

19. Dr. Golam Yazdani

20. Shrimati Mohsina Kidwai

MR. DEPUTY SPEAKER : The question is :

"That this House do concur in the recommendation of Rajya Sabha that the House do join in the Joint Committee of the Houses on the Bill to consolidate and amend the law relating to the treatment and care of mentally ill persons, to make better provision with respect to their property and affairs and for matters connected therewith or incidental thereto made in the motion adopted by Rajya Sabha at its sitting held on the 22nd March, 1985 and communicated to this House on the 25th March, 1985 and do resolve that the following 20 members of Lok Sabha be nominated to serve on the said Joint Committee, namely :

1. Shri Pratapsinh Baghel
2. Shri Keyur Bhushan
3. Shri Narayan Choubey
4. Shri H. N. Nanje Gowda
5. Shri Seth Hembrom
6. Shri Lala Ram Ken
7. Ch. Rahim Khan
8. Shrimati Kesharbai Kshirsagar
9. Shri U. H. Patel
10. Shri K. Pradhani
11. Dr. Rajeshwaran
12. Shri Prabhu Lal Rawat
13. Shri D. N. Reddy
14. Shri Ajit Kumar Saha
15. Shrimati Kishori Sinha
16. Shri S. Thangaraju
17. Dr. Chandra Shekhar Tripathi
18. Dr. V. Venkatesh
19. Dr. Golam Yazdani
20. Shrimati Mohsina Kidwai

The motion was adopted.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

[English]

Situation arising out of reported decision of Government of India to invite fresh global tenders for Hazira-Bijapur-Jagdishpur gas pipeline project on turnkey basis

SHRI S. JAIPAL REDDY (Mehbubnagar) : I call the attention of the Minister of Petroleum to the following matter of urgent public importance and request that he may make a statement thereon :

"The reported decision of the Government of India to invite fresh global tenders for the Hazira-Bijapur-Jagdishpur gas pipeline project on a turnkey basis in supersession of the earlier decision to entrust the project to the Gas Authority of India and Engineers India Limited and the steps taken by the Government in regard thereto."

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM (SHRI NAWAL KISHORE SHARMA) : The manner of implementation of the gas pipeline project has been engaging the attention of Government. It has been decided that line pipes should be procured separately on the basis of tenders already invited, and other components of the project would be entrusted to one agency on the basis of competitive tenders which will be invited shortly. In this approach, there will be single point responsibility for project execution, coordination and commissioning of pipeline.

2. Adoption of this approach has become necessary because of several factors. Most importantly,

for the first time, a long distance cross-country high pressure gas pipeline is going to be constructed;

and for its integrated implementation of all sections, it is desirable to place responsibility for construction, coordination and commissioning on a single agency, instead of having too many.

3. Both Gas Authority and Engineers India will continue to play an important role as owner and its consultant in the project. It was not the intention at any stage that Gas Authority and Engineers India Limited themselves would construct this pipeline; contractors would have been engaged in any case, the substantive difference being that instead of several contractors, there will be one agency to implement the project.

All efforts are being made to compress time for invitation of global tenders, in which it will be provided that due weightage will be given in evaluation of offers for use of indigenous capabilities, so that domestic manufacturers in relevant areas also get an opportunity to participate in the project.

4. Taking an over-all view of the matter, it is felt that the decision to entrust the execution of the project by one agency, to be selected on basis of competitive bidding, is in the interest of the project.

MR. DEPUTY SPEAKER : Before Shri Jaipal Reddy starts, I request him to be very brief.

(Interruptions)

SHRIMATI GEETA MUKHERJEE (Panskura) : No Sir, it cannot be. It is such a subject which is highly controversial.

MR. DEPUTY SPEAKER : You have to be brief. If time is there, I can allow you even four hours, but I request you to be very brief is conveying your ideas. That is what I can request you...

(Interruptions)

SHRI S. JAIPAL REDDY : Sir, the reply of the Minister is not only laconic, it is cryptic also. It conceals more than it reveals.

PROF. MADHU DANDAVATE : As a orthodox lady.

SHRI S. JAIPAL REDDY : This is a 1,730 kms. long gas pipeline and the biggest project undertaken or to be undertaken by the Department of Petroleum so far. It is designed to feed six gas-based fertilizer plants. I do not have to name those projects because they are well-known; we discussed this question when we discussed the Fertilizer Demands.

The work on Guna plant is on schedule and the gas is to be released for the trial run of the Guna project by December 1986. This determines the outer limit for the construction of at least 700 kilometres of gas pipeline. As the things stand today, the whole project is likely to be delayed by two years. According to one well-informed view, the cost of delay will be of the order of Rs. 2,800 crores out of which Rs. 2,600 crores will be in foreign exchange itself. Our Government did well in setting the process of project in motion way back in March 1984. At that time our Government took a decision to form two public sector undertakings, namely, Gas Authority of India Ltd. and Engineers India Ltd. for undertaking the construction of this project. At that time it was decided that Engineers India Ltd. would obtain the back-up consultancy of a highly specialised firm, namely, Gas Unie of Netherlands which is as famous a company in that field as any other company in the world. The Department at that time, decided to divide the whole project into six components, firstly procurement of pipes, secondly, procurement of line material, thirdly, purchase of equipment for compressor stations under construction, fourthly, procurement of equipment for establishment of telecommunications and supervisory system, fifthly; establishment of a cathodic protection system, and lastly, the wrapping, coating and laying of pipeline. The Department originally considered the idea of turn-key project and rejected the whole idea after considering it, for three basic and vital reasons, namely, the Department felt that turn-key project will be more expensive, secondly the Department noted that it would lead to enormous delays on account of complicated tendering procedures. And thirdly the department felt that turn-key project would prevent optimum use of indigenous capabilities. It was decided after this that the first three components should be obtained through import and the remaining three should be left to the BHEL and a consortium of companies to be formed by the Department of Electronics. Accordingly, the Engineers India Limited invited global tenders for the first three components. The Committee also formed an empowered Committee of 17 officials as a single-point agency for clearing of all matters about the project. At the May meeting the Empowered Committee noted that the PM Secretariat had suggested greater use of indigenous capabilities. As a result of this, highly imaginative suggestion from the Prime Minister's

Secretariat, the Empowered Committee decided to allow the BHEL to supply compressors and set up compressor stations. As a consequence of this decision only two things were to be imported, namely pipe-lines and line materials.

By that time tenders were received and the orders were to be placed by August 1984. At this stage the then Finance Minister and the then Petroleum Minister could not simply sign papers. Therefore, on July 21, 1984, the then Secretary of Petroleum, Mr. A. S. Gill, wrote a lengthy note to the Minister—it is an unusual step—and explained the whole background of the project. In that note he also explained as to why the turn-key idea was rejected. But on September 26, a note was received again from the Prime Minister's Office forwarding the offer of one Italian firm, which is known as SNAM Progetti for three segments of the project. On this the empowered Committee met and felt the offer of SNAM Progetti was totally untimely. It was unfair that it made the offer unilaterally after it had known the bids offered by other parties. Therefore, Mr. Gill again wrote to the then Minister for Petroleum on October 12, 1984 stating that the offer of the SNAM Progetti could not be considered and the project should be allowed to go ahead as per schedule.

MR. DEPUTY SPEAKER : How, you are mentioning the names of the people during the Calling Attention, Mr. Reddy ?

(Interruptions)

SHRI S. JAIPAL REDDY : I have not made any allegation. I am merely referring to the sequence.

PROF. K. K. TEWARY : I am on a point of order.

SHRI S. JAIPAL REDDY : At this rate we will be compelled to issue statements outside. Can I not mention the names of the Ministers and the notes sent by the Secretaries ?

(Interruptions)

PROF. K. K. TEWARY : Rules about the Calling Attention are very specific. This matter has been debated during the discussions on the Ministry's demands. In the form of question also it came up in the House.

Rule is clear that a Member or Members whose names are given in the Calling Attention Notice, can put sharp and pointed questions. It is clear that with the permission of the Speaker a member can ask a question, a question only.

PROF. MADHU DANDAVATE (Rajapur) : In an earlier Calling Attention also a similar point was raised. For the last twentyfive years we have been following certain conventions.

MR. DEPUTY SPEAKER : Supplementary questions are also put.

(Interruptions)

PROF. MADHU DANDAVATE : I can produce record of Prof. Tewary's Call Attention questions.

PROF. K. K. TEWARY : There are rules. Every day rules are violated. Let us decide today that the rules of the House should be observed. *(Interruptions)*. Under a Calling Attention notice no Member has this privilege of delivering a lecture bringing extraneous things. I leave it to you to see to it.

SHRIMATI GEETA MUKHERJEE : Sir, on a point of order, he is lecturing.

(Interruptions)

MR. DEPUTY SPEAKER : No, he is explaining this point of order. We are in fact following some conventions.

PROF. K. K. TEWARY : But once the rule of the House is brought to your notice, it must be observed specifically, as pointed out. *(Interruptions)*. Therefore, no lecture should be permitted, this involves waste of time, I mean, this bringing of extraneous matters which are not conducive to this.

MR. DEPUTY SPEAKER : Prof. Tewary, may be it is there in the rule, but conventionally we have some lengthy discussions. But I request the Members to be very brief and put questions.

(Interruptions)

PROF. MADHU DANDAVATE : I will

produce records of Prof. Tewary's questions during the Calling Attention.

PROF. K. K. TEWARY : I put this to you : When conventions and rules clash, rules will have the primacy, not the conventions.

MR. DEPUTY SPEAKER : Let it be, I can understand your sentiment.

PROF. K. K. TEWARY : When rules are not available for a particular issue, only then conventions are applied.

PROF. MADHU DANDAVATE : Did you observe this ?

PROF. K. K. TEWARY : I have always observed.

PROF. MADHU DANDAVATE : Not at all. Shall I produce records of his putting questions during the Calling Attention ?

(Interruptions)

PROF. K. K. TEWARY : I am putting to the Chair whether rules have primacy or conventions. When rules and conventions clash, it is always the rules that prevail. *(Interruptions)*. Let me clarify. Sir, the rules are framed by this House. When rules are accepted and it is pointed out to you that rules are violated, then you should not rely on conventions, you should rely on rules. So I seek the ruling on this. It is a very important matter.

MR. DEPUTY SPEAKER : Please sit down. I will give it.

PROF. MADHU DANDAVATE : Sir, before you give the ruling I would like to bring to your notice, leave aside this Calling Attention rule, but generally about the rules. There is a rule about the quorum in the House, it is very specific. When it is Question Hour or extended Lunch Hour, quorum has to be observed, but the common understanding of this House which has been accepted is that during the Lunch Hour and afterwards when we are meeting in the House it has been a convention that we will not raise the question of quorum, and we have been observing this.

(Interruptions)

MR. DEPUTY SPEAKER : Let him finish.

PROF. MADHU DANDAVATE : Sir, why does he want to interfere in everything that we say ?

Sir, once Shri H.V. Kamath raised that question in the House and then the Speaker said, 'I know there is a rule. If you insist on raising the quorum even during the Lunch Hour, I will have to ring the quorum bell, but I will request you that conventions prevail over the rules. We are not violating the rules, but we are just giving the latitude and that has common consent of all.' Like that, for Calling Attention notice either on that side or this side—he has been raising so many times very good Calling Attention issues, he has been elaborating them and I appreciate that. We allow it, we never raise the technical issue because we want to fight with the other party politically, not on technical grounds and, therefore, I would like you to rule it out accepting the convention on it.

PROF. K. K. TEWARY : One point. Prof. Dandavate has referred to the rule relating to quorum in the House, but he should not forget that whenever this rule had been insisted upon, and there had been occasions when Members had referred to the rule of quorum, whether there was quorum in the House or not, whenever it had been insisted upon or pointed out, immediately the bell had rung when quorum had been insisted upon and only after the quorum was available in the House, discussions went on. *(Interruptions)*. Therefore, when a Member points out a specific rule, then these extraneous considerations and laxities allowed earlier should not prevail. The rules of the House, framed in this House, should prevail and they should not take advantage of such observations of the Chair which are not relevant.

(Interruptions)

MR. DEPUTY SPEAKER : Professor, please sit down. We have to follow the rules as such. That is there. At the same time we have to see certain things regarding conventions also. But as far as possible, I request all the Members to follow the rules. I am

requesting all of you. That is why, even following some conventions we have to give liberty like that for debating certain points. By taking advantage of that, if you go on discussing any particular subject for hours together, then it will affect the whole business.

PROF. MADHU DANDAVATE : It will finish in two minutes then. To put a question it requires only two minutes.

PROF. K. K. TEWARY : If you give primacy to the conventions over the rules, you will not be able to conduct the proceedings of the House.

PROF. MADHU DANDAVATE : Let Mr. Tewary speak on any Calling Attention notice and every time, I will raise a point of order.

PROF. K. K. TEWARY : Do it.

PROF. MADHU DANDAVATE : You will have to finish in two minutes.

PROF. K. K. TEWARY : I will gladly put a question and sit down.

PROF. MADHU DANDAVATE : Let us accept it. From tomorrow, I will do it. Every time, I will do it. I will give advance notice about it. There are five members on a Calling Attention Notice. It will be finished in five minutes. Let it be accepted by all members.

PROF. K. K. TEWARY : To give primacy to conventions over the rules has never happened. We have got specific rules laid down. The conventions are also there. But this is the first time I am hearing from a senior member of the House that conventions take precedence over rules.

PROF. MADHU DANDAVATE : I will lay on the Table of the House all the observations of Mr. Tewary on Calling Attention notices in the last session and this session also. You can go through them.

PROF. K. K. TEWARY : You were not alert to raise objections. This is a basic question. It will set the history as to whether the rules will have primacy or the conventions

will have primacy. It has to be decided by the Chair. This will decide the future conduct of the business in the House.

MR. DEPUTY SPEAKER : Mr. Reddy, in a question form you can put it.

PROF. K. K. TEWARY : It is a fundamental issue regarding the primacy of rules.

SHRI S. JAIPAL REDDY : This note from the Prime Minister's office contains the offer of Snam Progetti. Mr. Gill wrote another lengthy note 3000-worded note, to the then Minister disapproving of the whole thing. The note also pointed out that the offer of Snam Progetti was in fact higher than that of Engineers India Ltd. (*Interruptions*)

If you like, I can put it in a question form. I would like to know whether the Prime Minister's office had sent a note along with the offer of Snam Progetti and whether the then Secretary, Mr. Gill sent another lengthy note to the then Minister with a copy of the earlier note on October 12, 1984, explaining the reasons why the offer of Snam Progetti was unfair and thereby totally disapproving the project.

PROF. MADHU DANDAVATE : A very fine question.

SHRI S. JAIPAL REDDY : I would also like to know whether the note pointed out that the offer of Snam Progetti was higher than that of Engineers India Ltd. ...

PROF. K. K. TEWARY : Please listen to me.

MR. DEPUTY SPEAKER : No please. You are interfering. Please sit down.

PROF. K. K. TEWARY : I am not interfering. You are also not above the rules of the House. The Chair is also not above the rules of the House,

MR. DEPUTY SPEAKER : Why are you interfering ? You please sit down. He is asking questions only.

PROF. K. K. TEWARY : If you are not able to stop this discussion, it will take 4

hours. Therefore, I am requesting you, in your judgment if you feel that you can allow a separate discussion, on it, you do it. But on a Calling Attention notice, there can never be a discussion.

MR. DEPUTY SPEAKER : He is putting only questions.

PROF. K. K. TEWARY ; If you want, you can allow a debate on that.

MR. DEPUTY SPEAKER : I am not allowing any debate.

SHRI S. JAIPAL REDDY : I would like to know from the Hon. Minister whether on 15th September, 1984, there was a press release by the Gas Authority of India Ltd. stating ...

MR. DEPUTY SPEAKER : You cannot quote.

SHRI S. JAIPAL REDDY : I want to know whether the construction of the project was left to the Gas Authority of India Ltd.

(Interruptions)

PROF. K.K. TEWARY : I am on a point of order. I would like to know whether the papers being referred to by the Hon. Member have been submitted to you. Have you given your clearance that the papers will be quoted in the House ? Without the permission of the Chair, papers cannot be referred to. This is also a rule of the House.

MR. DEPUTY SPEAKER : You cannot quote.

SHRI S. JAIPAL REDDY : I have not quoted. I merely referred to the procedure.

PROF. MADHU DANDAVATE : Is Mr. Tewary's misrule of this House prevailing over the conventions and rules ?

SHRI S. JAIPAL REDDY : I would like to know whether the press release also referred to the agreement it entered into with BHEL and whether it also referred to the agreement that BHEL in turn entered into

with the HARCO of USA for the purpose of cathodic protection system...

(Interruptions)

MR. DEPUTY SPEAKER : He is not quoting. Whatever he is quoting will not go on record.

PROF. K.K. TEWARY : This is a method deliberately adopted to suppress the rules that you take down from the papers which have not been clarified or cleared by the Speaker, and then come to the House. Those papers are not cleared by you...

(Interruptions)

SHRI S. JAIPAL REDDY : I would like to know whether the then Petroleum Secretary, Mr. Gill has since been transferred, not given posting and is still on leave. Is this the reward offered to him for his honesty !

I would like to know whether this decision of the Government to go in for turn-key basis would not kill or stifle the expertise or the collaboration agreements of many Indian consultants namely, BHEL, HAL, TCIL, ECIL, RITES, PDIL and so on and so forth.

I would like to know as to why this clean Government tramples like a piece of paper whenever Snamprogetti arrives on the scene.

(Interruptions)

PROF. K.K. TEWARY : It is an insinuation. What is he doing ?

(Interruptions)

SHRI S. JAIPAL REDDY : I would like to know why the ominous and the sinister shadows of Snamprogetti keep on lengthening over the head of this Government.

I had earlier referred to the six gas based projects for which Snamprogetti and its associate, Haldor and Topsoe have become Consultants for both urea and ammonia. The total outlay of these six projects is Rs. 4,000 crores. The total project outlay of this HBJ gas pipeline is Rs. 1,700 crores. This means Snamprogetti will be the prime consultant and turn-key contractor for projects worth Rs. 6,000 crores. Is this true or not ? I want to know from the Minister.

(Interruptions)

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM (SHRI NAWAL KISHORE SHARMA) : My learned friend Mr. Reddy tried to shield the facts by asking questions and by making allegations. It appears to me as if the whole approach is motivated.

(Interruptions)

SHRI RAM PYARE PANIKA (Roberts-ganj) : It is highly motivated.

PROF. MADHU DANDAVATE : It is motivated to oppose and expose corruption.

*(Interruptions)**

MR. DEPUTY SPEAKER : The Minister is on his legs. He is replying. Nothing will go on record.

SHRI NAWAL KISHORE SHARMA : If the motivation had been to expose corruption, I would have certainly welcomed it. But, unfortunately, the motivation is not eradication of corruption or exposure of corruption; it is a political motivation. I fail to understand why the name of Snam Progetti has been brought in. In the original statement that I made I have said that we are going for world tenders and whosoever is found to be competitive, on our evaluation, would get this job. The question of bringing Snam Progetti or its earlier contracts about Haldor Topsoe and all this urea fertiliser plants is totally irrelevant, and that is why I say that it is motivated.

With regard to the questions which have been asked by my learned friend, we have taken a conscious decision, and that is in the best interests of the execution of HBJ pipeline. We are interested that this HBJ pipeline is commissioned in time, and its commissioning should synchronise with the commissioning of the various fertiliser plants. We have also to see that there are no pitfalls. Taking an overall view of the matter, the Government has taken that decision to invite global tenders ..

SHRI S. JAIPAL REDDY : Is it turnkey basis or not ?

SHRI NAWAL KISHORE SHARMA : It is partly turn-key basis so far as pipe is concerned, we stick to the decision of purchasing it from the different parties which have offered their quotations to us. It is also linked up. ..

SHRI AJIT KUMAR SAHA (Vishnupur) : From abroad ?

SHRI NAWAL KISHORE SHARMA : I am sorry I would not be replying to your question because your name is not listed in this...

SHRI AJIT KUMAR SAHA : My name is there.

SHRI NAWAL KISHORE SHARMA : Then put the question when your turn comes and I would reply at that time.

So, this project is partly turnkey and partly not because a turnkey project in the strict sense would mean that right from the purchase of material to the commissioning it is one party's job. But here we have separated...*(Interruptions)*

SHRI S. JAIPAL REDDY : I want to seek a clarification...

SHRI NAWAL KISHORE SHARMA : I am not yielding.

MR. DEPUTY SPEAKER : He is not yielding.

(Interruptions)

SHRI NAWAL KISHORE SHARMA : My learned friend has referred to the six components of this project. Since he was not correct on certain components, for his information, I may repeat those components. One is the line pipe, (2) the pipeline materials, (3) constructions of pipeline including coating and wrapping, (4) compressor stations, (5) cathodic protection and (6) tele-communication and tele-supervisory system...

SHRI S. JAIPAL REDDY : I put the same thing.

SHRI NAWAL KISHORE SHARMA : You have not put it in the same way. You

*Not recorded.

are mistaken in some places. So, just for your information, I am quoting it to you.

With regard to all these six components, except line pipe, for all the components the Government has taken a decision to invite global tenders and the process is on and as and when we are ready with the finalisation of the tender bids, we would see that the work on the HBJ pipeline construction begins and we are hoping to see that the construction begins around the end of 1985.

With regard to the schedule and the delay to which my learned friend has referred with regard to the Guna fertiliser factory, I may submit that it is not December 1986 as has been stated by him. In fact the revised schedule as furnished to us or as indicated to us by the C & F Ministry is March 1987. Therefore, we hope and our attempt is that by March 1987 when the Guna fertiliser boilers are ready to receive gas, by that time the fertiliser boilers supplied gas by the HBJ pipeline. We have tried to compress the time and we are incorporating this in the terms of NIT to public issue and in view of this we hope and expect that there would be no more delay. That is what we expect and hope. So far as the delay part is concerned, we hope there will be no delay.

With regard to the question that the Secretary of the Ministry has written a note repudiating the turn-key project offer of Snam Progetti, this is not true, because Snam Progetti offer was not in response to any invitation to tender. It was an offer which was made to the Ministry also and not only this company, there was another company, a Canadian one, also which has sent an offer. But in view of the fact that these offers were not in response to any tender bid, there was no question of their consideration. Of course, whenever anything comes to their notice and since the offer was for a much less amount than the estimated cost, therefore, Secretaries must have considered something about it. But there was no formal offer and, therefore, there was no question of formal rejection. The allegation that the Secretary rejected this is totally false. It was in the normal practice of the Government that these things are being considered, assessed and, therefore, the allegation that the Secretary wrote a strong note to the then Minister...

SHRI S. JAIPAL REDDY : He has sent notes. I have also mentioned the dates on which the notes were received.

SHRI NAWAL KISHORE SHARMA : Mr. Reddy, I am not going to accede to your request with regard to any communication which has passed between the Minister and the Secretary. These are the normal things. So, that is not relevant for this purpose. It has no relevance because your main allegation is that indirectly you put motivation that the Minister or somebody wanted Snam Progetti to be given the turn-key project. That is totally false, motivated and has no substance. That is what I want to say.

SHRI S. JAIPAL REDDY : You agree for a House Committee inquiry and I will prove all the allegations.

MR. DEPUTY SPEAKER : Please allow him to complete.

THE MINISTER OF PARLIAMEN-
TARY AFFAIRS (SHRI H.K.L. BHAGAT) : Sir, before the Minister further proceeds with it I would like to raise a point of order. My point of order is that a Member even by implication cannot discuss the conduct of any person except through substantive motion. The rules are so clear. Although the Minister has taken note of it yet you cannot do it. (*Interruptions*) Rule 353 is very clear.

SHRI S. JAIPAL REDDY : Whenever the name of Snam Progetti is mentioned he loses temper.

SHRI H. K. L. BHAGAT : You can't even say that. You can't question the conduct of the Minister like this. Rules are very clear on this.

MR. DEPUTY SPEAKER : When the Minister replies please don't interfere. Let him reply.

SHRI NAWAL KISHORE SHARMA : Another question which has been raised is with regard to the Engineers India Ltd. being out of this project. For the information of Mr. Reddy and this House I may say the project implementation philosophy is that Gas Authority of India Ltd. will continue to be the owner with responsibility for project management and so far as Engineers India is

concerned it will continue to be prime consultant in the implementation of the project and Gas Unie which you have referred to still continues to be the organisation as EIL's back-up consultants. At no stage of time, in fact, it was thought that EIL or GAIL would be the prime contractors or that the actual construction work was to be done by EIL or GAIL.

You should understand the difference between...

SHRI S. JAIPAL REDDY : Sir, the project is to be executed under the supervision of GAIL and EIL.

PROF. K. K. TEWARY : Sir, this is too much.

MR. DEPUTY SPEAKER : You can't raise all these questions. I won't allow.

SHRI NAVAL KISHORE SHARMA : Sir, whatever I have stated in my statement I stand by it. EIL is not a contractor. They are not supposed to execute the job. They are the Consultants. Their role has not been curtailed. They would continue to be the Consultants in this project. Therefore, the question which has been raised has no basis. EIL's participation would as much be there, as was envisaged in the original idea of this HBJ.

Pipeline Project. So far as GAIL is concerned, they are the owners of the project and it is their responsibility to see that the project is completed and commissioned well in time. As owners their role has not been curtailed. In fact, GAIL had to give sub contracts or assign work to different parties, different contractors. That job which was to be done by different parties, different contractors, different agencies, instead of that being given to different parties, different agencies or contractors, it was thought to be better to give to one, because of the management problems which do arise, because of the coordination problems which do arise and because of the inexperience which we have.

Then, Sir, as my friend has rightly pointed out this is the first project of this type which India is going to execute. In view of

the fact that we are lacking in that experience we thought that it is much better to go for a single contract system so that there are no difficulties with regard to coordination, execution and commission. Otherwise, it sometimes happens that when there are many persons, the responsibility is no one's and it usually happens that one man puts the blame on the other and the other man puts the blame on the third. And all this creates lot of delay. It also becomes more expensive sometimes. And then there is no responsibility of any one single party or any one single agency. In order to fix that responsibility on a single agency this Government thought of going in for world tender.

(Interruptions)

SHRI S. JAIPAL REDDY : I want to put two questions sharp and short questions.

MR. DEPUTY SPEAKER : You have had your say. No. Nothing will go on record Mr. Saha. You please carry on. He has already answered Mr. Reddy's questions.

*(Interruptions)**

SHRI AJIT KUMAR SAHA (Vishnupur) : Mr. Deputy Speaker, Sir, at the outset I must say that the Statement of the Hon. Minister is not at all convincing.

Sir, through the ages, India has been famous for rope trick. But now this Government is now famous for the Great Indian Pipe Trick. *(Interruption)*. I request Mr. Tewary not to disturb me. *(Interruption)*.

13.00 hrs.

The Hon. Minister has already said that the pipeline project will be executed on turn-key basis. The Government has taken an about-turn in the case of this 1700 crore project which was executed by the Gas Authority of India Limited and the Engineers India Limited. The Government has gone back from their commitment to the public sector undertakings. They have demoralised and eroded the credibility of the public sector undertakings and also indigenous expertise that we have evolved in our country.

*Not recorded.

Sir, originally the Government had rejected the proposal of going in for this project on a turn key basis for three reasons. First, the turn-key job would be more expensive, second, it would lead to long delays in preparing the tender documents and lastly the department noted that awarding the contract on a turn-key basis would prevent them from maximum use of indigenous capabilities and this would also prevent further growth of such capabilities within the country.

Sir, this project was handed over to the Engineers India Limited by the Gas Authority of India Limited. Sir, in the hand-out it has been clearly mentioned that the entire project would be executed under the overall responsibility of GAIL and EIL have been engaged as the prime consultant. Gasunie of Holland has been engaged as back-up Consultant to assist EIL to review and provide assistance in critical areas of design and engineering. Here in the statement, the Hon. Minister has stated that already tender has been called for for laying of these pipelines. Apart from the information regarding laying of pipelines, other things like compressor, turbine and cathode protection and the tele-communication system, the Hon. Minister has not said anything. CIAL has already asked the HAL and BHEL and they have given orders to produce all these things. But the Minister has said nothing about them. If the GAIL and the EIL have no experience to carry out this project, then can I ask the Government one question? What is the experience of the Government of India in turn-key basis agreement? Sir, in the case of ONGC off-shore drilling, the Government of the day believe in building expertise in off-shore drilling and it is a reality today. This argument somehow does not impress those who are going in for turn-key H.B.J. pipeline. Sir, GAIL announced in a press conference in September 1984 that the entire project would be executed under its overall responsibility.

Sir, the Government found no basis to give the project on a turn-key basis in the whole of 1984. And now, out of the blue comes an offer from SNAM Progetti (that name irritates the Ruling Party and I do not know why) that they would undertake the project on a turn-key basis. That offer changes the whole scene. The indication seems to be that SNAM Progetti would walk away with the cake. Mr. G. Guattrocht,

President of the SNAM Progetti in India is a powerful and well-connected Italian in Delhi.

Sir, if it were a choice between France and Britain, then one has to choose between one of the two foreign parties. But when the choice is between India and Italy, it should obviously be in favour of India. It is said 'once bitten twice shy'. But twice bitten, learn to live with SNAM.

PROF. MADHU DANDAVATE : They are never shy.

SHRI AJIT KUMAR SAHA : Lastly I want to know whether Government would go back to its earlier commitment that GAIL and EIL will complete the project.

SHRI NAWAL KISHORE SHARMA : Mr. Deputy Speaker, Sir, Shri Saha has referred to the visit of some gentleman and he has mostly repeated what Shri Jaipal Reddy has said with regard to SNAM Progetti, with regard to the visit of some chairman, whom I do not know and about whom I have no information. Of course, my dear friend, Shri Saha must be probably knowing him better and therefore he is able to talk about him. I have no information and I have no idea as to what he has said. But the proof of the pudding is in its eating. Therefore, the question of motivation with regard to SNAM Progetti's Chairman's visit is clearly without any basis, in view of the fact that we are going in for a world tender. When we are going in for world tender, who comes and who does not come would be based on the fulfilment of the conditions which we are likely to put in the NIT. Therefore, this is all a hypothetical insinuation which has no relevance.

With regard to the question of commitment to public sector undertakings, I am one of those having the greatest commitment towards our public sector undertakings and this Government has time and again reiterated that they would like to see that the public sector undertakings reach commanding heights. Therefore, there should be no illusions with regard to the intentions of the Government so far as the question of reducing the role of EIL is concerned. In fact this misconception is based on the fact that EIL is out of the running. As

I had stated earlier, EIL would be there, and whenever role was sought to be assigned to EIL, EIL would continue to play that role. EIL's capabilities would be fully used.

SHRI AJIT KUMAR SAHA *rose*

SHRI NAWAL KISHORE SHARMA : I am not relenting; but for your information, I would say that the conceptual design of the pipeline system has been done by EIL. Review of detailed design to be developed by contractors in respect of important and critical parts of the project will also be done by EIL. Thus, EIL will carry out quality assurance of equipment and materials, and the construction work. It will also monitor the progress, as well as be continuously associated with detailed engineering. The back-up assistance of Gasunie will continue to be available to GAIL by way of reinforcement of EIL's capabilities. The project management would continue to be with GAIL. So, probably an impression is there that EIL's role is done away with, and GAIL would become redundant. What is being done, as I said and I am repeating it, is that instead of giving the contract for different things, for different items to different organizations and different contractors, we are putting the responsibility on one and taking a person responsible for all that which was to be done by different contractors. That is what we have done and this has been done only with a view to see that better execution is there, better management is there, better coordination is there, and above all, there is responsibility for the commissioning of this line.

SHRI S. JAIPAL REDDY : Which expert committee recommended that ?

SHRI NAWAL KISHORE SHARMA : With regard to the question of Indianization, I would submit for Mr. Saha's information that we are for Indianization. We stand by it, and that is why we have taken care to see that Indianization does not suffer. That is why we are putting it in the NIT that due weightage will be given to offer for use of indigenous capabilities, so that domestic manufacturers in relevant areas also get an opportunity to participate in the project. *(Interruptions)*

SHRI S. JAIPAL REDDY : But the turn-key contractor will not agree.

SHRI NAWAL KISHORE SHARMA : Mr. Jaipal Reddy, this is not an assembly.

Mr. Saha, you have raised a point, that the turn-key contractor would be doing the job. When in the NIT itself we are putting the condition that weightage will be given for use of indigenous capacities your question does not arise. So, he has to go for indigenization efforts as far as possible.

MR. DEPUTY SPEAKER : Mr. Narayan Choubey and Mr. Indrajit Gupta are not available. Now Shrimati Geeta Mukherjee.

SHRIMATI GEETA MUKHERJEE (Panskura) : Now, in reply to the questions raised by Hon. Members, the Hon. Minister made a great attempt to make us understand that the role of EIL will remain what it was earlier. In the statement the Minister says that both Gas Authority and Engineers India will continue to play an important role as owner and its consultant in the project. Is it true that EIL was chosen earlier as the principal consultant? Is it also true that EIL secured the competitive bid against international tender floated last year. If so, then what was the necessity for spending such a long time by the Department in going through a long process of international tender etc., and then again after a lot of time reopening the whole question? If the EIL's role remains exactly the same as it was earlier, what is the necessity of reopening the global tender? Is there any difference really in the earlier position of the EIL and the present position of the EIL ?

It is also true that EIL had experience of building some pipelines; may not be of this order. Is this also a fact that EIL was not alone? They had a consultancy back-up. Minister said "Taking an overall view of the matter, it is felt that the decision to entrust the execution of the project by one agency to be selected on the basis of competitive bidders is in the interest of the project. I take it that this one agency probably being thought of would be some foreign company. He said that let us see who comes in the tender, etc. Since a lot of water has gone down the Ganges, everybody understands the matter.

In view of this, taking that this is for the principal, one person, under which this entire thing will come, it will be a foreign company.

Now, may I ask, whether it has been our experience about many foreign firms earlier, that these foreign firms, many of them, when they take a turn-key project, dilute the indigenous content of the project and they generally undermine even the proven domestic capabilities in the field that we have?

Is this also true that many of the foreign contractors are known to wield tender specifications in a manner to deliberately exclude domestic suppliers? Is this true? Is it also true that in earlier time, it has been found that in addition to performance guarantee are usually so stipulated by that foreign contractors that they cannot be easily enforced by the buying companies?

Is this a fact? I was in the Public Undertakings Committee and I have had several instances of these things. I am sure the Hon. Minister Nawal Kishoreji knows it very well.

PROF. MADHU DANDAVATE: Ask him if he knows.

SHRIMATI GEETA MUKHERJEE: I am sure, that when I talk all these things, I strike a cord in the hearts of many on the other side as well.

So, in the national interest, I want to know whether it is a fact that the foreign companies behave this way. If that be so, why such a new thinking had to be done after such a long period has elapsed, and after such elaborate exercises were done by the department and the Prime Minister's Secretariat also?

The point that I raise is, whether the Hon. Minister is aware that in the whole country—not only among the Leftists but many sections—this question has been perturbing the minds of the people. If so, is it not a serious matter? I would like to know. Also, I would like to know another thing as well.

MR. DEPUTY SPEAKER: Will there not be an end to knowing?

SHRIMATI GEETA MUKHERJEE: Yes, Sir. But many relevant things, and information. I am not repeating anything.

SHRI K. P. UNNIKRISHNAN (Badagara): The whole business of Parliament is in knowing.

PROF. MADHU DANDAVATE: She is a great seeker of knowledge.

MR. DEPUTY SPEAKER: There is no end to this knowledge.

SHRI K. P. UNNIKRISHNAN: You should encourage these things.

SHRIMATI GEETA MUKHERJEE: Sir, the less the diversion, the less the time.

Now, I would like to know some facts. Just now the Minister informed us that this Guna project will not need gas for trial run in April 1986 but that it will be later in 1987. May I know, whether this is an after thought, when the Government decided that this entire contract is to be re-opened, then the Government also thought it better not to bring Guna on schedule?

SHRI K. P. UNNIKRISHNAN: They have to tie up the fertilizer contract also.

SHRIMATI GEETA MUKHERJEE: That being so, if somebody thinks that this pressing back of Guna is due to the change of mind of the Government the special purpose, can that be taken as unfounded?

Lastly, I would like to know, in view of the cloud and all the dust that has been kicked up in view of the special excitement—what we saw today in this House itself—and also in view of the various papers and various agencies writing about this, questioning the intentions of the Government, would it not be in the national interest and will the Hon. Minister agree to suggest that a House Committee should go into an examination of all this; and clear the Government, if it really deserves to be cleared?

PROF. MADHU DANDAVATE : If they are interested in clearing !

SHRI K.P. UNNIKRISHNAN : They are interested in clearing.

SHRIMATI GEETA MUKHERJEE : If they are interested in being cleared, let them be cleared if they are not cleared then such contracts should go in future to people who are interested in national interest. I would like to know if a House Committee probe will be agreed to by the Minister.

PROF. N. G. RANGA (Guntur) : Is there ever any precedent for the House Committee to go into these things ?

THE MINISTER OF PARLIAMEN-
TARY AFFAIRS (SHRI H. K. L.
BHAGAT) : Answers to all the questions have already been given. But except by a substantive motion, in a calling Attention, no allegations can be made.

PROF. K. K. TEWARY : I am on a point of order.

PROF. MADHU DANDAVATE : Is the Minister also raising a point of order ?

PROF. K. K. TEWARY : Under this Rule 352. Clause (v), it refers to a Member.

"A member while speaking shall not—

- (v) reflect upon the conduct of persons in high authority unless the discussion is based on a substantive motion drawn in proper terms."

(Interruptions)

PROF. MADHU DANDAVATE : Is it the Constitution or the Rules book ?

PROF. K. K. TEWARY : Further, I would explain the rule. The explanation says, : "The words 'persons in high authority' mean persons whose conduct can only be discussed on a substantive motion or such other persons whose conduct,..."

(Interruptions)

While speaking, Mr. Jaipal Reddy got

carried away by emotions and as the Hon. Lady Member has referred to a huge campaign inside the House and outside, that itself proves what the motivations are. So, under this rule the reference made by Mr. Jaipal Reddy to the office of the Prime Minister should be expunged, because taking advantage of the Calling Attention the dignity of the Prime Minister's office cannot be soiled like this. Therefore, under the rules, you can expunge it. There is no convention either to give them a crunch. There is another rule 352 which says :

"No allegation of a defamatory or incriminatory nature shall be made by a member against any person unless the member has given previous intimation to the Speaker and also to the Minister concerned so that the Minister may be able to make an investigation into the matter for the purpose of a reply

Provided that the Speaker may at any time prohibit any member from making any such allegation if he is of opinion that such allegation is derogatory to the dignity of the House or that no public interest is served by making such allegation."

So under rules 352 and 353 this allegation or reference to the Prime Minister's Office is absolutely not to be entertained. Therefore, I request you to expunge the remarks... (Interruptions)

MR. DEPUTY SPEAKER : Any allegation will not go on record. (Interruptions)

SHRI S. JAIPAL REDDY : No allegation was made.

PROF. N. G. RANGA : He will go through the record. That is all. (Interruptions)

MR. DEPUTY SPEAKER : Please sit down.

SHRI H. K. L. BHAGAT : He should go through the record and let him decide. That is all. (Interruptions)

PROF. MADHU DANDAVATE : Rule

352 does not attract Prime Minister himself. Even the Prime Minister of the country is not a person in high authority. The President, Vice-President, Governors, Supreme Court and High Court judges . that is the precedent...*(Interruptions)*

SHRI K. P. UNNIKRISHNAN: There are rulings of the Supreme Court as to which constitute the high authority...

(Interruptions)

PROF. K. K. TEWARY: We know the concerted attempt. We all know why you are spearheading. We all know whose brief you are holding and why you are...
(Interruptions)

PROF. MADHU DANDAVATE: Let it be clear, Sir. He has not referred to Prime Minister but even if he refers, that is permissible. Prime Minister is not a person in high authority. Vice-President, President, Supreme Court Judges...*(Interruptions)*.

SHRIMATI GEETA MUKHERJEE: The Prime Minister has been referred to by Mr. Tewary only...*(Interruptions)*.

PROF. MADHU DANDAVATE: Rules are not framed by the Government, they are framed by the House...*(Interruptions)*.

MR. DEPUTY SPEAKER: The conduct of a Minister can be discussed only on an appropriate motion drawn in the form approved by the Speaker. This is only a Calling Attention Motion which we are discussing. Therefore, if any allegation is there, that would not go on record ..

(Interruptions)

SARIMATI GEETA MURHERJEE: What allegation? Against the Minister or against the Government policy? ...
(Interruption).

MR. DEPUTY SPEAKER: The Minister may continue now.

SHRI NAWAL KISHORE SHARMA: Mr. Deputy Speaker, Sir, the Hon. Lady Member has referred again to the EIL's role and about the consultancy back-up which EIL has with Gas Unie of Holland. I had

earlier replied that EIL's role is very much there and whatever was intended, that remains there. As far as the question of EIL going in for a competitive bid in the world tender is concerned, I do not think EIL was ever required to go in for competitive bid. We had thought of EIL becoming prime consultant for this project, and therefore, there was no question of competitive bid in the case of EIL. So, the Hon. Lady Member is misinformed on this count. So far as the consultancy back-up of Gas Unie is concerned, it continues to be there and it would continue to be there with EIL. I am thankful to the Hon. Lady Member for giving us a warning with regard to the performance guarantees which are generally stipulated in such a manner that whenever any fault is found, it is difficult to put blame on them. This has been found in many cases, but in view of her guidance, we would certainly take care of it that the performance guarantees are so formulated that there is no scope left for the intending bidders to bypass them and they may not get out of penalty clauses and responsibilities. I would thank her for the suggestion which she has given.

So far as the question of foreign powers diluting the indigenous content is concerned, it generally happens that the foreign contractors or the bidders try that the indigenous content is not there. But it is for this reason that we have taken a precaution to make it as a specific condition for the NIT that weightage would be given to indigenous efforts so that the indigenous parties do not suffer. It is only keeping that in view that we have thought of doing it as one of the conditions in the NIT.

SHRIMATI GEETA MUKHERJEE: Have you ever seen leopard changing his spots?

SHRI NAWAL KISHORE SHARMA: I have not. I have seen politicians changing colour.

So far as the allegation, which has been made with regard to the change in schedule, and the pressure being put up on the P&F Ministry, with regard to Guna is concerned, I refute it. It is again a motivated allegation. This is not true.

SHRIMATI GEETA MUKHERJEE :
Possibly for a layman.

SHRI NAWAL KISHORE SHARMA :
You are not a layman. I do not take you
to be a layman.

PROF. MADHU DANDAVATE : Lay
woman.

SHRI NAWAL KISHORE SHARMA :
I am sorry, lay woman.

PROF. K. K. TEWARY : Lay person.

SHRI NAWAL KISHORE SHARMA :
Lay person, yes.

In fact the schedule has been changed not only with regard to Guna, but it has been changed earlier with regard to other fertilisers too. There is nothing new in it. It is sometimes true that the commissioning of the fertiliser plants are delayed. Even in the private sector, it so happens. So, this is nothing new. It is the original date which they had envisaged, but generally we have found it that it is delayed and you as a Member of the Public Undertakings Committee also must have noticed that the delay has been there in cases of commissioning of the plants; sometimes it takes two, three, four or five years. So, this is a usual thing. It is not because of our pressure.

PROF. K. K. TEWARY : Unfortunately,
it is a usual thing.

SHRI NAWAL KISHORE SHARMA :
I stand corrected. Unfortunately it is a
usual thing.

Madam, with regard to the question I
would say this is not true. It has been
changed because the project is not likely to
come up. Therefore, they have indicated to
us and therefore, we are proceeding in
accordance with their new time-schedule.

So far as the question of changing the
strategy is concerned, in fact this was thought
of, looking to many circumstances.

SHRI S. JAIPAL REDDY : By whom ?
By which Committee ?

SHRI NAWAL KISHORE SHARMA :
By the Government. There is no Committee.
It is the Government which takes a decision,
not the committees which take decisions.

PROF. MADHU DANDAVATE : There
was a Tewary Committee !

SHRIMATI GEETA MUKHERJEE:
Mr. Nawal Kishore Sharma is the biggest
expert !

PROF. MADHU DANDAVATE : We
heard there was a Tewary Committee !

SHRI NAWAL KISHORE SHARMA :
Therefore, looking to the many things which
came to the notice of the Government, the
Government thought it better that this should
be partly turn-key or a prime contractor
responsibility or a single point responsibility.
In fact, there have been cases of delay in
laying ordinary pipe-lines, crude pipe-lines,
petroleum product pipe-lines and there have
been cost over-run also.

SHRI S. JAIPAL REDDY : We are
referring to the delay in your decision, not in
laying the pipe-line.

SHRI NAWAL KISHORE SHARMA :
And sometimes the cost over-run has been
to the tune of doubling the amount originally
that we envisaged earlier. So, time has
been extended and delay has been for one or
two years. Even in the case of smaller gas
pipe-line which we are going to have—
Umbhrat to Hazira pipe-line for instance,—
there has been delay in that case also.
Our experience has been very bad. They
could not complete the job in time. It is
already delayed. And in the case of cost
over-run also this has been there. In view
of these factors and the nature of the pipe-
line, not only because of its length, but also
because there would be nearly fourteen river-
beds which have to be crossed, all these
difficulties were envisaged and because of
our experience and because also of the fact
that gas authority is in infancy, it is a new
organisation, all these factors weighed with
the Government. It was not because of
pressure from this quarter or that quarter as
has been stated, it was because of the
execution interest of the pipe-line in time
because the future of the fertiliser plants is

linked up to this pipeline—this was vital to the economy of the country and fertiliser production—that we thought of going for a single point responsibility. Thank you, Sir.

(*Interruptions*)

SHRI S. JAIPAL REDDY : What about the demand for House Committee Inquiry ?

(*Interruptions*)

MR. DEPUTY SPEAKER : Now, item No. 7A—Matters under Rule 377. Shri Jaiprakash Agarwal.

PROF. MADHU DANDAVATE : Sir, he is on his legs.

MR. DEPUTY SPEAKER : Even if he is on his legs I won't allow.

(*Interruptions*)

SHRI S. JAIPAL REDDY : We want a reply.

SHRI K. P. UNNIKRIISHNAN : Now, new procedures are being evolved.

(*Interruptions*)

MR. DEPUTY SPEAKER : I can't allow. I have already gone to the next item.

PROF. MADHU DANDAVATE : Sir, you pull him down.

MR. DEPUTY SPEAKER : I do't pull him down...

(*Interruptions*)

PROF. MADHU DANDAVATE : Be on your legs with retrospective effect.

(*Interruptions*)

MR. DEPUTY SPEAKER : No, no. He has already completed. He is going out. Otherwise he will definitely say something.

(*Interruptions*)

MR. DEPUTY SPEAKER : Just to go away he got up.

PROF. MADHU DANDAVATE : He was literally frightened of me.

PROF. K. K. TEWARY : He has

successfully pulverized everybody.

— — —

13.43 hrs.

[SHRI SHARAD SHANKER DIGHE
in the Chair]

MATTERS UNDER RULE 377

[*Translation*]

- (i) **Need to set up a Central Board for the proper maintenance of places of religious and tourist importance near Haridwar and Rishikesh**

SHRI JAI PARKASH AGARWAL (Chandni Chowk) : Mr. Deputy Speaker, Sir, Haridwar and Rishikesh are prominent amongst the places of pilgrimage in Northern India and also for the International tourism. Just above the spot near Rishikesh, where the Ganges touches the plains, there is the world famous 'Lakshman Jhulla'. On the other bank of the river Ganga, there are many ancient as well as modern *Ashrams* in the midst of the Himalayas. Amongst the religious places, there are spacious places like 'Swaargashram' and 'Geeta Bhawan', where lakhs of men and women come every month to pay their tributes. From the tourism point of view also, this place is famous the world over as thousands of people are drawn to the hermitages here.

I must say that it is an irony of fate that such important religious places and tourist spots are neglected and it is a clear proof of the lack of vision on the part of the Government. There are no lighting arrangements at holy places like 'Lakshman Jhulla'. The roads leading to the '*Ashrams*' are in very bad shape. No attention is paid to sanitation. Moreover, there are no proper arrangements for the maintenance of these '*Ashrams*'.

I urge upon the Central Government to set up an administrative machinery to revive the glory of these places. A Central Board also needs to be set up for the maintenance of these ancient places so that the state could be given instructions and extended financial assistance to provide these facilities.