

LOK SABHA DEBATES

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LOK SABHA

*Tuesday, November 18, 1986/Kartika
27, 1908 (SAKA)*

*The Lok Sabha met at Eleven of the
Clock.*

[MR. SPEAKER *in the Chair.*]

[*English*]

MR. SPEAKER : Mr. Bharat Kumar Odedra. He is not present.

SHRI C. MADHAV REDDI : This is an important subject.

[*Translation*]

MR. SPEAKER : What can I say ? You should have looked for him a bit earlier and detained him.

[*English*]

Mr. H. B. Patil. He is also not here.

Mr. Shanti Dhariwal. Not here. Another hat trick.

Mr. Hari Krishna Shastri. He is also not present...

AN HON. MEMBER : Nobody is there.

MR. SPEAKER : Except us.

Mr. Yogeswar Prasad Yogesh. Not here.

[*Translation*]

In spite of being double Yogesh, he is not present.

[*English*]

Dr. V. Venkatesh.

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DR. V. VFNKATESH : Qn. No. 210.

[*Translation*]

MR. SPEAKTR : Thank you for being present.

ORAL ANSWERS TO QUESTIONS

[*English*]

Procurement of Equipment by Neyveli Lignite Corporation Limited

*210. DR. V. VENKATESH : Will the Minister of ENERGY be pleased to state :

(a) the total number of tenders floated during the last four years by Neyveli Lignite Corporation Limited, Tamil Nadu which had financial tie-up with West German financial agency, K.F.W.;

(b) the types of mining equipments intended to be procured through such tenders; and

(c) the details of equipments so far procured and value of each item ?

THE MINISTER OF ENERGY (SHRI VASANT SATHE) : (a) to (c). A Statement is given below.

Statement

(a) Twelve tenders were floated by Neyveli Lignite Corporation on global basis during the last four years, which had financial tie-up with K.F.W.

(b) The types of mining equipments intended to be procured included lignite handling system, mobile transfer conveyors, bucket wheel excavators, Spreaders, Conveyors, bet drum transporters, steel cord belting etc.

(c) The details of equipments for which letters of intent have been issued so far and value of each item are as under :

Equipment	Name of Supplier	Value of Contract
1. Conveyors (4 Nos)	O & K, West Germany S.S.L., Madras	DM 6.324 Million Rs. 42.917 Million
2. Reclaimers (2 Nos)	Krupp, West Germany Buckau Wolf India	DM 2.515 Million Rs. 21.463 Million
3. Mobile Transfer Conveyors (3 Nos)	Krupp, West Germany Buckau Wolf India	DM 3.618 Million Rs. 57.153 Million
4. 1400 L Bucket Wheel Excavator	O & K, West Germany S.S.L., Madras	DM 90,492,400 Rs. 453,009,034
5. 700 L Bucket Wheel Excavator	Krupp, West Germany B.W.I., Pune	DM 66,184,250 Rs. 316,241,625
6. 2400 MM Conveyors	Elecon Engg. Company Ltd., V.V. Nagar	DM 35,643,786 Rs. 602,560,110
7. 2000 MM Conveyors	—do—	DM 4,661,408 Rs. 186,738,698
8. 20,000 T/HR Spreaders	M.A.N., West Germany WMI Cranes Ltd., Bombay	DM 56,483,420 Rs. 276,129,560
9. Belt Drum Trans- porter	Heinrich Hillie KG, West Germany	DM 741,411,41
10. Steel Cord Belting	Clouth, West Germany	DM 6,451,765
11. Lignite Handling System (TSII/I Stage)	Krupp, West Germany Buckau Wolf India	DM 26,295,000 Rs. 630,000 Rs. 260,875,000
12. Boiler Feed Pumps (TSII/I Stage)	Worthington Nord, Italy Batliboi, Madras	DM 12,629,900 Rs. 4,300,000

DR. V. VENKATESH : This is a very serious issue. Somehow the Minister concerned has been evading giving a proper answer to this. There has been misappropriation here in the Neyveli Lignite Corporation. It involves crores of rupees of foreign exchange. One agency of West Germany has colluded with the officials of the Neyveli Lignite Corporation. M.A.N. had supplied a defective bucket wheel excavator last time and due to the collapse

of the defective excavator, a number of people were killed on the spot. So far, no compensation has been paid to them. That is number one. Number two, the Government of India also had asked for compensation from M.A.N., but so far, M.A.N. has not given any compensation to the Government of India also. But in spite of that, the M.A.N. people were invited for further tendering and in the tender, the M.A.N. people have been given the work.

I want to know why the Minister is not aware of these things and why they have given further supply of materials to the Lignite Corporation.

SHRI VASANT SATHE : First, I must disabuse the mind and the charge that there has been any case of misfeasance in this whole matter. There has been no loss as alleged or corruption or misappropriation of what is called hundred crores. I am not aware of any such thing. Nothing has been brought to our notice. I know the entire matter. I have enquired into this again and again.

As far as Bucket Wheel Excavator is concerned, the accident was caused as it was found from the enquiry that we held because of the human failure on the part of some of the officials. Action has already been taken against them. Prosecution is going on against the officials concerned. So, all necessary steps have been taken. The defect was not found with the equipment, the defect was found with the handling of the equipment. You cannot hold a company responsible or a party responsible if you cannot handle a proper equipment in a proper way. That was the reason. All that has been enquired into. That has nothing to do with it. The Bucket Wheel Excavator case has been gone into thoroughly.

Now the question is about another order. Two parties, both of West Germany, MAN and DEMAG were there. The new order is about Spreaders, that also was examined. KFW of West Germany is the financing party which is giving us the aid to get this equipment. All that has been gone into. When that question comes, I will answer that part also.

There is no need to confuse these two issues. About Bucket Wheel Excavator accident, compensation will be paid to the persons concerned. Action has been taken against those who were found responsible.

DR. V. VENKATESH : He has been giving this answers for quite some time. The same answer is getting repeated.

SHRI VASANT SATHE : The same question, the same answer. Consistency with the question and consistency with the answer.

MR. SPEAKER : That means you stand where you were and he stands where he was.

DR. V. VENKATESH : Therefore, I want to ask the Minister to take up this issue and examine it by the Members of Parliament. Time and again a number of members have been asking the same question and he has been evading the answer. It is a fact that MAN has supplied defective buckets and the same agency has been once again given further supply order.

MR. SPEAKER ; I cannot take that word for granted because there has been an inquiry.

DR. V. VENKATESH : It is because the members of that Ministry colluded with the agency. Therefore, let the Housing Committee probe into this matter.

SHRI VASANT SATHE : There is the most absurd charge on any Ministry to suggest that they have colluded with and party.

DR. V. VENKATESH : If it is not so, let him face the Committee. This is a serious issue because hundred crores of foreign exchange is involved in this.

MR. SPEAKER : I cannot help you on that score. You put the second supplementary.

DR. V. VENKATESH : If he is so sincere, let him come forward to face the Committee. This is my question. I am asking the same question. If he is so sincere, let the matter be entrusted to an inquiry committee of Parliament.

SHRI VASANT SATHE : I beg to submit that the Hon. Member need not get so excited, We are sincere.

DR. V. VENKATESH : I am excited because they have been mis-using the money of the country.

SHRI VASANT SATHE : I am more concerned with the mis-use of the money. I am responsible for using of the money.

MR. SPEAKER : No debate. You put the supplementary.

DR. V. VENKATESH : A number of Hon. Members also raised the same issue, they have been raising the same issue again and again. This is serious issue. I am not excited.

SHRI VASANT SATHE : I am as sincere as you are. There is no question of our colluding. If there is an collusion I am afraid ..

DR. V. VENKATESH : Then why don't you refer the matter to the PAC ?

MR. SPEAKER : Not allowed.

SHRI VASANT SATHE : Sir, the hon. Member has not been properly briefed by whosoever is briefing him.

(Interruptions)

SHRI SURESH KURUP : Sir, this is not fair. How can he say that somebody briefs the Member and he comes here with a briefing. *(Interruptions)*

MR. SPEAKER : Please do not get excited all the time. There is no harm in briefing otherwise how will you get the facts.

(Interruptions)

MR. SPEAKER : The hon. Member may take his seat. I do not like that. There is no aspersion. It is not meant as an aspersion. It is not an aspersion. If it is an aspersion I will take action. Please do not waste time of the House, You always mis-behave. It is improper on your part to do like this all the time.

AN HON. MEMBER : As it involves tenders so we want this matter to be referred to the Parliamentary Committee.

MR. SPEAKER : He is also responsible. He has given the answer and I am satisfied with the answer.

SHRI P. KOLANDAIVELU : Sir, Neyveli Lignite Corporation is situated in South Arcot district. I know fully well the hon. Minister has been to the inaugural function of the Neyveli Lignite Corporation. He has also participated in so many other functions.

Sir, there is always power constraint in Tamil Nadu and on account of that industries are suffering a lot there. I have already drawn the attention of the hon. Minister by means of mention under Rule 377 with regard to South Arcot district in putting up thermal plants with the aid of USSR. Hon. Prime Minister and the President of USSR, Mr. Gorbachov had talks with regard to installation of thermal plants. We have requested for 3 thermal plants of 210 MW each in South Arcot district with the aid of USSR. May I know whether there is a proposal and when are you going to implement it ?

SHRI VASANT SATHE : There is no proposal that we are posing for any thermal plant to the USSR.

SHRI P. KOLANDAIVELU : We have written to you in this respect.

SHRI VASANT SATHE : You might have written to us but at present there is no proposal. As far as thermal projects are concerned the major need is coal. Unless we can find proper linkage of coal for thermal projects it cannot be taken up. So, we are examining it.

SHRI E. AYYAPU REDDY : What was the compelling reason for calling for global tenders ? Was the indigenous industry incapable of supplying the equipment which was called for ?

SHRI VASANT SATHE : Yes, the indigenous industry is not capable of supplying the equipment that is called for and that is why global tenders were necessary.

SHRI E. AYYAPU REDDY : Was any attempt made to find from the indigenous industry...

MR. SPEAKER : Next question.