

Title: Regarding disinvestment and privatisation of Public Sector Steel Plants with special emphasis on the issue of selling away the IISCO of Burnpur, West Bengal.

SHRI PRIYA RANJAN DASMUNSI (RAIGANJ): Sir, the other day, in this House, several distinguished Members, like Shri Somnath Chatterjee, Shri Basu Deb Acharia and many other Members did express their concern over the manner in which the disinvestment and privatisation process in the Public Sector Steel Plants is going on, especially, in relation to Salem and Vizag Steel Plants. Now, today, Mr. Speaker, Sir, through you, I would like to draw the attention of the Government to a very serious matter pertaining to Indian Iron and Steel Company which is known as IISCO in Burnpur. It was nationalised by Shrimati Indira Gandhi's Government in the 70s. Now, for the last one year or so, talks are going on whether it would go to a joint venture, whether it would be totally privatised or whether it would wait for some time.

Mr. Speaker, Sir, I will tell you about the latest situation of IISCO plant. I had the opportunity to meet the staff and workers' leaders. The *Tendertimes* of 20th April, the first web site daily, is giving all the information. Mr. Speaker, Sir, an annual turnover of over 5,000 million, that is, Rs.500 crore, in any of the preceding three years of the company was chosen as the eligibility criterion. A global invitation for 'Expression of Interest' has been floated. The worth of the total property of IISCO at the moment is like this. The turnover of IISCO for the last five years was Rs.1038.54 crore, Rs.958.73 crore, Rs.909.08 crore and Rs.910 crore till 1995-96.

...(Interruptions)

MR. SPEAKER: Shri Dasmunsi, are you reading from the written text?

...(Interruptions)

SHRI PRIYA RANJAN DASMUNSI : No, sir. I am only quoting the figures. I cannot recollect the figures off-hand.
...(Interruptions)

Sir, IISCO is the only steel plant in the country which is having its own coal mine and its own iron ore mine. The iron ore mine is having a reserve of about 2 billion tonne iron ore. The cost of the property is Rs. 1,19,600 crore and the Chasnala coal mine is having a property worth Rs. 35,520 crore.

The property worth Rs. 1,19,600, with these deposits, is being privatised for only Rs. 500 crore, ...(Interruptions) It is a big loot in the country.

Therefore, I want the hon. Minister of Steel to come here and make a statement. I know the West Bengal Government is not encouraging it. The Chief Minister refused it, yet the matter is on. Therefore, the hon. Minister of Steel, if not today at least tomorrow, must make a statement. It is a property of Rs. 1,20,000 crore. The total value is nearly Rs. 2,00,000 crore. The entire plant is being disposed of for a small amount of Rs. 500 crore to a group. It is a shame. The Government must make a statement. The hon. Minister of Steel must take the House into confidence about the deal in IISCO. ...(Interruptions)

MR. SPEAKER: Now Shri Basu Deb Acharia.

...(Interruptions)

MR. SPEAKER: Nothing should go on record except what Shri Basu Deb Acharia says.

(Interruptions) *
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SHRI BASU DEB ACHARIA (BANKURA): Sir, the Government of India has issued a global tender for selling out a very important public sector undertaking of West Bengal, the Indian Iron and Steel Company....(Interruptions)MR. SPEAKER: I have already called Shri Basu Deb Acharia.

...(Interruptions)

MR. SPEAKER: This will not go on record.

(Interruptions) *
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MR. SPEAKER: I have already called Shri Basu Deb Acharia. Why are you unnecessarily interrupting?

...(Interruptions)

- Not recorded
- MR. SPEAKER: Shri Satyavrat Chaturvedi, I have already called Shri Basu Deb Acharia.
- ...(*Interruptions*)

SHRI BASU DEB ACHARIA : Sir, the Government of India has issued a global tender for selling out the Indian Iron and Steel Company, which is a very important public sector undertaking in the State of West Bengal. IISCO has property worth more than Rs.5,000 crore. It has its own coal mines, it has its own iron ore mines, it has the best coal washery producing washed coal whose ash content is only 13 per cent, and it has other properties also. It has its own huge township and an airstrip. IISCO was nationalised in 1978. Since then we have been demanding that IISCO should be modernised, but not a single paisa has been spent for the modernisation of this premier and the oldest steel company of our country. There were a number of proposals and eleven committees were constituted to examine those proposals. The Government has spent crores of rupees but not a single paisa has been spent for the modernisation of this important steel company of West Bengal. Even the workers have agreed to have the shares of IISCO and the WBIDC also has agreed to have equity participation in this company.

There were a number of proposals for its modernisation. Even now there are 23,000 workers in the Indian Iron and Steel Company. It is the oldest plant. It used to earn profits. Now the Government has decided to sell this important public sector undertaking at a throwaway price of only Rs. 500 crore. This is a very serious matter. ...(*Interruptions*)

MR. SPEAKER : Shri Basu Deb Acharia, there are other Members also. Do you want to raise the matter further?

SHRI BASU DEB ACHARIA : Sir, they are selling away a huge property of Rs. 5,000 crore and also not making cash profit. We demand that the modernisation of the plant should be done. The proposal which was earlier approved, with the participation of the workers and the Government of West Bengal and other parties, should be finalised. The Indian Iron and Steel Company should not be sold out. ...(*Interruptions*) It should not be closed down. This is a very important public sector undertaking with 23,000 workers. That should be modernised. ...(*Interruptions*)

कुमारी उमा भारती (भोपाल) : अध्यक्ष महोदय, मैं इतने सीरियस मैटर के बारे में आपसे निवेदन कर रही हूँ। (व्यवधान)

SHRI SOMNATH CHATTERJEE : The Government of India is also in a loss. Can you sell away the Government of India then? ...(*Interruptions*)

SHRI BASU DEB ACHARIA (BANKURA): Sir, they are selling the property at a throwaway price of Rs. 500 crore. ...(*Interruptions*)

SHRI PRIYA RANJAN DASMUNSI : The turnover of the company for the last three years itself is Rs. 5,000 crore. ...(*Interruptions*)

SHRI BASU DEB ACHARIA : Sir, it is a property worth more than Rs. 5,000 crore. It is a big scandal. ...(*Interruptions*)

SHRI S. BANGARAPPA (SHIMOGA): Sir, the Bhadravati Steel Plant in Karnataka is 100 per cent owned by the Steel Authority of India. They manufacture items used in defence departments. ...(*Interruptions*) It was given to SAIL with the condition that they will invest money for modernisation and development. ...(*Interruptions*) The Bhadravati Steel Plant should not be privatised. ...(*Interruptions*)

SHRI BASU DEB ACHARIA: Sir, we want a categorical statement from the hon. Minister of Steel. The hon. Minister of Finance is here. He should make a statement. ...(*Interruptions*) We want a statement from him as to how it is being sold out. ...(*Interruptions*)

MR. SPEAKER : Is there anything from the Government?

...(*Interruptions*)

SHRI BASU DEB ACHARIA : Sir, huge property is being sold out by the Government at a throwaway price. The hon. Minister should clarify it. ...(*Interruptions*)

अध्यक्ष महोदय : आप बैठिए।

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