

this purpose peiodical check up should be made compulsory for the whole population of the country and proper arrangements should be made for such check ups at the divisional level.

Therefore, we request the Central Government to take necessary steps in this connection.

- (vi) **Need to set up a National Park-cum-Zoo in and around Nasik**

[English]

DR. VASANT NIWRUTTI PAWAR (Nasik): Maharashtra State is having vast areas of forest land with different varieties of animals. Nasik district in Maharashtra is one of the most important centres for business, agricultural, industrial, as well as pilgrimage. Every day large number of people visit Nasik in connection with their business activities as well as pilgrimage. There is a genuine need to set up local National Park-cum-Zoo in and around Nasik. This will be of great use to public in Nasik as well as to those visiting for different places.

I would, therefore, request the hon. Minister for Environment and Forests to set up a National Park cum Zoo in and around Nasik at an early date.

12.44 hrs.

STATUTORY RESOLUTION RE:
DISAPPROVAL OF THE MER-
CHANT SHIPPING (AMENDMENT)
ORDINANCE - *Contd.*

AND

MERCHANT SHIPPING (AMEND-
MENT) BILL

As passed by Rajya Sabha

[English]

MR. SPEAKER: We will now take up item Nos. 11 and 12 together, Statutory Resolution and Merchant Shipping (Amendment) Bill.

Shri Basudeb Acharia, you had promised— I was hearing from the Chamber — that you would complete in five minutes' time.

[Translation]

Yesterday the Bill was allotted one hour out of which Shri Basudeb Acharia spoke for half an hour

[English]

SHRI BASUDEB ACHARIA (Bankura): Yesterday, What I was emphasising was that there is no necessity for the amendment of the four sections for which the hon. Minister has come forward with the Bill to replace the Ordinance. I was also dealing with the capacity utilisation of our Shipyards.

There was also a proposal for the diversification of the Hindustan Shipyard— about which also I mentioned —

[Shri Basudob Acharia]

and for obtaining new work orders. The hon. Minister had visited the Hindustan Shipyard on 28th November, 1993 and all the unions came joined together and submitted a memorandum to him. An assurance was given that the diversification of the Shipyard would be taken up and the idle capacity which was lying there would be fully utilised. The same problem is there with the Cochin Shipyard. There are thousands of workers who have been remaining idle for months together without any work.

The facilities enjoyed by the workmen like canteen, medical treatment etc. are being gradually withdrawn in Hindustan Shipyard Limited. Already 1200 workers have opted for voluntary retirement. Rest of the workmen are not even provided with adequate work though there are a number of work orders at hand.

There is another problem of Maritime Engineering training. The hon. Minister knows it very-well because we met some time back. There is a prestigious Institute in Calcutta, DMET. A Committee was constituted by the Government of India to examine the Maritime Engineers training and that Committee has recommended for setting up of an autonomous Maritime University. This is a prestigious University.

MR. SPEAKER: This is not covered by the Bill. You are going to the University and all those things. You have already taken half-an-hour.

SHRI BASUDEB ACHARIA: This is a prestigious Institute at Calcutta. This should not be made autonomous. This should be run by the Central Government. I feel that there is no necessity for the amendment of the Merchant Shipping Act

of 1958. Thus, I oppose the promulgation of an ordinance and I request the hon. Minister that this ordinance should be allowed to lapse.

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER):
Sir, I beg to move:

"That the Bill further to amend the Merchant Shipping Act, 1958, as passed by Rajya Sabha, be taken into consideration."

As a result of the liberalization process and de-regulation which was undertaken in the last two and a half years, some very spectacular results have been achieved in the Shipping Industry. The Shipping industry earned record foreign exchange of Rs. 2,698 crores in 1991-92 and further Rs. 3,176 crores in 1992-93. The Shipping industry also earned record net operational profit of Rs. 1,557 crores in 1991-92 and this too increased to Rs. 1,808 crores in 1992-93. As a result of the liberalization process, Indian companies were able to purchase 29 ships in one year, i.e. 1992-93. By these acquisitions the number of ships in the Indian fleet reached a figure of 440 ships, totalling 6.28 million GRT as on 31.3.1993. The Government owned Shipping Corporation of India has declared profits successively of Rs. 55 crores in 1990-91, Rs. 109 crores in 1991-92, and the highest ever profit of Rs. 143 crores in 1992-93.

The Shipping Corporation has paid dividends totalling Rs. 70 crores in the last three financial years.

Due to our efforts to liberalise ship-repair facilities in India and to give a new orientation to our two major Shipyards, I

am happy to inform the House that the Cochin Shipyard declared a cash profit of Rs. 7 crores in 1991-92 and further increased it to Rs. 19 crores in 1992-93. We have also finalised private sector projects in ship-repair industry which will involve an investment of almost Rs. 100 crores in Goa and Calcutta. Clearly the results of liberalization and deregulation have been positive to the shipping industry. Recently, the Government has also cleared a package for the revival of the Indian shipyards. However, even in this liberalised atmosphere, the cost of financing Indian shipping is considered rather high by the shipping industry in India. The shipping industry has, therefore, logically had to look at international resources of making investments in ships.

In this they have encountered certain difficulties and reluctance on the part of foreign institutions, even though the rates of interest offered by the foreign institutions have been much more attractive than those offered by Indian financial institutions. The Merchant Shipping Act, 1958 was enacted about 34 years ago and was amended from time to time in the light of the experience gained in its implementation and to give effect to the provision of International Conventions which were ratified by India. The basic objective of the Government is that the country should become self-sufficient in the carriage of its overseas trade, our share in which has remained stagnant at around thirty-six percent over a period of last three years. The development of Shipping involves massive expenditure in foreign exchange as the country has to import vessels. The Indian companies have, therefore, to seek loans abroad in order to acquire ships but they have been

encountering serious difficulties in the matter of raising funds from international market and financial institutions on account of certain provisions relating to registration, transfer of ship and rights of mortgagees which were perceived as impediments to the enforcement of the rights of the lenders in the case of loan default and foreclosure of mortgage.

Therefore, certain provisions of Merchant Shipping Act, 1958 were urgently required to be amended for facilitating the implementation of the policies of liberalisation of economy and relaxation of Government control. These related primarily to registration, transfer of ships, foreclosure of mortgages and power of the Central Government to fix shipping rates.

The Shipping Industry has been requesting for the aforesaid amendments of the Act on a priority basis and any delay in the amendment of these sections, was expected to further jeopardise the interests of the Indian Shipowners. Shipping is an international business, subject to frequent fluctuations. World wide it has been passing through a relatively recessionary phase. The prices of ships have gone down in the international market and Indian shipowners, who are critically dependent on foreign loans, do not want to miss the present opportunities to buy good vessels when foreign currency borrowing rates are low. Foreign financial institutions and banks are willing and are in a position to advance loans to Indian buyers provided the perceived impediments in Sections 21, 432 and 51 are removed.

The Act conferred powers on the Central Government, vide Section 412 to fix, in the prescribed manner, the rates at

[Shri Jagdish Tytler]

which any Indian ship may be hired and the rates which may be charged for the carriage of passengers or cargo by any ship engaged in the coastal trade in India. The fixation or revision of freight rates and passenger fares was a time consuming exercise. The shipping companies also felt that Government control on freight rates for certain cargoes and the inordinate delay in fixing these rates lead to a situation where freight rates almost invariably lag behind the cost of operation. Coastal shipping operations becomes unviable and the development of tonnage catering to coastal shipping is inhibited.

It was, therefore, considered desirable that the amendments are carried out immediately by promulgating an Ordinance. Accordingly, the Merchant Shipping (Amendment) Ordinance, 1993 was promulgated by the President on 27th October, 1993.

With these words, I commend the Bill to the House.

MR. SPEAKER: Motions moved:

"That this House disapproves of the Merchant Shipping (Amendment) Ordinance, 1993 (No. 34 of 1993) promulgated by the President on the 27th October, 1993."

"That the Bill further to amend the Merchant Shipping Act, 1958, as passed by Rajya Sabha, be taken into consideration."

SHRI ARJUN CHARAN SETHI (Bhadrak): I am on a point of order, Sir, I have introduced a Private Member's Bill...

(Interruptions)

MR. SPEAKER: Which rule are you referring to?

SHRI ARJUN CHARAN SETHI: I am referring to Rule 67 of the Rules of Procedure and Conduct of Business in Lok Sabha. Earlier I have introduced a similar Bill, that is, Merchant Shipping (Amendment) Bill, 1993. So, I like to seek your guidance as to what will be the fate of that Bill after the introduction of the Bill by the hon. Minister.

MR. SPEAKER: Well, I do not know which is the Bill and what kind of provisions are there. If you read rule 67, it says "notice of an identical Bill".

SHRI ARJUN CHARAN SETHI: It is identical, Sir.

MR. SPEAKER: Whether it is identical or not, I shall have to see it.

SHRI ARJUN CHARAN SETHI: It is quite identical, Sir.

MR. SPEAKER: I have to convince myself whether it is identical or not. I can give the ruling on your point of order after going through your Bill.

SHRI ARJUN CHARAN SETHI: Thank you, Sir.

MR. SPEAKER: Now, Shri Hari Kishore Singh.

13.00 hrs.

[Translation]

SHRI HARI KISHORE SINGH (Sheohar): Mr. Speaker, Sir, the

Government has introduced this Bill through an ordinance. Is the Government least bothered about the implications of the ordinance? Why was this Bill not introduced during the last session? I support the spirit of the Bill. The shipping industry in our country has not been able to fulfil the demands of our country and other countries, due to which a large number of problems have arisen. One of the reasons, was that the Government did not pay any heed to propagate the shipping industry in India. Therefore we had to purchase ships mainly from foreign countries though all the facilities required for the manufacturing of ships are available in Bombay, Cochin and Calcutta. So much so that the Cochin factory has been running in loss, but we were forced to place orders to other countries, particularly to South Korea who earned a considerable profit. But why the shipyards in our country run in loss— is difficult to be understood. In the total tonnage of the world, India contributes only 0.5 percent though we have a large coastal line here. But what have we been doing for the last so many years? Why the things to this effect have been taking place? Did the Government pay no attention to this factor in the Bill? Why we have not been able to make a contribution we ought to have. Minerals and steel are being exported from our country to Japan, but as per the agreement these things are not to be taken in an Indian ship. I fail to understand the reasons. Is there no coordination between the shipping department and the Commerce Ministry? Has this point been brought to the notice of the hon. Minister? If so, the details thereof and the measures taken to avoid such things in future. It is an industry which requires a large amount of capital, whereas we do not have capital in that proportion. On what conditions capital is

being borrowed from abroad? The hon. Minister stated that capital is not there in Indian market, that is why foreign investors are being given priority. What are the norms to be applied in this regard? What are their conditions? Who will have ownership rights? Will the companies be registered in India or in Liberia or Caribbean Island which are famous for ship building. In that condition we will neither have any control on them nor we will be able to protect them. How many of the Indians will be employed, and what will be the fate of those rendered unemployed as a result of this decision. Our shipping company in Cochin has to make negotiations through Singapore. However, the facility to this effect is very much there in Madras. Why is it so, the hon. Minister may please clarify this. Indian ships — whether they are in Bombay, Cochin, Calcutta or Tuticorin — they have to contact only through Singapore though the facility is there in Madras. The Government propose to provide this facility to a foreign company. A lot of foreign exchange would be spent in this. A few days ago a Seaman Training Institute was established at Madras, but due to unknown reasons it was closed. There is no systematic procedure for the recruitment of seamen in ships. Neither the company has any authority to this effect nor the Government does it, who will do it then?

Even those ships which have technical faults, are also issued certificate of worthiness. The result is that such ships are drowned. A few days ago, a ship named Saraswati was drowned. Enquiry was ordered into it. I would like to know whether the report of that investigation has been submitted to the Director General of shipping. I would like to know whether the Government has taken any action on it. Would the

[Shri Hari Kishore Singh]

Government take the Parliament into confidence?

The training institute of this country is named as 'Rajendra'. It has earned a great reputation in the world but still there is scope for improvement. Special attention has not been paid to this aspect sometimes many people remain unemployed after training. But there is good scope these days, specially in officer's category. Government should provide facilities to this institute on the scale of institutes in London and Sweden, so that our people are able to compete with them.

Mr. Speaker, Sir, to conclude I would say that if large scale foreign investment is done in this industry and as a result the Government and the Parliament loses control over it, it would put a question mark on the naval security of this country. I would like to know whether Government has paid attention to this aspect?

With these words, I support this Bill.

[English]

SHRI RAMESH CHENNITHALA (Kottayam): Mr. Speaker, Sir, I rise to welcome this piece of legislation which is introduced by the hon. Minister. These amendments are to facilitate the implementation of the policies of liberalisation in the field of merchant shipping. These amendments are mainly aimed firstly, to liberalise the provision regarding the mortgaging and secondly, for fixing of shipping rates etc.

Our shipping industry is making a very good profit which is raised from Rs.1,100 crores to Rs. 3,400 crores in the

last year. There is a decline in the prices of ships in the international market. So, the shippers wanted to purchase more ships to take advantage of this position in the international market. This, of course, requires a lot of foreign exchange which is not at all available in our country. And a lot of international financial organisations are ready to give that foreign exchange.

MR. SPEAKER: Mr. Chennithala, that is explained in the Statement of the Minister.

SHRI RAMESH CHENNITHALA: Sir, I am just starting my speech now. So, we are able to get more financial support from the international financial agencies at four to seven percent of interest which in India is available at 24 percent.

Now we must contemplate building more ships. That is the most important thing. The capacity of our shipyards is to be utilised properly. Our shipyards have a lot of idle capacity. So, our endeavour should be to properly organise our shipyards so that we are able to build ships in our own country and we can utilise this capacity.

I understand that during the Eighth Five Year Plan period, India is going to buy 32 ships from South Korea. How much of foreign exchange will be going out from our country? The only way is to strengthen our shipyard and build more ships so that we can avert this purchase of ships from the other countries. Therefore, the Government must give preference and concessions to the Indian ships.

What we find is that not only the private parties but even the public undertakings also prefer foreign vessels.

That is the most important thing which we have to take care of. We have to see whether they are maintaining the international standards of the quality of the ship or not. Even the private parties prefer foreign ships because the foreign vessels are maintaining international standards. When we are building ships, we must take care of the quality and see whether they are maintaining international standards or not. Otherwise, nobody is going to buy our ships.

The Cochin Shipyard is in a very bad shape. We represented the matter to the hon. Minister. The hon. Minister has taken certain necessary steps to strengthen the Cochin Shipyard and, therefore, I congratulate the hon. Minister. But at one point of time, the Cochin Shipyard was going to be completely closed down. But enough potential is there and it is one of the prestigious shipyards which we have. Its past record is very excellent. But unfortunately due to the negligence on the part of the Government as well as the Officers who were posted there, that shipyard is running on loss. Certain measures were taken by the Government.

I request the hon. Minister to take more steps so that the Cochin yard can be strengthened. This prestigious shipyard which has got very good and excellent past record, can function very well.

In the Cochin Shipyard, the workers of all the unions irrespective of Parties represented that certain corrective measures should be taken. The Government should take adequate steps to streamline the activities of the shipyard. I do not want to go into the details of that.

Certain things are going on there which cannot be appreciated. All the unions represented this matter to the hon. Minister. I hope that the hon. Minister will look into it and necessary steps would be taken so that the Cochin Shipyard can be strengthened and we are able to build our own ships in the country.

My last point is about the fitness certificate. One of the ships of Kerala Government has been lost in the sea. Proper care has to be taken before a fitness certificate is given. We have to see whether the ship is worthy enough to sail or not. If it is not worthy to sail, it should be abandoned. The Shipping Corporation of India should take care of the quality and fitness so that this can be more profitable and we can utilise our own capacity to build more ships.

SHRI ARJUN CHARAN SETHI (Bhadrak): Mr. Speaker, Sir, as regards the Merchant Shipping (Amendment) Bill, I have no reservation but to support the measure. But, at the outset, I must say that what has been said in this Bill and what the hon. Minister has stated just now while moving the Bill does not satisfy the requirements of what we need specially for the development of shipping in the country.

Sir, it is said and it is a fact that nearly 94 percent of India's Foreign trade in terms of volume moves by sea. The role of Indian Shipping is vital in the promotion of exports, in facilitating imports, earning freight in foreign exchange on the export trade and restricting foreign exchange outgo by carrying increased share of import trade. But when we examine this point of view, I must say that our share of earning during the last few years was hovering around 36 percent. But recently from 1990-91

[Shri Arjun Charan Sethi]

onwards, it has come down to 30 percent. So, in this context, when we analyse the performance of our earnings, so far as our foreign trade is concerned, it is not up to the mark. It is stated that if our earnings are around 50 percent then, it is good for the industry as well as for the country. Further, the Indian Shipping tonnage as a percentage of world tonnage is barely 1:49. So, in this context, I would like to say that among the Asian countries, India stands sixth in terms of shipping tonnage. the national shipping tonnage per 1000 m.t. of trade carried was 62.7 GRT in 1990 against the world average of 106.7 GRT. So, I would just like to mention that no doubt we have a vast opportunity and facility for earning foreign exchange in terms of increasing our tonnage. But whatever the Government has done in the past has not yet yielded results. The target has not been met. Whatever the hon. Minister tried to do just now, will not suffice. It will not achieve the goal of this country.

Sir, I am a Member of the National Shipping Board. We have discussed many times the problem of this industry time and again. The ship repairing facilities need to be augmented speedily. It is not merely to save the foreign exchange in connection with repairs in foreign countries but also to earn foreign exchange. We have, in fact, 11 dry docks in this country at present. But they are not used to maximum at present. When we compare this with the other neighbouring countries, their utilisation is up to the international standards. They have earned more foreign exchange in their countries in spite of having a few dry docks. As far as our coastal shipping is concerned, it needs to be augmented because we have got 5500 sq. kms. of coastal line. Unless we develop it, unless we look to

the interests of the coastal shipping, I think the country will lose heavily in terms of foreign exchange. Similarly, so far as India's performance in respect of ship building is concerned, at present it is not satisfactory. India today owns only 463 ships as against Japan which owns 7444 and Greece which owns 3308.

Our ship building activity as well as acquisition of ships, at present, is not satisfactory. I want that we should acquire more ships. Further, the Government should give more concessions to shipping industry so that they can go all out to increase our tonnage and our foreign earnings.

Many demands have been made by the shipping industry as well as our Indian National Ship building Association. It is correct that the Government has come forward with the amendments. As I have pointed out, earlier also, a similar kind of Bill was introduced to focus on this aspect. I am happy that the Government has come forward with amendments. I think, this measure is only a half-hearted measure. This is not comprehensive. So, the Government should look into the problems of this industry because it is the main industry which can earn foreign exchange and we have the shortage of foreign exchange at present. With these words, I thank you.

SHRI A. CHARLES (Trivandrum): I stand to support the Merchant Shipping (Amendment) Bill, 1993. An hon. Member on the other side has stated that he takes objection to the promulgation of the Ordinance. According to the New Industrial Policy announced by the Government of India in July, 1991, shipbuilding industry has been delicensed except for the construction of war ships which has been reserved for the public sector. Various concessions are now

given for the shipbuilding industry for the construction of ships, floating crafts, fishing trollers etc. We are now capable of meeting our requirements in the construction of medium and small statecrafts. However, some of the sections of the Merchant Shipping Act, 1958 stood in the way of ensuring the implementation of this new type of policy. An Ordinance had to be promulgated in the interest of the country. I see no objection to this. This Bill has been brought forward as a substitute to the Ordinance.

There are two main aspects of this. The main object of the Indian Merchant Shipping Act, 1958 was to equip our Indian mercantile marine to have our due share in the sea trade. But unfortunately, during the last three decades, our share has become low compared to the foreign ships. Their share is 65 percent and ours is only 35 percent. We have to do something to see that the Indian mercantile marine is equipped in a way so as to enable it to face new challenges. But I am sorry to say that all the amendments that are brought forward now, are only to attract foreign capital. I do admit that attraction of foreign exchange is there to help the Indian owners. We are not selling out the country as some of the Members on the other side have said.

(Interruptions)

MR. SPEAKER: You leave that point to the Minister to reply. You make your own point.

SHRI A. CHARLES: I am talking on the Bill.

MR. SPEAKER: Yes, But you need not repeat the point.

SHRI A. CHARLES: The other side is about the indigenous manufacture of our ships. Simply to say that foreign exchange is available with the private sector is not correct. There are four shipyards in the public sector. Only Cochin Shipyard has been started as a public sector undertaking by the Government of India. Others have been acquired as sick units at some point of time. The hon. Minister said in his statement that Cochin Shipyard has shown some profit during the last two years. I do agree. But the real picture is that there are two aspects of that—shipbuilding and ship repairs.

The shipbuilding has been running on a colossal loss from 1986 onwards and the total loss as on 1991-92 alone comes to Rs. 1750 crore, whereas in the ship repairs we have shown a huge profit during the last several years. In 1991-92 the total profit is Rs. 1331 crore. So the profit that has been shown is less than the loss caused by the shipbuilding. The shipbuilding at Cochin Shipyard and all the other three shipyards are now running in loss of crores of rupees.

What have we to do to overcome that? Several studies have been made. There are various recommendations. There is under capacity utilisation. Cochin shipyard is now utilising only between 25 percent and 30 percent of its overall capacity. Then there is power shortage and over manpower. The method of pricing is also not correct. We have to compete with the international market. So we fix the price in such a way that we have to compete with this. That means the pricing that is fixed is not after taking

[Shri A. Charles]

into consideration the actual cost of production. Even the actual cost of production is not fixed as the price. It is much lower. Something has to be done to see that the problems of shipbuilding industry of the four public sector undertakings are removed. Unless that is done, in future the mercantile performance will not be achieved.

I request that the Government may take stock of this situation and see that the major four public sector undertakings engaged in shipbuilding may be streamlined and all efforts be made to make them profitable undertakings.

With these suggestions I support the Bill. The amendments 21 to 51 are suggested keeping in view the main purport of the Bill. So I support them.

SHRIMATI MALINI BHATTACHARYA (Jadavpur): Mr. Speaker Sir, I rise to oppose the Bill and I will just make a couple of points. My first point is that I oppose this Bill because I consider this Bill to be the double of the amendment that is being brought to the Air Corporations Act. Just as the amendment to the Air Corporations Act is meant to open up our skies to foreign depredation, similarly this Bill also is going to open up our seas to foreign invasion, I would say, by foreign ship companies.

So far as the private companies that have the run of the Indian waters is concerned, I would like to point out that the kind of responsibility that had been expected of them, we have not found them always showing. For instance I can mention the accident which took place off the Bay of Biscay aboard the Shipping Corporation Vessel Vishva Mohini in which a large number of people were killed. The kind of irresponsibility that this

Government has shown is that it has shut its eyes. There has been no proper enquiry made as to why the accident happened.

I think there was a time when the struggle for independence was going on, the National Shipping Corporations had been behind this struggle for independence. But now we find that the laws are being changed in such a way that this role of the indigenous Shipping Corporations, the National Shipping Corporations is also being minimised.

I would like to conclude my speech with one point on which I have been having discussions with the hon. Minister for some time now. This related to the training of the officers and other workers who go on board our ships.

There are a number of marine training institutions under the supervision of the Government which have had a very prestigious history. We have found in the past few years that these marine institutions are also about to follow the same way as that of other public sector enterprises of institutions. We would have thought that education and training is one area which the Government would have kept out of its so called policy of liberalisation which means a total commercialisation. Now, we find that the Government had set up a committee and this committee did not take into account the opinions of the maritime institutes, the training institutes, the employees, the workers and the staff, at all. Through this committee called, 'comet', now the Government has come to a decision that they are going to wash their hands off these maritime training institutions; and instead they are going to set up a fully autonomous maritime university which will be financed by the shipping industry

We have no objection to the shipping industry being involved in paying for the services that it get from the training institutes. But, what we find is this. The proposal had been that a minimum of Rs. 10/- per tonne on the total tonnage carried by the Indian ships may be charged from the ship owners in order to meet the share of the shipping industry, in the proposed maritime university. This would have been the kind of levy on the ship owners for the betterment of these training institutions. But, instead of accepting this recommendation or this proposal, on the other hand, completely the Government is about to give over these training institutions into private hands. This is something that we cannot agree with because we feel that the quality of training would be completely changed. It would be quite impossible for ordinary boys of our country, ordinary students of our country to go into these training institutions once they have been handed over to shipping industry. This, I think, is something which is going to create a definite deterioration in the kind of personnel that is produced from these training institutes.

Therefore, we totally oppose this proposal to privatise maritime training and this is very much in line with the kind of position that the Government is taking to the entire shipping industry. This entire mercantile shipping is being changed in this way. The so called liberalisation can only lead to de-industrialisation; it can only lead to a total destruction of this special training facilities that we have built up. It is not just the Government which has built this up; it has been built up with the efforts of the nation. Now, these institutions are being handed over to private shipping industry which I think, is going to destroy these training institutes altogether and the prestigious institutions

are going to be completely closed to common, ordinary, middle class and poor boys and girls.

With these words, I totally oppose this Bill.

SHRI INDRAJIT GUPTA
(Midanpore): May I just take a minute?

MR. SPEAKER: Yes.

SHRI INDRAJIT GUPTA: Sorry, I did not give my name earlier.

MR. SPEAKER: No problem.

SHRI INDRAJIT GUPTA: Sir, I just wish to speak a couple of sentences in order to lend my voice to those hon. Members who are opposing this Bill.

The whole object of any new amendment to the Merchant Shipping Act should be to instill confidence that we will be able to increase our share in the trade—foreign trade particularly— which our ships are called upon to carry. The Statement of Objects and Reasons here shows that during the last few years, our share has been going down. It was always abysmal — some 35 percent. The rest is all carried in foreign bottoms. Now, it has gone down to 30 percent. But the hon. Minister has not said anything as to what is the basic reason for this except to say that the Indian companies have not got the foreign exchange with which they can acquire more ships. Therefore, the easy solution sought to be found is that, number one, the foreign company should be allowed to invest in this industry and to buy ships, if they want to.

Secondly, there is no incentive given as to how our ships would be given

[Shri Indrajit Gupta]

larger share of cargo to carry. It is very important time when we are pressing for more exports in the interest of our balance of trade. But there is nothing in this Bill to indicate how we will move slowly, at least step-by-step, towards that goal.

He has not said anything here in the Statement of Objects and Reasons about our own shipbuilding industry which many Members on that side also have mentioned. There is nothing to indicate any chance of improving the conditions of our own indigenous shipbuilding.

What they have done in this Bill is that whatever little amount of Government control or regulation there was up to now over this industry, that is completely removed in order to satisfy the demands made by foreign investors and the foreign funding agencies. They want all regulations and controls of the Government of India to be removed. Then only, they will give loans or they will be prepared to come and acquire ships.

I saw just now the provision. For a company or a cooperative society, to own Indian ships, there were some minimum conditions up to now. One was about the holding of a minimum share capital of the company, having a minimum number of directors who are citizens of India. The requirement is that the chairman of the board of directors and the managing director, if any, of the company, are citizens of India. All this is being omitted now. He need not be a citizen of the country at all. You are giving an open invitation to foreign companies, with their own chairmen of the boards, their own managing directors and all that, to come

over and take over the whole industry and run it. So, what is going to be the fate of our companies, especially of the Shipping Corporation of India, I do not know.

But certainly, this is not a Bill which is looking towards further development of what is really still an infant industry in this country. The whole idea is to open up to the foreigners, allow them to come in, and no regulation of shipping freights or fares, if anything, is to be done by the Government. So, it is a complete counterpart, if I may say so, of this whole present policy of the Government of liberalisation in the name of liberalisation of privatisation and of opening up the whole market to foreign investors and funding agencies from abroad.

So, I oppose the Bill. I do not think it is in our national interest at all. He may kindly explain to the House how this Bill would promote the interests of this country in developing its own self-reliant shipping industry gradually.

THE MINISTER OF STATE OF
THE MINISTRY OF SURFACE
TRANSPORT (SHRI JAGDISH TYTLER):
Sir, I am very grateful to the hon. Members who took part and gave some valuable suggestions. There is no doubt that at least in the last two years, my purpose has been to see that I reduce the Government controls and the bureaucratic controls which have been happening in our Ministry. It has actually been controlling the growth of industries. The results show that we have practically doubled the capacity of training institution. We have practically doubled our profits. In the Indian fleet also, practically 26 to 30 ships have been increased.

So, the whole exercise of bringing out this change is this that there is a recession in the international market. Cheaper ships are available. Ships are available at the rate of 4 percent to 6 percent interest outside whereas when you go to Indian banks for financing of the ships, you pay something like 12 percent to 18 percent. The amount of money which is required practically is Rs. 100 crores to Rs. 200 crores per ship which is just not available in the Indian banks. So, one of the things which had been coming in is that there are foreign companies, not necessarily multinational companies but the Indian companies or any company, which will have to register in office and fly the Indian flag. It is open even now. It is not that by bringing them, our Indian companies will be closed. Even if I do not bring them, there are foreign companies, they can still open an office and if they want to fly the Indian flag, they can fly but when it comes to taking finance, it is just not possible to take it from Indian banks at the rate of interest which is required. And most of the ships are brought in foreign exchange; engines and spare parts are bought in foreign exchange and you would know our position in foreign exchange and with the kind of interest which we have to pay our banks, it is just not possible. I am very happy that Mr. Indrajit Gupta has mentioned that Indian shareholders have to be there. Here, I must tell you that these were imposed at the time when the Government was lending upto 90 percent of the price of the ship as a loan to some Indian ship owners. Now the Government has stopped it completely; it does not give a pie and it does not stand a guarantee also. So, what will the Indian ship owners do? It is just not possible for them to go in for buying ships with the money that is available from SCI, I would like to inform this because there is a completely wrong concept or thinking that we are ordering

ships to the foreign companies and are not bothered about it. The ships which are built and available in India are with a capacity of 80,000 GRT but the ships which we order outside are the ones where either the designs are not available here or the ships are above 100,000 GRT or 150,000 GRT. So, these are the ships which we go in for. Otherwise, you would be happy to know about the position of the last two years in Hindustan Shipyard and Cochin Shipyard. They were going down. But I would like to inform Mr. Charles that it is not that the Cochin Shipyard has made a loss of Rs. 1800 crores in one year. The total loss is upto Rs. 180 crores and now, we have made a profit of Rs. 19 crores last year... *(Interruptions)*... I want to just tell you this thing after you had intervened and some of the Members from the other side had also intervened. I would like to say that because of the pricing of the ships which were not at par with international prices, it was very difficult for us to build ships. Now, the Cabinet has approved the pricing of the ships which is now done by the international price system. The public sector yards will participate in an open tender and we permitted to match the lowest bid. Therefore, they are entitled for 30 percent extra price over the above price; 20 percent being payable by the Government and ten percent by the ship owners. Now, loans at the concessional rate of 9 percent to the extent of 80 percent of the cost of the ship may be given to the shipping companies placing orders with the Indian yards and fixing the prices in terms of dollars and not yen which was there earlier. I would like to inform you that on the basis of that, orders are not being placed in the Indian Shipyard, which you will be happy to know, except where the size of the ship is bigger than the capacity of our own shipyards. We have given to Hindustan Shipyard repair of M.V. Akbar, third ship for Andamans

[Shri Jagdish Tytler]

and three ships for Shipping Corporation of India and similarly, CSL has been given Tanker Ship No.009 for Shipping Corporation of India and dredger for Calcutta Port Trust at a cost of Rs. 43 crores. Of course, on ship repair, Cochin Shipyard achieved a record turnover of Rs.77 crores in 1992-93 and Hindustan Shipyard achieved a turnover of Rs. 20 crores. This has given a new orientation to the Indian shipyards. I would also like to inform that Government has brought a new policy about the revival of Indian shipyards. HSL holds the order for three ships for SCI, order for third ship for Andamans and order for repair of M.V. Akbar and CSL has the order for Tanker 009 for SCI, order of dredger for CPT at a cost of Rs. 43 crores and Tug for Tuticorin Port Trust. Financial restructuring of the shipyards is also being undertaken. A package to bring all Indian shipyards at par with foreign shipyards has been approved by the Cabinet.

Indian owners have been asked to place compulsory orders for ships on Indian Shipyards for every three ships, procured from abroad.

All craft for major ports costing above Rs. 10 crore have to be ordered on Indian Shipyards. In fact, a dredger for Calcutta Port Trust and a Tug for Tuticorin costing Rs. 43 crore and Rs. 16 crore respectively have been ordered on Cochin Shipyard Limited.

So, we have a very rosy picture in future as far as our shipyards are concerned. Under no circumstances, would we allow any ships which could be bought in India to be ordered from outside unless the required designs are not available or the required capacity is more than what we can build in our own country.

One of the very serious things which is reported is that seamen are not being recruited from Calcutta. I would like to inform you that as per the Nanda Committee constituted in 1981, the ratio of employment of seamen from Bombay and Calcutta should be between 70 and 30. I have figures in respect of the number of registered seamen and number of jobs available in Bombay and Calcutta. I would also like to inform you that the shipping companies registered at Calcutta are required to get their seamen from Calcutta and the shipping companies in Bombay from their Bombay office. To ensure this, the D.G.Shipping already issued instructions. I would like to inform you about one aspect which indeed is very sad. We have been having a chronic labour problem in Calcutta. While the number of jobs available in the Seventies was about 18,000 in Calcutta, today it is just 1890! And this is because of the labour problems. Perhaps their demands are not met. The shippers have shifted their offices to Bombay.

SHRIMATI MALINI BHATTACHARYA: The number of jobs is reduced.

SHRI JAGDISH TYTLER: No, no. That is not the issue. The shipping companies have closed their offices in Calcutta and shifted to Bombay.

SHRIMATI MALINI BHATTACHARYA : Reference to labour problems should not be made.

SHRI BASUDEB ACHARIA: Labour problem is everywhere.

SHRI JAGDISH TYTLER: You must know why I am referring to it. The shipping lines are not touching Calcutta. Why are they touching Bombay? Why are

tney touching Nava Sheva? Why are they touching Madras? Why are they touching Cochin? And why are they not going to Calcutta? I may tell here that we are doing everything possible to help and improve Calcutta. We are making it a tea centre. We are privatizing jetties so that private people would come. We have also revised the fares so that people must come in and use the port. We are trying our level best to see that people should come to Calcutta.

SHRIMATI MALINI BHATTACHARYA: I may point out to the hon. Minister that traffic has improved through the Calcutta Port trust in the last few years but jobs have not been increased.

SHRI JAGDISH TYTLER: Here the problem is that the shipping offices are closed down and they are not willing to open them. They are opening their offices in all parts of the country except Calcutta because they feel that they are to face problems. We are trying to give our best assurance to them that we will create proper atmosphere and we are asking that they must come and open up their offices. I think they also do not have a closed mind on this aspect. They are changing their thinking on this aspect slowly and they are responding to us favourably.

SHRI INDRAJIT GUPTA: Why are you trying to remove Indian citizens from the top management of these offices?

SHRI JAGDISH TYTLER: We are not removing. Nobody wants to come and give you money. Who wants to come and invest in ships which cannot be mortgaged or in ships which give 6

percent of interest on the money? About Rs. 100 crore is required for one ship. Can any Indian Bank give loan on 6 percent interest? Nobody is prepared to give the money. If you want to give loan, the money is not coming. If you want to mortgage a ship you require a direction of the High Court and do you know how long a High Court takes to give a direction? So, nobody is interested.

These steps are not taken just to please any multinational company. These will also help our Indians. For the last two years no Indian has purchased a ship. There has been a stagnation. When I relaxed the rules and regulations, suddenly you could see a lot of activities in this field. An hon. Member mentioned that the trade has gone down to 30 percent. It is not so.

SHRI INDRAJIT GUPTA : It is your own statement, not mine.

SHRI JAGDISH TYTLER: It is about 36 percent and we hope that with these new ships which we have purchased, our trade will increase.

SHRI INDRAJIT GUPTA: Merely having more ships does not mean more trade.

SHRI JAGDISH TYTLER: Yes, it is because Indians are going to ply ships on Indian flags. One must have a competition to improve the position. You just cannot hope that a protected market will be given to them. They are all capable people. One can say this looking at the kind of profit that they are giving or looking at the cargo that they are handling. All the ports have started doing well. Our export is going up. The only setback— if you call it a setback— is that our imports have come

[Shri Jagdish Tytler]

down. It is also a very good sign. I would just say that we are at the take-off stage. All these facilities are not being given to encourage the multinational companies or foreign companies. Our own industry is insisting that since money is not available within our country, the banks are not prepared to give us money at 6 percent rate of interest, SICCI does not have that kind of money with it, we can take the money from international market where thousands and thousands of crore are available. After the disintegration of Russia, hundreds of ships were available in the market at one-third of the original price but they wanted the money to be paid in foreign exchange. You will be surprised to know that one or two companies wanted to increase their fleet by buying ships from Russia or some other foreign country. Russia had purchased ships from Korea but after her disintegration these ships came up in the market and they were sold at one-third of its original price because nobody was prepared to use those ships. Some of our Indian friends were lucky to have tied up with them and their ships are now coming back to India. I hope they have already been taken up in the oil companies.

I have already told you that we are not placing orders for the ships which can be built in India. We are insisting on the import of ships only if we do not have that design or there is a difference in the price. The Cabinet had already given me the clearance. We can now compete in the international market. I am happy to say that some of the big companies from Poland, Singapore, Korea and Japan have started negotiations with us. They want to have a collaboration with India so that the parts of the ship can be built here by using some of the foreign components. I hope that a time will come when we will

be able to build ships in our country for export purposes.

There is no ship by the name of 'Saraswati', which one hon. Member mentioned. The Vishwa Mohini ship, which you have mentioned, belongs to the Shipping Corporation of India. I can give my views on it only after I receive a report on it.

But, there is no foreign company, which has anything to do with this ship. It is our own ship.

SHRIMATI MALINI BHATTACHARYA: Then, there should have been an inquiry. In case of Vishwa Mohini, nothing of that kind had happened.

SHRI JAGDISH TYTLER: No, it is not like that. An inquiry is on. I will give you the Report.

Sir, as far as training is concerned, I would like to inform the hon. Members that we have doubled the capacity of the training institutions and we have also modernised them. We have, for the first time, got a simulator in India for training the people in shipping. The fee charged for training on the basis of tonnage was found to be too much; it was very difficult to calculate; and that is why we have left that to be calculated on the basis of the number of persons trained who will be paying to us. I think that is bringing good results.

So, in the last two years, we have doubled the capacity. Now, we are going in for giving training because it is a very big source of earning foreign exchange. As soon as the people are trained, the foreign companies will start rushing to take them. It is because the Indian seamen are one of the best in the world today. That is why the foreign companies

are paying for their training and then they are taking them away.

Some hon. Members were mentioning about radio communication or something of that kind. I would like to inform them that all the communications are now done through satellites. So, it is not true that they are connected with the satellites of other countries.

I think I have practically said all the things.

SHRIMATI MALINI BHATTACHARYA: I want to ask him a few questions. Sir, I made a very pointed reference to the Directorate of Marine Engineering Training and the hon. Minister's answer has been not at all satisfactory. I would like to ask him that when the institutions are given over to private shipping industries and when they are going to manage these training institutions, there is a possibility of great enhancement of fees. So, what would be the likelihood of poorer sections of our students getting entry into these institutions? So long as they were in Government hands, the possibility was there. This is one question.

And the other question is about the protection. What protection would the employees and the staff of the Directorate of Marine Engineering Training have when the management is changed over to an autonomous institution? It is because nothing has been mentioned regarding that in the recommendations of the Government.

SHRI JAGDISH TYTLER: I think, the training institution at Calcutta is still under DG, Shipping. We have not given this to the private party. I would be happy if the private people come. But whatever

the hon. Member has said that we will keep in mind.

MR. SPEAKER: Will there be capitation fees also to be given by the students?

SHRI JAGDISH TYTLER: I do not think there will be capitation fees. We will take care of the apprehensions of the hon. Member. We will also see that these things don't happen.

SHRIMATI MALINI BHATTACHARYA: There was a letter from the hon. Minister to hon. Shri Dipen Ghosh.

SHRI JAGDISH TYTLER: I will safeguard your interest.

SHRIMATI SUSEELA GOPALAN (Chirayinkil): Now, we are depending on private parties from abroad. Because, we have no money to invest for the shipping companies.

Why can't we also take this money from the public as the Railways have done? We can take money from the public and invest it in our own shipping yards. Why can't we resort to that method? We can also take this money from the financial institutions. But, we are not doing it. We want money from abroad although we have money in our own country. You take the example of Cochin Shipyards.

MR. SPEAKER: He has explained that. Foreign exchange is not available.

SHRIMATI SUSEELA GOPALAN: No. We have our own money. If you invite the people, they will help you. The Konkan Railway project has proved that.

MR. SPEAKER: If he had been there, he would have done it.

SHRI JAGDISH TYTLER: If Indian people are prepared to give me six percent interest, I will not take even a pie from outside. But, you give me a guarantee that people would like to invest their money at 6 percent interest. *(Interruptions).*

SHRIMATI SUSEELA GOPALAN: You give more interest. Then more money will come. You can provide employment to lakhs of workers.

14.00 hrs.

Actually, it is now resulting in a loss because only one ship is given. If five ships are given to the Cochin Shipyard at a time it will be profitable. If you give only one ship it will not be a profitable one.

SHRI JAGDISH TYTLER: I think it should make you feel very happy that as far as the orders are concerned, we are at a very comfortable position after the Cabinet has given its approval to the new pricing policy of the ships.

I would like to inform you also that we are not ordering any ships outside the country which we cannot build, and I had just now announced a long list giving the kind of orders placed on the Hindustan Shipyard and the Cochin Shipyard. The Cochin Shipyard and very many new companies are coming who would like to tie up. The Dutch people, the Polish people, the Singapore people, the Korean people and the Australians, all are coming slowly and slowly because they suddenly find that the new policy of the pricing of the ships is at par with that of the foreign

companies. They would like to use our cheap labour also that we start building up.

This is the first stage. Rather, it is a positive step. If I were to take a step which is negative, then you could tell me what you are telling me. But if it is a positive step and I am creating employment. There was a time when we were to lose about 12,000 to 13,000 people in Cochin. Today that prospect is not there. Look at these Members of Parliament who are all feeling very happy. Shrimati Malini Bhattacharya and others came and told me that those workers were going to lose the jobs as there were no jobs for them. Today, after two years you should be the happiest people as they are getting jobs and orders.

SHRIMATI SUSEELA GOPALAN: Only repair work is being done there.

SHRI JAGDISH TYTLER: That means you did not listen to me. I had given a list of orders for the new ships.

MR. SPEAKER: Shri Basudeb Acharia, would you like to withdraw the Resolution?

SHRI BASUDEB ACHARIA: No.

MR. SPEAKER: The question is:

"That this House disapproves of the Merchant Shipping (Amendment) Ordinance, 1993 (No. 34 of 1993) promulgated by the President on the 27th October, 1993."

MR. SPEAKER: Let the Lobbies be cleared—

Now, the Lobbies have been cleared.

The question is:

"That this House disapproves of the Merchant Shipping (Amendment) Ordinance, 1993 (No. 34 of 1993) promulgated by the President on the 27th October, 1993."

The Lok Sabha Divided:

DIVISION NO. 3]

[14.09 hrs.

AYES

Acharia, Shri Basudeb	Mahto, Shri Shailendra
Anjalose, Shri Thayil John	Malik, Shri Purna Chandra
Ansari, Shri Mumtaz	Mandal, Shri Sanat Kumar
Balayogi, Shri G.M.C.	Manjay Lal, Shri
Barman, Shri Palas	Misra, Shri Satyagopal
Bhattacharya, Shrimati Malini	Murthy, Shri M.V.S.
Chakraborty, Prof. Susanta	Paswan, Shri Ram Vilas
Choudhury, Shri Saifuddin,	Rai, Shri Lall Babu
Dome, Dr. Ram Chandra	Rajesh Kumar, Shri
Fernandes, Shri George	Ray, Dr. Sudhir
*Galib, Shri Gurcharan Singh	Raychaudhuri, Shri Sudarsan
Ghangare, Shri Ramchandra Marotrao	Sethi, Shri Arjun Charan
Giri, Shri Sudhir	Singh, Shri Hari Kishore
Girija Devi, Shrimati	Singh, Shri Ramashray Prasad
Gopalan, Shrimati Suseela	Syed Shahabuddin, Shri
Hossain, Shri Syed Masudal	Tej Narayan Singh, Shri
Khan, Shri Sukhendu	Tripathy, Shri Braja Kishore
Laljan Basha, Shri S.M.	Yadav, Shri Ram Kripal
Mahto, Shri Rajkishore	Zainal Abedin, Shri

*Wrongly voted for Ayes.

NOES

Ahamed, Shri E.	Panigrahi, Shri Sriballav
Bansal, Shri Pawan Kumar	Patel, Shri Uttambhai Harjibhai
Bhagat, Shri Vishweshwar	Pradhani, Shri K.
Bhonsle, Shri Prataprao B.	Ramchandran, Shri Mullappally
Birbal, Shri	Rathva, Shri N.J.
Chacko, Shri P.C.	Rawat, Shri Prabhu Lal
Chaliha, Shri Kirip	Reddy, Shri M. Baga
Chandrakar, Shri Chandulal	Sajjan Kumar, Shri
Charles, Shri A.	Sawant, Shri Sudhir
Chennithala, Shri Ramesh	Shankaranand, Shri B.
Chowdhary, Shrimati Santosh	Shukla, Shri Vidyacharan
Deshmukh, Shri Ashok Anantrao	Singh, Shri Arjun
Dighe, Shri Sharad	Singh, Shri S.B.
Fernandes, Shri Oscar	Singla, Shri Sant Ram
Ghatowar, Shri Paban Singh	Soundaram, Dr. (Shrimati) K.S.
Jangbir Singh, Shri	Thangka Balu, Shri K.V.
Khan, Shri Aslam Sher	Topno, Kumari Frida
Khanna, Shri Rajesh	Tytler, Shri Jagdish
Kshirsagar, Shrimati Kesharbai Sonaji	Upadhyay, Shri Swarup
Kurién, Prof. P.J.	Verma, Kumari Vimla
Narayanan, Shri P.G.	Vijayaraghavan, Shri V.S.
Netam, Shri Arvind	Wasnik, Shri Mukul

MR. SPEAKER: Subject to correction*, the result of the division is:

Ayes : 38
Noes : 44

The motion was negatived.

MR. SPEAKER: The question is: "That the Bill further to amend the Merchant Shipping Act, 1958, as passed by Rajya Sabha, be taken into consideration."

The motion was adopted.

* The following Members also recorded their votes.

AYES: Shri Jitendra Nath Das.

NOES: Prof. M. Kamson, Shri P.P. Kaliaperumal, Shri Gurcharan Singh Galib and Shri Indrajit Gupta.

MR. SPEAKER: The House will now take up Clause-by Clause consideration of the Bill.

Clauses 2 to 8

MR. SPEAKER: The question is:

"That Clauses 2 to 8 stand part of the Bill."

The motion was adopted.

Clauses 2 to 8 were added to the Bill.

Clause 1, Enacting Formula and the Long Title.

MR. SPEAKER: The question is:

"That Clause 1, the Enacting Formula and the Long Title stand part of the Bill.:

The motion was adopted.

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

SHRI JAGDISH TYTLER: Sir, I beg to move:

"That the Bill be passed".

MR. SPEAKER: Motion moved:

"That the Bill be passed".

Shrimati Suseela Gopalan may speak.

SHRIMATI SUSEELA GOPALAN: Mr. Speaker, Sir, I fail to understand why we require a tie-up for our shipyards?

Why should we not get it done by our own public sector undertakings, taking the money from the public? We can rebuild it and a lot of possibilities are there. Why are we not using them? This is privatisation in a big way. The Dunkel draft has come and you are accepting it. It is going to harm our own shipping industry in the country. Why should we not have our own shipyards without any tie-up? That is what I fail to understand. We can mobilise money. The Konkan Railway has shown that. Why are we not doing it? So many possibilities are there.

So much possibility is there. Our workers also are very good and very efficient and they are doing the work very well. Then why can't we do it ourselves instead of trying it up?

[Translation]

SHRI GEORGE FERNANDES (Muzaffarpur): Mr. Speaker, Sir, I oppose this Bill because we do feel that it will hand over the shipping industry into the hands of foreign capitalists. The hon. Minister while introducing the Bill told how the shipping industry has been making progress and earning profit for the last several years. Then he submitted that the amendments proposed to be made in 3 sections were unavoidable because the multinational companies had laid a condition that unless such amendments were made, they would not invest money in our country.

Mr. Speaker, Sir, we have always been complaining that the Government has been taking several measures under the pressure of foreign companies. This time again they are lending the sovereignty of the country at stake just for the sake of inviting foreign investment. Therefore, I oppose it.

THE MINISTER OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER): Sir, foreign capitalists have not laid this condition, rather our shipping companies have proposed for this because they can get investment from abroad at cheaper rates of interest. The finance may be provided by a foreign company or the Government, but it is a fact that if we go for an assistance of Rs. 100/-crore or Rs. 200/-crore from Indian Banks then they charge 12 to 18 percent interest. Not only foreign companies but foreign banks also provide loans at 6, 7 or 8 percent interest. That is why shipping companies seek permission from the Government of India to get loans from abroad.

Secondly, we do have the capability of manufacturing ships having capacity of 80,000 dead weight tonnes, whereas we require ships having capacity of about 150,000 dead weight tonnes, for which we invite tenders from the foreign companies. I do feel that we should tie-up with foreign assistance to manufacture the ships having the required capacity or even some part of it with this investment. What-

ever, we may manufacture indigenously we should do and whatever they can they should. At present the entire ship is manufactured abroad, some of its part are manufactured in Korea, in Japan or in Singapore and in this way we can save our foreign exchange.

[English]

MR. SPEAKER: The question is:

"That the Bill further to amend the Merchant Shipping Act, 1958, as passed by Rajya Sabha, be passed." Let the Lobbies be cleared."

MR. SPEAKER: Now the lobbies have been cleared.

The question is:

"That the Bill, as passed by Rajya Sabha, be passed."

The Lok Sabha divided.

DIVISION NO. 4]

[14.20 hrs.

AYES

Ahamed, Shri E.

Bansal, Shri Pawan Kumar

Bhagat, Shri Vishweshwar

Bhonsle, Shri Prataprao B.

Bhuria, Shri Dileep Singh

Birbal, Shri

Chacko, Shri P.C.

Chaliha, Shri Kirip

Chandrakar, Shri Chandulal

Charles, Shri A.

Chaudhri, Shri Narain Singh

Chennithala, Shri Ramesh

Chowdhary, Shrimati Santosh

Dennis, Shri N.

Deshmukh, Shri Ashok Anandrao

Dighe, Shri Sharad

Galib, Shri Gurcharan Singh

Ghatowar, Shri Paban Singh

Jangbir Singh, Shri

Kaliaperumal, Shri P.P.

Kamson, Prof. M.	Reddy, Shri Magunta Subbarama
Kaul, Shrimati Sheila	Sajjan Kumar, Shri
Khan, Shri Aslam Sher	Shankaranand, Shri B.
Khanna, Shri Rajesh	Sharma, Shri Chiranji Lal
Kshirsagar, Shrimati Kesharbai Sonaji	Shukla, Shri Vidyacharan
Kurein, Prof. P.J.	Sidnal, Shri S.B.
Malik, Shri Dharampal Singh	Singh, Shri S.B.
Mathur, Shri Shiv Charan	Singh Deo, Shri K.P.
Narayanan, Shri P.G.	Singla, Shri Sant Ram
Nayak, Shri Subash Chandra	Soundaram, Dr. (Shrimati) K.S.
Netam, Shri Arvind	Thangka Balu, Shri K.V.
Panigrahi, Shri Sriballav	Thorat, Shri Sandipan Bhagwan
Patel, Shri Uttambhai Harjibhai	Topno, Kumari Frida
Prabhu Zantye, Shri Harish Narayan	Tytler, Shri Jagdish
Pradhani, Shri K.	Upadhyay, Shri Swarup
Ramchandran, Shri Mullappally	Verma, Kumari Vimla
Rathva, Shri N.J.	Vijayaraghavan, Shri V.S.
Rawat, Shri Prabhu Lal	Wasnik, Shri Mukul.
Reddy, Shri A. Venkata	

NOES

Acharia, Shri Basudeb	Fernandes, Shri George
Anjalose, Shri Thayil John	Ghangare, Shri Ramchandra Marotrao
Ansari, Shri Mumtaz	Giri, Shri Sudhir
Balayogi, Shri G.M.C.	Girija Devi, Shrimati
Barman, Shri Palas	Gopalan, Shrimati Suseela
Chakraborty, Prof. Susanta	Gupta, Shri Indrajit
Chatterjee, Shri Nirmal Kanti	Hossain, Shri Syed Masudal
Choudhury, Shri Lokanath	Jena, Shri Srikanta
Dome, Dr. Ram Chandra	Jha, Shri Bhogendra
Fatmi, Shri Mohammad Ali Ashraf	Khan, Shri Sukhendu

Laljan Basha, Shri S.M.	Ray, Dr. Sudhir
Mahto, Shri Rajkishore	Raychaudhuri, Shri Sudarsan
Malik, Shri Purna Chandra	Sethi, Shri Arjun Charan
Mandal, Shri Sanat Kumar	Singh, Shri Hari Kishore
Manjay Lal, Shri	Singh, Shri Ramashray Prasad
Misra, Shri Satyagopal	Sur, Shri Mnoranjan
Mukhopadyay, Shri Ajoy	Syed Shahabuddin, Shri
Murmu, Shri Rup Chand	Tej Narayan Singh, Shri
Murthy, Shri M.V.V.S.	Tripathy, Shri Braja Kishore
Pal, Shri Rupchand	Ummareddy Venkateswarlu, Prof.
Paswan, Shri Ram Vilas	Yadav, Shri Devendra Prasad
Prakash, Shri Shashi	Yadav, Shri Ram Kripal
Rai, Shri Lall Babu	Yadav, Dr. S.P.
Rajesh Kumar, Shri	Zainal Abedin, Shri

MR. SPEAKER: Subject to correction*, the result of the division is:

Ayes: 57

Noes: 48

The motion was adopted.

[SHRI NITISH KUMAR *in the Chair*]

STATUTORY RESOLUTION RE:
DISAPPROVAL OF THE
PROTECTION OF HUMAN RIGHTS
ORDINANCE; AND PROTECTION
OF HUMAN RIGHTS BILL

14.20 hrs.

The Lok Sabha then adjourned for Lunch till thirty minutes past Fifteen of the clock.

[English]

MR. CHAIRMAN: We shall now take up Item Nos. 13 and 14.

15.35 hrs.

The Lok Sabha re-assembled after Lunch at thirty-five minutes past fifteen of the clock.

Shri Lokanath Choudhury — Absent.

Shri Santosh Kumar Gangwar — Absent.

Shri Shankersinh Vaghela — Absent.

*The following members also recorded their Votes.

Ayes: Shri Oscar Fernandes

Noes: Shri Bir Singh Mahato and Dr. Faiyazul Azam.