon. Member that we will have to plan so that ultimately it will be taken over by public sector design organisation.

**Shri U. M. Trivedi:** In view of the numerous members who are putting this question in which Messrs. Dastur and Company has come in for some sort of a veiled insinuation, I would

like to know from him if it is possible for him to state that there is nothing wrong with Dastur and Company after investigation.

**Shri Sanjiva Reddy:** If we felt there was something wrong we would not have entursted them with this work. I do not want to condemn the others also; the other technicians are equally good.

**Shri S. M. Banerjee:** I would like to know whether it is a fact that one of the American companies called Kulajion Corporation of India were one of the aspirants against Dastur any Company and whether it is a fact that they have engaged the ex-general manager of the Bhilai steel plant Mr. Sen and the son of Mr. B. K. Nehru to influence the government and how far it is true. I want to know whether government is not going to be influenced.... (*Interruptions.*)

**Mr. Speaker:** Order, order. Government has contradicted that.

**Shri S. M. Banerjee:** I am not concerned with Mr. B. K. Nehru's son. I am only concerned whether they influenced.

**Mr. Speaker:** Why did he mention and bring in the names?

**Shri S. M. Banerjee:** They have been employed there... (*Interruptions.*)

**Mr. Speaker:** Shri Azad.

**Shri Bhagwat Jha Azad:** The hon. Minister made a reference to the statement of his predecessor after being rebuffed by the Americans.

**Mr. Speaker:** Why go into all that? He might put the question.

**Shri Bhagwat Jha Azad:** He has referred to the commitment in the House. I was there and I remember. If he means that statement, the Minister said: Now, we shall depend upon our own, Dastur & Company and others. I would like to know whether in that 'others' he has cared to consult or ask them, from the 'others' as well.

If he refers to that commitment, that commitment also means this.

**Shri Sanjiva Reddy:** No, Sir. I do not know. He must have heard it more correctly perhaps but it was said 'Indian consultants'.

**Shri Bhagwat Jha Azad:** I know your wisdom; I want to know it from you.

**Shri Sanjiva Reddy:** I was not in this House unfortunately. From the records I have seen that an agreement was almost entered into with Dastur and company; it was initialled, not signed. Therefore the question of other consultants at that time would not come in.

**Mr. Speaker:** I am constrained to make an observation that at least this question and the supplementaries, the manner in which they have been put all these supplementaries this refers to not one but all they give such impression..

**Shri Surendranath Dwivedy:** I did not refer at all to Dastur and company or any company.. (*Interruption*)

**Mr. Speaker:** I am not referring to Mr. Dwivedy's question particularly.

**An hon. Member:** You said 'all'.

**Mr. Speaker:** There are exceptions, I accept, I modify that. But most of the questions—I have said now, I have corrected myself—many of the questions that have been put have given the impression as if some of our members. I am not saying that they have any information; I am not saying that they really have done like that—but that would really give the impression as if we are just pleading the cause of some. We can criticise the action of the government; we must criticise the action of the government; we can ask them why one has been preferred; that also can be done. But the whole impression, the manner in which it has been done, the questions have been put, rather does not give good savour. And I will request the hon. Members

that they should or we should conduct ourselves above these things. That impression should not be carried by anybody that we have any interest to advance or any other interest to damage. That should not be done. That is only my request to the hon. Members.

**Shri Tridib Kumar Chaudhuri:** On a point of explanation..

**Mr. Speaker:** I am not referring to Shri Chaudhuri particularly. Why should he stand up?

**Shri N. C. Chatterjee:** We have not been motivated by any such thing.

**Mr. Speaker:** I hope nobody has been briefed by anybody, but then too, this impression should not be created.

### भ्रान्ध प्रदेश में विश्वविद्यालयों सम्बन्धी अधिनियम

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**S. N. Q. 8.** श्री प्रकाशचौर शास्त्री :  
श्री बाकर अली मिर्जा :

क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या विश्वविद्यालय अनुदान आयोग ने केन्द्रीय सरकार तथा भ्रान्ध प्रदेश सरकार से यह निवेदन किया है कि भ्रान्ध प्रदेश के तीन विश्वविद्यालयों सम्बन्धी अधिनियमों को अभी लागू नहीं किया जाना चाहिए;

(ख) यदि हां, तो इसके क्या कारण हैं; और

(ग) सरकार ने इस सम्बन्ध में क्या कार्यवाही की है ?

शिक्षा मंत्री ( श्री मु० क० चागला ) :

(क) जी हां । विश्वविद्यालय अनुदान

आयोग (University Grants Commission) ने इस बाबत एक प्रस्ताव (Resolution) पास किया है ।

(ख) विश्वविद्यालय अनुदान आयोग (University Grants Commission) की राय है कि संशोधन बिलों में कुछ ऐसी बातें हैं जो राज्य के विश्वविद्यालयों (Universities) की भलाई और उनकी तरक्की के हक में नहीं है ।

(ग) कमीशन के प्रस्ताव (Resolution) को राज्य सरकार को भेज दिया गया है । मैंने भी अपने विचार भ्रान्ध प्रदेश के चीफ मिनिस्टर को बता दिए हैं ।

श्री प्रकाशचौर शास्त्री : शिक्षा मंत्री जी ने कल राज्य सभा में एक प्रश्न का उत्तर देते हुए बताया था कि उन्होंने भ्रान्ध प्रदेश के मुख्य मंत्री और भ्रान्ध प्रदेश की सरकार को कहा था कि जब तक बनारस विश्वविद्यालय और जवाहरलाल नेहरू विश्वविद्यालय के विधेयक यहां पास न हो जाएं तब तक वह इस अधिनियम को लागू न करें, या इस सम्बन्ध में कोई निर्णय न लें । आज भी समाचार पत्रों में भ्रान्ध प्रदेश के मुख्य मंत्री का एक पत्र प्रकाशित हुआ है जो उन्होंने शिक्षा मंत्री को लिखा है, उससे भी यह प्रतीत होता है कि वह अपने निर्णय पर ज्यों के त्यों दृढ़ हैं और उसमें कोई परिवर्तन करने के लिए तैयार नहीं हैं । ऐसी स्थिति में कल प्रधान मंत्री जी ने उनसे कहा था, राज्य सभा में, कि वह और भ्रान्ध प्रदेश के मुख्य मंत्री मिल कर समस्या का समाधान करें । लेकिन मुझे प्रतीत होता है कि समाधान निकालने की कोई सम्भावना नहीं है । क्या प्रधान मंत्री जी स्वयं इस बीच में हस्तक्षेप करके इस समस्या का कोई समाधान निकालने का यत्न करेंगे ?

प्रधान मंत्री तथा अधु शक्ति मंत्री (श्री लाल बहादुर शास्त्री) : मैंने मुख्य मंत्री जी से बात की है और उन्होंने कहा है कि जब तक