

[Shri L. N. Mishra]

medium distances, i.e., from 26 kms. to 250 kms. which can conveniently be covered by road transport, thereby releasing rail capacity for long-distance travellers and freight traffic, it is proposed to bring up the fares generally closer to bus fares. This would discourage diversion of traffic from road to rail in this distance range. I, therefore, propose to add a supplementary charge of 25 per cent on fares for journeys from 26 kms. to 250 kms. From 251 kms. onwards, the rate of supplementary charge will be stepped down to 20 per cent. These revisions in fares will yield an additional revenue of Rs. 17.96 crores.

(ii) **Mail and Express Trains:** As Mail and Express trains are intended primarily to carry long-distance travellers, in whose interest short-distance passengers have to be discouraged, they have to be treated a little differently from Ordinary trains. Hence in their case, I propose to levy a supplementary charge of 25 per cent for journeys up to 250 kms. Beyond this distance, the rate of supplementary charge will be the same as for Ordinary trains, viz., 20 per cent. This adjustment is expected to yield Rs. 17.97 crores in revenue.

#### MISCELLANEOUS

I do not propose to make any revision in reservation charges, Second Class Sleeper charges and in the rate of platform tickets.

A Memorandum is being circulated to the Hon'ble Members, containing details about the proposals, both in respect of freight rates and passenger fares.

The financial effect of all these levies put together, which will come into force from 9th September, 1974, would amount to Rs. 140.07 crores in the remaining part of the current year. The Hon'ble Members would have thus noticed that I have tried to mobilise only that much additional resources which will abridge the gap between receipts and expenditure.

Indian Railways have played a pivotal role in the economic life of the country. It is absolutely essential that they run efficiently and smoothly to keep the goods moving uninterruptedly, both for mass consumption as well as for the industry. At the same time Railways cannot remain unaffected by the general economic situation in the country and elsewhere.

I have announced certain measures which I propose to take for bringing back the finances of the Railways to a real healthy position. However unpleasant may be the task, some of these measures have got to be taken to meet the realities of the present economic situation.

All of us have to make sacrifices though no doubt these should be equitably distributed and commonly shared by all. I must assure the House that in this I have been guided by the sole considerations of the principles of modern progressive socialism suited to the genius of our country and the interests of the Nation, the industrial development and the common man. The House, I am sure, will appreciate and support these proposals so that the sacrifices of today may bring a brighter tomorrow.

15.19 hr.

#### MATTER UNDER RULE 377

PROPOSED TRANSFER OF SHARES OF THE NAGPUR MANGANESE ORE (INDIA) LTD. TO THE GOVERNMENT

**SHRI VASANT SATHE (Akola):** Mr. Deputy-Speaker, Sir, I wish to invite the attention of this House to an important matter which has appeared in *Amrit Bazar Patrika* of the 19th. It says: 'A Mundhra-type deal rocks Delhi and London'. The deal refers to one Mr. Kapur who has purchased shares of Manganese Ore..

**AN HON. MEMBER:** Is it Mr. Yashpal Kapur?

**SHRI VASANT SATHE:** No. This is Mr. R. N. Kapoor, Chairman of MOIL. He purchased shares worth about a crore and now he wants to pass off those shares. This is what the report says. I am glad the hon. Finance Minister is here. The hon. Minister for Mines is here. The paper says that this proposal was approved by a committee set up by the Finance Ministry and Economic Sub-Committee. The proposal was to sell the shares of this R. N. Kapoor, Chairman of CPMO company. They held 49 per cent shares in MOIL and these shares it is alleged were purchased by this Mr. Kapur and he made a proposal to the Government that his shares should be purchased for 80 lakhs. The paper says that this proposal was cleared by the Finance Ministry. Then it says that this matter was exposed when the Government found that the value of the shares today is hardly Rs. 10, and what was intended to be bought for Rs. 80 lakhs would not in the market fetch even Rs. 10 lakhs. When this was found, the Ministry took their hands off this deal and said, hold it up, we will examine it. This is what happened. My questions are: Who made this proposal first? I want a thorough enquiry. Who is this R. N. Kapoor who is situated in London? When the CPMO holds 49 per cent of shares and the Government holds 51 per cent of shares why did they not offer them first to Government if they wanted to sell? So I want a thorough-enquiry to be made in the matter. Who knows, if this deal had gone through the Government would have paid Rs. 80 lakhs worth in foreign exchange for shares worth nothing. Let the hon. Minister thoroughly enquire into this matter and come out with a statement. I am interested in this matter because I come from a region where the manganese industry is located. The hon. Minister may take time but let him say he will come out with a statement.

**THE MINISTER OF STEEL AND MINES (SHRI K. D. MALAVIYA):** We are seized of the matter. Enqui-

ries are being made. But the whole story is still to be revealed and therefore it will take time. I will make a statement.

1524 hrs.

**STATUTORY RESOLUTIONS RE. DISAPPROVAL OF ORDINANCES NOS. 7 AND 9 OF 1974 AND COMPANIES (TEMPORARY RESTRICTIONS ON DIVIDENDS) BILL—*contd.***

**MR. DEPUTY SPEAKER:** We resume further discussion of the Statutory Resolution moved by Shri R. R. Sharma. Shri B. V. Naik.

**SHRI B. V. NAIK (Kanara)** Mr Deputy-Speaker, Sir, I have gone through this Bill. The principal point which I would like to raise as a point of clarification, will be in regard to the provisions of the Act which says that the applicability of the dividend restriction Ordinance which is now going to be converted into a dividend restriction Act, as far as companies are concerned, is this. We have categorised here in Section 3 (a), (b), (c), (d) and (e) certain companies. I wonder as to why these companies have been included, for example, in regard to Section 3(c), the Indian Company, whose business consists mainly of the construction of ships or in the manufacture or processing of goods or in mining or in generation or distribution of electricity or any other form of power, we find that most of the companies connected with the generation of electricity are in the public sector—they are either in the State sectors or they are in the Central Sector by themselves. Secondly I have also gone through the number of companies which we have here. There are a number of them which we have in the public sector and in the private sector. They are fairly large. As on 30th September, 1973, we had 36,527