

[Mr. Deputy-Speaker]

The question is :

"That clause 2 stand part of the Bill"

*The motion was adopted.*

*Clause 2 was added to the Bill*

*Clause 1, the Enacting Formula and the title were added to the Bill.*

SHRI K. C. PANT : I beg to move :

"That the Bill be passed"

MR. DEPUTY-SPEAKER : The question is :

"That the Bill be passed"

*The motion was adopted.*

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18.32 hrs.

#### DETENTION OF MEMBER

*(Shri George Fernandes)*

MR. DEPUTY-SPEAKER : I have to inform the House that the Speaker has received the following telegram dated the 9th May, 1968 from the Judicial Magistrate, First Class, Khavda, Kutch :

"Shri George Fernandes, Member Lok Sabha, having been produced by police for the offence under sections 143, 145 and 188 of the Indian Penal Code, detained under custody by me under the powers under section 344 Criminal Procedure Code."

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18.33 hrs.

#### MOTION RE. AMENDMENT TO PARADIP PORT TRUST (PROCEDURE AT BOARD MEETINGS) RULES

MR. DEPUTY-SPEAKER : The House will now take up the motion to be moved by Shri Srinibas Misra regarding Paradip Port.

SHRI SRINIBAS MISRA (Cuttack) : I beg to move :

"This House recommends that the following amendment be made in the

Paradip Port Trust (Procedure at Board Meetings) Rules, 1967, published in the Gazette of India by Notification No. GSR 1669, dated the 31st October, 1967 and laid on the Table on the Table on the 22nd November, 1967, namely :

to rule 5, the following proviso be added, namely :

Provided that the decision taken on the items so added shall be subject to confirmation by the next meeting of the Board which shall consider the matter and may confirm, rescind, alter or vary the decisions taken and may also provide for ancillary matters arising therefrom."

This refers to the Paradip Port, which is a called a major port, although it is still a minor port ; and I do not know how long it will continue to remain a minor port. It is a port where the cargo is nil ; there is no road ; an express highway was to be constructed, but it has not been taken up ; there is no connection between the railway line on the east coast of India and the Paradip port, although there is a plan that this railway line will be constructed. Though the State Government spent Rs. 1.8 crores on this port, it is not yet paid back to the State Government.

Now a Board has been constituted under the Major port Trusts Act, 1963. In order to appreciate the scope of the amendment suggested by me, I would briefly describe the powers of this Board, what this Board will do.

The Board consists of a chairman and representatives of various interests in the State. The Board and delegate powers to the Chairman. The Board can, under sections-66 and 75, borrow money on securities of the property of the Port. Then, the Board can make regulations and the Board can also execute works and allow private contractors to construct berths. The Chairman is empowered to direct this and then report to the Board. I will specially refer you to section 94 of the Act, which says :

"Notwithstanding anything contained in section 93 the Chairman may direct the execution of any work the cost of which does not exceed such maximum

limit as may be fixed by the Central Government in this behalf and may enter into contracts for the execution of such works but in every such case the Chairman, shall, as soon as may be possible report to the Board any such directions given or contracts entered into by him."

So, the Act itself provides that the Chairman, whenever he does something, has to report it to the Board.

With such vast and costly powers vested in the Board, the rules provide the procedure to be followed in the meeting of the Board. An agenda paper is to be prepared. This is to be sent to all the members of the Trust Board. Whenever the Chairman feels that a matter is of such importance that it can be put on the agenda, without it being mentioned in the agenda paper in the meeting itself he can place that on the agenda and then the matter will be discussed. That is the provision.

18.37 hrs.

[Shri Thirumala Rao in the Chair]

What happens here? As you know, sometimes when the agenda is not interesting, some of the members do not attend and when the Chairman finds that members who are favourable to his designs are attending he may put anything on the agenda and get it passed. There is no provision that the resolution passed in that meeting will be placed and confirmed by the next meeting of the Board. That is the power given.

I expressed my apprehension on this and gave notice of this amendment. As it were to substantiate my apprehension, in the very first meeting the Chairman introduced a measure which was not on the agenda paper and by the measure one Shri Kumar, who is serving there in one capacity, was paid extra Rs. 150 for doing some extra job. This payment of Rs. 150 is not sanctioned in any other port of like character and like importance. Marmagoa, Cochin, Visakhapatnam are ports of the same character and same type and the payment made to like officers for this extra work is less in these ports. But this Chairman paid Rs. 150 to him extra for this extra work which is against the rules and against

all conventions. My apprehension was borne out by his action.

Then I am objecting to this rule about circulation of agenda papers. It says:

"Papers relating to the agenda of any meeting of the Board, except a special meeting, shall be circulated to the members at least three days before the date of the meeting. In the case of a special meeting, such papers shall be circulated at least one day before the date of the meeting. The Chairman may at his discretion include for discussion at any of the meetings of the Board, including a special meeting, any item not included in the agenda if the same in his opinion is of sufficient importance and urgency and cannot be held over for the consideration of the Board at any subsequent meeting."

Everything in his discretion will become important. Whenever I find that people who will favour me are present, everything that is there will become important and they will be introduced.

What are such important items? As you know from the papers, the workmen there, numbering 2,000 and more, have given a strike notice.

There was some negotiation in conciliation proceedings. There was an agreement with the Government, with the authorities, that their demands will be met. Months have passed but the settlement is not yet implemented. They have given a strike notice. So, the Chairman can very well give a notice, an agenda, saying that regular accounts will be passed, this and that, and two or three persons who will support him will be present in that meeting and he will say that the strike matter is very urgent—although it is receiving consideration of this Ministry and other authorities, he will say it is very important and very urgent—and let us decide that we cannot implement it now.

Of course, I concede, there may be such situations where he will have to take action and the Board meeting may not be feasible. But there must be a provision that whatever he does must be placed before the next meeting of the Board and the Board will have the power to either confirm or rescind or alter or vary the decision in regard to those items which were not in the agenda.

MR. CHAIRMAN : It is not the general convention that previous resolutions passed by the Board are placed before the next meeting of the Board ?

SHRI SRINIBAS MISHRA : Only, read; they have no power to vary.

MR. CHAIRMAN : All Companies provide for that.

SHRI SRINIBAS MISHRA : As you will see here, although it prescribes the procedure to be followed in a meeting, it does not prescribe that it will be read. The first item that it will be read and confirmed is also not there.

This Ministry has prescribed certain rules for other ports also. I may cite one parallel in respect of the Jayanti Shipping Company. The rules have been framed and published in the Gazette of India Extraordinary, Part II, Section 3, sub-section (1). Rule 12 there is to the effect that the Chairman may take immediate action and submit a report to the Board. That is provided for submitting a report. Here, in these Rules, that provision also is not there. I expect that the hon. Minister will come with a reply that this rule is prevalent in Cochin, Kandla and Vizag. I agree. The same set of rules that are prevalent in Cochin, Kandla and Vizag have been extended to Paradip with some modifications. But does it mean that because you have done something wrong somewhere there has been some lacuna, you will extend it to Paradip also ?

Then, you have constituted a Trustee Board. Why should you not faith in them ? Have faith in them. If the Chairman does something good, they will approve of it and, if it is not something which is good, they will not approve of it and they may modify it. If you give power under the Act to the Trustee Board which consists of some elected representatives, then you must have faith in them. Why take this power by means of a rule and vest it in the Chairman so that he can undo what the Board is willing to do.

Also, this power will be against the spirit of the Act itself because the Act provides that it must be reported. In other matters, as I just now quoted, Section 94

says that it must be reported. He must report. He cannot of his own sweet will put something in the agenda and then say, "It was passed in the last meeting. Gentlemen, you have nothing to decide," So, I think, the hon. Minister will consider the matter. It is a question of Notification again notifying that this proviso will be there. What I have suggested is a proviso, as I have read out, that such a decision in respect of items which were not in the agenda must be placed before the next meeting of the Board and the Board will have the power to confirm or rescind or alter or vary the decision taken. This is very simple

MR. CHAIRMAN : Motion moved :

"This House recommends that the following amendment be made in the Paradip Port Trust (Procedure at Board Meetings) Rules, 1967, published in the Gazette of India by Notification No. G. S. R. 1669, dated the 31st October, 1967 and laid on the Table on the 22nd November, 1967, namely :—

to rule 5, the following proviso be added, namely :—

"Provided that the decision taken on the items so added shall be subject to confirmation by the next meeting of the Board which shall consider the matter and may confirm, rescind, alter or vary the decision taken and may also provide for ancillary matters arising therefrom."

SHRI K. P. SINGH DEO (Dhenkanal) : In the notification of the Ministry of Transport and Shipping, for Ports, here it is written major port trusts ; here it is said :

"In exercise of the powers conferred by section 122 of the Major Port Trusts Act 1963, the Central Government hereby make the following rules for Paradeep Port..."

Before speaking on the amendment, I will delve into the background of the development of Paradeep Port. In the First Lok Sabha, *vide* Estimates Committee Report No. 51 for 1956-57, it was felt necessary to construct a deep sea port at Paradeep. Then, in 1958, Paradeep was declared as a minor port. In 1960, the

Intermediate Ports Development Committee, in their report, recommended that any further increases in cargo at Paradeep would necessitate its development into an all-weather port. On the basis of this recommendation, in the Third Five-Year Plan, Rs. 1.5 crores for handling 5 lakh tonnes of iron ore were included. In 1961 the Government of Orissa submitted an integrated scheme for Paradeep Port to the Planning Commission. It had been prepared and drafted by the consultants, M/s. Randel Palmer and Tritton, for an estimated cost of Rs. 38.31 crores with a foreign exchange content of Rs. 9.1 crores. This overall programme of the State Government was ultimately included by the planning Commission in the Third Five-Year Plan after subjecting it to several examinations, reviews and discussions.

Then there was a controversy between the Ministry of Transport and Government of Orissa whether it was a major port or not because, in regard to major ports, as far as my knowledge goes, there are certain requirements like railway lines and all that. There was a controversy whether it was a major port or not. Hence, whenever the discussion on Paradeep Port was brought up here in this House by my colleagues as well as by me even when the cyclone hit Orissa last year, the hon. Finance Minister said that they were not responsible for the Paradeep Port because it did not have the sanction and all that. If I remember right, it has been said in the Estimates Committee's Report No. 70, Third Lok Sabha, regarding Paradeep Port that, according to the definition of a major port, it should have been taken over by the Central Government and that it is not the responsibility of the State Government. In that respect I would not like to waste much of the time of the House, but would just refer to chapter VIII, Paras 30-31 of the Estimates Committee's Report No. 70, Third Lok Sabha, in which the recommendations given by the Estimates Committee are crystal clear, and I would humbly and very strongly submit that those recommendations as regards the Paradeep Port should be implemented by the Government and the amount spent by the Government of Orissa in the development of this Port should be reimbursed, which is also one of the recommendations...

MR. CHAIRMAN : May I ask the hon. Member to confine himself only to that part which is relevant to the amendment...

SHRI K. P. SINGH DEO : Because it is written here major port... (Interruptions)

MR. CHAIRMAN : There is no time. This is all the previous history that he is giving. If he confines himself strictly to the amendment, then the Government will be in a position to reply... (Interruptions)

SHRI K. P. SINGH DEO : While taking into consideration the amendment brought forward by my hon. friend, Shri Srinibas Misra, all these factors should be considered because here in the status it gives nearly distatorial and discretionary powers to the Chairman. I am very happy that my hon. friend, Shri Srinibas Misra, wants to curb his powers. Paradeep has a special place in the case of Orissa because if the Paradeep Port is developed properly, it will mean a great deal to the economic upliftment of that area, including the hinterland.

That will connect the industrial belt of Ranchi with Rourkela and this Port will contribute in a big way economically, industrially to the country's trade.

Since you have asked me to conclude, I would ship over my other points and straight way come to the rules. It has been provided in the rules at that board meeting, there could be discussions of items not included in the agenda, and the chairman may at his discretion including a special meeting such items as are not included in the agenda. I would like to point out that it has further been provided in rule 4 (2) that in the case of a special meeting such paper shall be circulated at least one day before the date of the meeting. Since it will be circulated one day before the meeting, there is no reason why this clause should be there 'including a special meeting'. It can easily be deleted because within one day no such development can arise as cannot be put in the ordinary agenda.

I quite agree with my hon. friend Shri Srinibas Misra that such distatorial and arbitrary powers should not be given to the Chairman and such powers should be curbed. He has sought to provide that the

[Shri K. P. Singh Deo]

decision taken on the items so added shall be subject to confirmation by the next meeting of the board. I would suggest that the hon. Minister should agree to it so that whatever special items are added to the list confirmed at the next meeting.

**SHRI TENNETI VISWANATHAM** (Visakhapatnam): I would invite the attention of the hon. Minister to rule 3 (c)(7) under which the Central Government have got the right to appoint as members of the committee some persons representing interests which ought to be represented. May I know whether the hon. Minister does not consider the Members of Parliament coming from the area in which the port is situated as fit enough to be represented on the board? May I request him to consider this suggestion that under that clause he can nominate the Members of Parliament to the Port Trust Board?

**MR. CHAIRMAN:** That request is not covered by the proposed amendment.

**SHRI TENNETI VISWANATHAM:** It is a request only. Of course, all that we can do is only to make a request.

**THE MINISTER OF TRANSPORT AND SHIPPING (DR. V. K. R. V. RAO):** I rather regret that both the Members who have spoken from Orissa, who, I am sure are deeply interested in the development of the Paradip port, in which I am also deeply interested, having gone and seen the port and knowing also how important the port is for the development of Orissa, should have spoken in this strain that the chairman is trying to be a dictator and that he is trying to take all kinds of powers and he will see to it that when his friends are present and when the people opposing him are not present, he will immediately bring up some items and get them passed because it is not going to be changed at the next meeting. I am a little surprised at this suggestion made by them. I have great respect for my hon. friend Shri Srinibas Misra but I am surprised that he has sought to make this kind of point.

I would like to point out to him that the chairman of the port trust has been appointed in consultation with the Orissa

Government and he is an officer of the IAS who has been seconded from the Orissa service.

The Paradip port has got so many problems. I entirely agree that the port is in a very infant stage of development. As a matter of fact, it needs an express highway to be expeditious. There again, I do not want to talk about the State Government, but since my hon. friend has spoken about dictatorial powers, I would like to submit that money was provided to the State Government last year for completing the express highway, but they diverted the money. Again, we have asked them to see that the express highway is completed. The railway line will take three more years, and since we want to keep the iron ore export moving, we want to get this express highway expedited. All these are facts, and they are known to the State Government. We want to keep the iron ore export moving. So, again, we have told them to please go ahead and complete the express highway. The railway line has been sanctioned and the work is progressing on it. All these things would not have happened if the State Government, belonging to a party to which neither of the hon. Members who had spoken before me belong, had not rushed on their own to start a major port there without doing all the other things that are necessary for the creation of a major port. Anyway, a major port has come. I think Paradip is a very good port. It has got extremely good potentialities; it is one of the first class natural ports of India, and I am sure that in the next two or three years, when the railway line comes into existence, and I hope we shall also get a general cargo berth for which I am trying my best...

**SHRI RANGA (Srikakulam):** What about the highway?

**DR. V. K. R. V. RAO:** The highway is being expedited and practically it is going to be completed; it will be completed by the Orissa Government; the Orissa Government have to do it we cannot do it.

The highway is supposed to be completed by the Orissa Government.

**SHRI RANGA :** They do not have the money.

**DR. V. K. R. V. RAO :** That, I am afraid, is a universal problem in respect of activities in this country.

I hope that none of these things said here will reach the ears of people in Orissa because it will unnecessarily demoralise the people who have got to run the administration of the port.

I should also like to point out to Shri Misra for his benefit that I called for information about the how many times these powers were used. I have not got information about the particular case of Shri Kumar having been given Rs. 150 more than he should have got. But I should have thought that as a socialist, Shri Misra would have been pleased if somebody got Rs. 150 more. Anyway, I have not got information on that point.

My hon. friend will be interested to know that of the four cases I have got before me, three items were brought on the agenda at the instance of a gentleman very well known to Shri Misra, called Shri Khuntia, MLA, who is a very distinguished member of the party of which Shri Misra is such a shining ornament. As a matter of fact, the case brought on the agenda by the Chairman was one where he mentioned that the Commissioner for Workmen's Compensation, Cuttack, had passed an order for payment of compensation amounting to Rs. 237.19 to Shri B. C. Das who had been injured while on duty and hospitalised and requested the Board to approve of the expenditure. The Board approved of the payment of compensation to Shri Das.

I suggest let us not create mountains out of molehills. These rules have been in operation. I myself have been Vice-Chancellor of a University, and I think almost in any organisation the Chairman of the executive body has always a discretionary power to bring items which are of special urgency. Of course, one has to proceed on one assumption...

**SHRI RANGA :** He has no objection to that.

**SHRI V. K. R. V. RAO :** I am sorry. It is not a question of merely reporting to the next meeting. If the amendment was

to that effect, I could have understood it. But what Shri Misra wants is that the next meeting of the Board should have the power to confirm, rescind, alter or vary the decision taken, which means that there is no meaning in this power at all, which means that no action can be taken or any resolution passed by the Board till the next meeting of the Board takes place and it is confirmed there.

But one point made did strike me. I do not understand why the power which has been given under this should also be extended to special meetings. I do not think that is correct because a special meeting is called to discuss certain special items. That should not be used to bring in any other items. So I would be prepared to accept it. Otherwise, I suggest let us have some confidence in the Chairman. All this enormous ghost that Shri Misra has conjured up of contracts being given, this and that is not accord with reality.

I would suggest to him in all humility that in the interest of development of Paradip Port, in the interest of the very thing that he wants, it would be better if he does not press this amendment. If in spite of this, he insists on pressing it, I am afraid Government will have to oppose it.

As regards Shri Viswanatham's point. I suggest that he may give special notice of that question and we shall take action.

**SHRI K. P. SINGH DEO :** rose —

**DR. V. K. R. V. RAO :** It is already 7 P. M. If there is any clarification needed, I shall answer.

**SHRI SRINIBAS MISRA :** I have to reply to the debate.

**MR. CHAIRMAN :** Briefly.

19.00 hrs.

**SHRI SRINIBAS MISRA :** After this day's wrangle, at least we could deal with a sober Minister who wants to concede, when he is convinced, that there is something wrong. I accept he will assure the House that he will see that nothing wrong is done by exercise of this power which is vested in the Chairman and everything will

[Shri Srinibas Misra]

go before the Board. He did not somehow give that assurance clearly.

He has taken me and the hon. Member there to task for talking in a certain vein. Had he followed what I said, It was a hypothetical case. There is the possibility of misuse, that there was actual misuse. I do not say that the Chairman has actually misused.

MR. CHAIRMAN : It is time now; he must conclude.

SHRI SRINIBAS MISRA : If the hon. Minister says that he shall see that this is not misused, I am willing to withdraw my motion.

DR. V. K. R. V. RAO : I am surprised at my hon. friend. Any Minister

who is responsible has got to try his best to see that the departments for which he is responsible do not function in an irresponsible way. That is the normal principle of Government.

SHRI SRINIBAS MISRA : In view of the assurance given by the Minister, I seek the permission of the House to withdraw my motion.

MR. CHAIRMAN : Has the hon. Member leave of the House to withdraw his motion?

19 02 hrs.

*The motion was, by leave, withdrawn.*

*The Lok Sabha then adjourned till Eleven of the Clock on Friday, May 10, 1968/Valsakha 20, 1890 (Saka)*