

SHRI RAM NIWAS MIRDHA: I beg to move:

"That the Bill be passed"

MR. DEPUTY-SPEAKER: The question is:

"That the Bill be passed"

The motion was adopted.

17.15 hrs.

GOA, DAMAN AND DIU MINING CONCESSIONS (ABOLITION AND DECLARATION AS MINING LEASES) BILL

[English]

MR. DEPUTY-SPEAKER: We now take up item No. 17 viz. Goa, Daman and Diu Mining Concessions (Abolition and Declaration as Mining Leases) Bill. Shri Vasant Sathe.

THE MINISTER OF ENERGY AND MINISTER OF STEEL AND MINES (SHRI VASANT SATHE): I beg to move:

"That the Bill to provide for the abolition of the mining concessions in operation in the Union territory of Goa, Daman and Diu and specified in the First and Second Schedules, and for the declaration of such mining concessions as mining leases under the Mines and Minerals (Regulation and Development) Act, 1957, with a view to the regulation of the mines to which such concessions relate and for the development of minerals under the control of the Union and for matters connected therewith or incidental thereto, be taken into consideration."

With your permission, Sir, I would like to say a few words, while moving the Bill for consideration of the House.

The Mines and Minerals (Regulation and Development) Act 1957 provides for the

regulation of mines and development of minerals under the control of the Union. After Goa, Daman & Diu became part of the Union of India with effect from 20th December, 1961, the provisions of the MMR&D Act 1957 were extended with effect from 1st October, 1963 except the provisions of Section 16 of the Act. Section 16 of the Act empowers the Central Government to modify mining leases granted before 25th October 1949. This is the date on which the original MMR&D Act, 1948 was brought into force. The provisions of Section 16 were extended to Goa, Daman & Diu with effect from 15.1.1966. This is to ensure that all mining leases are brought in conformity with the provisions of the Central Act, and the rules made thereunder. As a number of mining concessions granted under the then Portuguese colonial laws, also called the Decree of 1906, were still in existence, the Controller of Mining Leases proceeded with the modification of such concessions under the provisions of the Mining Lease (Modification of Terms) Rules, 1956 framed under the Act, and passed orders to bring the concessions in conformity with the provisions of the Act and the rules made thereunder. The concession-holders challenged the proceedings on the ground that the concessions held by them were not "existing mining lease" within the meaning of clause (c) of Rule 2 of the Mining Leases (Modification of Terms) Rules, 1956, and therefore not liable to modification.

Section 16 of the MMR&D Act was amended in 1972 to provide that all mining leases granted before the commencement of the Amendment Act of 1972 should be brought in conformity with the provisions of the Act. Accordingly, the Controller of Mining Leases initiated fresh proceedings and issued fresh notices. The concession-holders, in response to the notice issued by the Controller of Mining Leases, filed writ petitions before the Goa Bench of Bombay High Court. They contended that the nature of concessions enjoyed by them was different from that of any lease granted under the Act, and the provisions of the

[Shri Vasant Sathe]

Act, even after the amendment of 1972, cannot and do not apply to the mining concessions granted under the Portuguese Decree of 1906. The Goa Bench of the Bombay High Court in its judgement dated 29.9.1983. upheld that the concessions were not liable to modification by the CML as they were not mining leases within the meaning of the Act.

The effect of this judgement has been that the concessions could not be modified to bring them in conformity with the provisions of the MMR&D Act and Rules thereunder. Another effect has been that as the concessions were not held to be mining leases, and as the provisions of the Act did not apply to them, the payment of royalty on minerals extracted by them became the subject of dispute in the court of law.

It has, therefore, become necessary to enact a legislation with a view to bring these concessions within the purview of the Mines and Minerals (Regulation and Development) Act, 1957, as there have been doubts whether these concessions are mining leases. This Bill provides for the abolition of all mining concessions granted under the Portuguese Colonial Mining Laws 1906 (Decree of 20th September, 1906) with effect from the date of merger of Goa, Daman and Diu in the Union of India. These concessions have been listed in the First Schedule of the Bill. A few concessions were granted even after the merger of Goa, Daman and Diu to the Union of India. These concessions are listed in the Second Schedule of the Bill. It is proposed to abolish these concessions also from a date next to their date of grant. However, mining concessions, which were in existence at the time of merger of Goa, Daman and Diu, but were subsequently set free have not been included in these Schedules, as these are no more in existence.

It is not our intention to deprive the concession holder of the physical possession of the area held by them under the mining

concessions granted to them under the Portuguese Decree of 1906, or to prevent them from undertaking any mining operations, once the concessions are abolished. The Bill, therefore, provides that every mining concession, after abolition, shall be deemed to be a mining lease under the Mines and Minerals (Regulation and Development) Act, 1957. The concession holders will, therefore, continue to enjoy their mining rights but as lessees and not as concession holders. They will be governed by the provisions of the Mines and Minerals (Regulation and Development) Act, 1957, and the lease will be extended upto a period of six months from the date of assent to this Bill and a provision is also being made for the renewal thereof in accordance with the provisions of the Act and the Rules.

For the abolition of concessions, and for declaring them as mining leases, every concession holder shall be paid an amount, as specified in the First and Second Schedules to the Bill against his or her concession. The Bill also provides for the manner in which, and the person by which this amount shall be disbursed and all matters incidental thereto.

The concession holders, after the merger of Goa, Daman and Diu in the Union of India, have continued to enjoy the concessions. They have been doing mining and have paid royalty, some of them under protest. As every mining concession from the date of abolition shall be deemed to be a mining lease under the Mines and Minerals (Regulation and Development) Act, 1957, its royalty and dead rent would become payable from the date of abolition of the concessions. The Bill therefore provides for the payment of dead rent or royalty, as the case may be, from the date of abolition of concessions and their declaration as mining leases. Any amount paid by the concession holders would be suitably adjusted.

The concession holders will have no right for the recovery of any royalty, taxes or dues paid from the date of acquisition of

concessions till the enactment of this legislation.

Minerals form wasting assets. It is, therefore, necessary to take steps to ensure that they are extracted in a scientific manner, there is also need at the same time to protect the environment. These would be possible only by bringing the control of the MMR&D Act and the Rules. What is intended to be done is merely to bring all the mining activity in the Goa, Daman and Diu under the purview of this enabling Act. I would, therefore, commend this Bill for adoption by the House.

MR. DEPUTY-SPEAKER: Motion moved:

"That the Bill to provide for the abolition of the mining concessions in operation in the Union Territory of Goa, Daman and Diu and specified in the First and Second Schedules, and for the declaration of such mining concessions as mining leases under the Mines and Minerals (Regulation and Development) Act, 1957, with a view to the regulation of the mines to which such concessions relate and for the development of minerals under the control of the Union and for matters connected therewith or incidental thereto, be taken into consideration."

[Translation]

* SHRI C. SAMBU (Bapatla): Mr. Deputy Speaker, Sir, it is an ordinary Bill which seeks to abolish the mining concessions which are in operation in the Union Territory of Goa, Daman and Diu. With the introduction of this Bill all the legal controversies and litigations pending before the courts will come to an end. In fact this Bill should have been introduced a long ago. At least now it has been introduced in

the House and I am happy for that. Better late than never. After losing hundreds of crores of rupees through illegal mining, etc. at last the Govt. has realised that there is a need to introduce a Bill of this nature. On behalf of myself and my party, I express my unhappiness over the sorry state of affairs prevailing in mines.

With the introduction of this Bill, the Portuguese Mining Laws 1906 which are in operation in the Union Territory of Goa, Daman and Diu will come to an end and the Mines and Minerals (Regulation and Development) Act 1957 will henceforth be extended to that part of the country.

Sir, the introduction of this Bill in this House provides us an opportunity to discuss development of mines and minerals in the country. The progress of any nation depends on the number of industries it has. Industries, in turn, are dependent on the mineral wealth. The progress achieved depends on how best one could harness and utilise mineral wealth. Minerals are essential for the development of industries. Sir, countries like Japan, which are in the forefront of industrialisation import huge quantities of ores. Japan imports ores and in turn exports finished products. That country knows how best to utilise the mineral wealth. But, here in our country, we have abundant mineral wealth and yet we are not able to utilise them. No Government had shown any interest in tapping our mineral wealth. No concerted effort was made by any Govt. till this day to unearth vast mineral resources. It is a pity that we are still dependent on foreign technology in this field. We are spending huge foreign exchange for the import of this technology. For reverting the trend, it is necessary to develop our own technology in the exploitation of minerals.

Sir, it is a sad commentary on the performance of Mines and Mineral Department that we still continue to import coal even to this day. Large quantities of coaking coal is

[Shri C. Sambu]

being imported now. Even after 40 years of independence, we have failed miserably in exploiting our own minerals. Similarly, we are exporting iron ore to other countries and importing steel from other countries. We are losing valuable foreign exchange both by exporting iron ore cheaply and also by importing steel at a very heavy price. Had we completed Visakhapatnam Steel Plant in time, perhaps the country could have been saved from this unhappy position. The Govt. is not allocating sufficient money to erect and commission the Vizag Steel Plant in time. If we complete this project early, we can best utilise our iron ore and also the dependence on imported steel would cease. Not only we could have produced steel which is sufficient enough to meet our domestic requirements, but also we would have been in a position to export it. We could have conserved and earned a lot of foreign exchange. So atleast now, the Govt. should release sufficient amount to complete the project at an early date.

Sir, as I said earlier, there is a need to unearth the vast mineral resources that we have. We should have a definite policy for the purpose. The exploitation of these resources is the prime need of the hour. Various parties had been ruling the country so far. First it was Congress, then it was Janata and now once again it is Congress. Tomorrow Telugu Desam may come to power. It is immaterial who rules the country. It is the policies and programmes that are important. Country should be governed with the motto of progress of the nation and prosperity for all. Sir, my State of Andhra Pradesh is rich with mineral resources. No proper study was conducted so far. Hence the Geological Survey of India should undertake a thorough study of the State. It is said that Anantpur district has huge diamond deposits. The deposits should be found out and efforts to unearth them should be made. Mica is abundantly available in Rayalaseema. These mines should be identified and exploited. Sir, certain mica mines in the

State are still in the hands of some private contractors. The Govt. should take over them and save the workers. At present the workers who are working in the Mica mines are not getting adequate wages. The Govt. should see to it that these workers get atleast minimum wages. So I request the Govt to show proper attention to develop mica mines in Andhra Pradesh. Sir, there are gold mines in Chittoor and Anantpur districts. The ore extracted from these mines is at present being sent to Kolar for processing. It is quite improper to take the ore out of the State and process it in Karnataka. Rayalaseema is backward area and hence if the gold factory is established here it will go along way in providing employment to the poor people and doing justice to this backward region of the State. I request the Govt to set up a gold factory in Rayalaseema. I hope the Govt. would do so in near future. Sir, I once again welcome this Bill and hope that the Govt. would formulate and pursue a definite policy in identifying and exploiting various mineral deposits in the country and thus pave the way for speedy progress of the nation.

With these words, I thank you and conclude my speech.

[English]

SHRI SHANTARAM NAIK (Panaji) : Mr. Deputy Speaker Sir, the Goa, Daman and Diu Mining Concessions (Abolition and Declaration as Mining Leases) Bill 1987 is principally and basically a welcome one. In the sense that after the liberation of the union territory from the Portugese Yore, it is but natural that all the laws which are prevailing in the country should be extended to the territory. It is sometimes surprising and rather I would say it should not happen, that laws prevailing in this country should be extended after many many years.

Some time back in last year, I had asked a question in the Lok Sabha as to how many Portugese laws are in force in the territory at present. An answer was given to me that as many as 43 laws are still in force

in the Union Territory Goa, Daman and Diu. I am of the strong opinion that whatever Portuguese laws are in force in the territory must be replaced stage by stage and Indian laws should be enforced in the territory. Therefore, this Bill is also a welcome one in this light that our main Act dealing with mine has been extended to the territory.

As it is known sometimes in the beginning of the century, an attempt was made to find out the deposits of mineral ore by a French firm in Bicholin, a taluk of Goa, but the attempt did not result with much success. Subsequently, Sir L.L. Fermor of Geological Survey of India visited Goa in 1909 and tried to study the mineral deposits in Bicholin taluk and it also did not result with much success. During 1954-57, a German Geologist Dr. Oertel was engaged by the Portuguese Government and asked to prepare a geological map of the territory and he produced some results. But till the independence no substantial results were achieved. Whatever extraction of mineral ore which has been made in the last 20 years, it has given good results. So much so, the total mineral ore extracted in 1986-87 by the mine owners comes to worth Rs. 181 crores and canalised ore through MMTTC comes to worth Rs. 32 crores. So a substantial progress has been made with respect to our exports. This has been very useful in earning valuable foreign exchange.

When we became independent, some of us had a feeling the entire iron-ore that would be taken out, would be utilised in our own country. That was our sudden impression. But it did not happen. Even after 25 years we have not yet been able to use the entire ore.

I know that Satheji had gone to Goa some time ago and he made a specific mention of this in a function organised by the Goa Chambers of Commerce. Although Satheji is holding only an additional charge, co-incidentally the matter was started when he was holding the portfolio

and co-incidentally he is holding the portfolio now at the time of introduction of this Bill. I hope, he will devote his valuable time in the implementation of this Bill.

I would like to highlight certain aspects. The concessions as were prevailing under the Portuguese law will now be declared as leases. I learn that the mine owners in Goa had also voluntarily approached the Goa Administration and they had given some sort of a formula under which they would give some declaration and automatically the concessions would be converted into leases. You may throw some light on it as to why this voluntary effort was not taken into consideration because ultimately we have to pass a legislation for the abolition or termination of concessions which has also given a semblance of nationalisation. When parties were coming voluntarily, why the Bill had to be brought? If the voluntary efforts were not effective, you may tell us so. But I have been told that these efforts were made.

Secondly, clause 4(1) says:

"Every mining concession specified in the First Schedule shall, on all from the appointed day, be deemed to have been abolished, and shall, with effect from that day, be deemed to be a mining lease granted under the Mines and Minerals Act, and the provisions of that Act shall, save as otherwise provided in this Act, apply to such mining lease."

If this is the case, then they stand abolished with effect from the appointed day i.e. 20th December, 1961. So, what will happen? The period of lease initially is of 20 years and their renewal starts from every 10 years. If 1961 is the appointed date, then in 1981 first such period will be expired. That means, they may have to renew second time in 1991. Is this the position or not? You may clarify on this.

As regards the renewals, the original

[Shri Shantaram Naik]

section 6 says:

"No person shall acquire in respect of any mineral or prescribed group of associated minerals—

(a) one or more prospecting licences covering a total area of more than 25 square kilometres; or

(b) one or more mining leases covering a total area of more than ten square kilometres."

Now, it is said that most of the mines in Goa exceed ten sq. kilometres. So, there is an apprehension in the minds of the mine-owners that at the time of renewal or declaration of leases, this problem may arise because most of the mines are of more than ten sq. kilometres. But there is a proviso there under section 6 which says: "Provided that if the Central Government is of the opinion that in the interest of the development of any mineral it is necessary so to do, it may, for reasons to be recorded in writing, acquire one or more prospecting licences or mining leases, covering an area in excess of the aforesaid total area." I would like to know whether the benefit of this proviso will be given to them.

17.41 hrs.

[SHRI N. VENKATA RATNAM *in the Chair*]

Secondly, with respect to this new legislation, we have also to consider that for increasing of export, etc., we are not basically concerned with the interests of the mine-owners as such, although their interests have to be protected. No doubt, but our exports have also to be protected. In that sense if these are converted into leases of ten years or of a shorter period, then it may create some sort of lack of faith in foreign buyers because earlier these people were holding concessions and now

these people are holding leases. So, what I would like to say is not that such concessions should not be cancelled but on the part of the Government, I think, some effort should be made to see that the faith of buyers is not shaken. In fact, I would even advise some sort of correspondence with them to the effect that these leases are having certain valid rights and they will not be just terminated offhand, or something like that, because ultimately the question is that they must buy our iron ore and continuously. Our exports should not hamper, our foreign exchange earnings should not be affected. That is the point. So, in that light, whatever assurances you can give to the foreign buyers, must be thought of.

Another aspect is section 12. I would like to take you to clause 12. It says: "In the event of there being a doubt or dispute as to the right of a person to receive the whole or any part of the amount referred to in section 6 or 7, the Commissioner shall refer the matter to the court for a decision, and shall make the disbursement in accordance with the decision of the court." If there is some doubt, the Commissioner will refer the matter to the court. Therefore, I would advise that the Government should be a party. It should not be left only to the two disputing mineowners to decide the fate of a mining lease or whatever it is. May be the Government has not to play an effective role in that but may be that there may come some questions whereby Government's interests may be affected. So, I think something has to be done there so that in this reference by the Commissioner to the court, the Government is made a party.

Earlier we had amended this Act in a very substantial manner and in that we had provided for section 4A—an additional section we had put. I am referring to the aspect of pollution. In the Union Territory of Goa, Daman and Diu, in my constituency specially, there are several mines and the mineral dust enters the houses of several villages like anything. The paddy fields get filled up and the farmers cannot cultivate paddy fields. Streams of water which

existed some years back have just vanished. This is the state of affairs with respect to pollution. And what is our case? In a sense, the Goa Administration or we ourselves, on the one hand, have to protect our export because it is our valuable foreign earning, and on the other hand, we have to look after the interests of the poor tenants, agriculturists and people whom this pollution is affecting. So we have to strike a balance, which becomes a very difficult job. But fortunately the Government has got an effective legislation. I do not think on the pollution there is any other effective clause than this. This very clause, clause 4A(1) says:

"Where the Central Government, after consultation with the State Government, is of opinion that it is expedient in the interests of regulation of mines and mineral development, preservation of natural environment, control of floods prevention of pollution, or to avoid danger to public health or communications or to ensure safety of buildings, monuments or other structures or for conservation of mineral resources or for maintaining the safety in the mines or for such other purposes, as the Central Government to make a premature termination of a prospecting licence or mining lease in respect of any mineral other than a minor mineral in any area or part thereof..."

I do not say that mining leases should be prematurely terminated. But it is the Section which has been enacted specially to control pollution which must be used where somebody is defying it, where somebody is not taking any steps to prevent pollution because the law is there very clearly. Therefore, Sir, taking advantage of this present Bill I am putting forth before

you that while we protect our exports, while we protect the interests of the mine-owners, as far as future payments, concessions etc. are concerned, we have to help them, as I said we have to see that the faith of foreign buyers is not shaken, we have to go all the way to see that their interests are protected, at the same time we have to invoke this Section to see that the pollution which is caused on account of mines does not affect the life of the tenants and poor and average persons. Thank you.

*SHRI SATYAGOPAL MISRA (Tamil): Mr. Chairman, Sir, I support this Goa, Daman and Diu Mining Concessions (Abolition and Declaration as Mining Leases) Bill, 1987 in a general manner. While supporting this Bill, I would like to say a few things on it. Since 1906 the mines in Goa, Daman and Diu has been working according to the Portugese Mining laws, 1906. In 1961 when Goa was liberated and formed a part of the Indian Union, a need was felt to extend our Mines and Minerals (Regulation and Development) Act, 1957 to those areas also. Accordingly this Act was made applicable there in 1963. But initially Section 16 of the Act was not enforced in that territory. Here I want to put a clear question that why was this section not enforced at that time? What was the difficulty or hindrance in applying this Section 16 of the Act in Goa in 1963? It will be better if the hon. Minister explains this to the House. However, this Section 16 was extended to Goa, Daman and Diu in 1966 for working the mines there. Thereafter the mine-owners approached the Bombay High Court and got a verdict in their favour. That has necessitated the present Bill.

Sir, I fully support this Bill but would like to raise one more question. Why did it take so long to bring forward this Bill? The verdict of the Bombay High Court was given in 1983. Why did it take three and a half years to bring forth this Bill in this House for its approval. What is the reason for this long delay. My previous speaker was saying that it should be left to the voluntary will

* The speech was originally delivered in Bengali.

[Shri Satyagopal Misra]

of the mine owners of Goa. They wanted to abolish the concession system and to go over to the lease system, voluntarily. This is what my previous speaker said. I strongly object to that. I do not think that such an important and serious thing should be left in the hands of the mine owners. Therefore I record my strong support to this Bill brought forward by the hon. Minister for the working of the mines in Goa.

Now in this context some other issues naturally arise. Sir, Goa, has abundant deposits of iron ore and manganese and nearly 600 mine owners are active there. Why is the Govt. not thinking of nationalising these mines? There the export business is being looked after by the MMTC which is a Central Govt. organisation. But the MMTC is playing the role of only a middleman there in a general way. Therefore I feel that it would have been better if the mines in Goa were fully nationalised and all the mineral wealth could be utilised properly for the interest of the nation. I hope that the Govt. will take the next step in this direction.

It is necessary to create the right infrastructure for proper working and utilisation of the mines in Goa. For this purpose it is imperative that Goa must be connected by the broad gauge railway line. If Goa is connected by the broad gauge railway system, then it will be possible to transport the mineral wealth of Goa to other parts of the country. This will at the same time help to develop tourism also in Goa which is another wealth of Goa. Therefore, there is urgent need of connecting Goa by broad gauge railway lines, in the interest of the country as a whole. Without prolonging my speech I once again extend my support to this Bill and I hope that the Govt. will bring forth another Bill in the near future for the nationalisation of the mines in Goa. With that Sir, I conclude my speech.

[English]

DR. DATTA SAMANT (Bombay South Central) : Sir, the hon. Minister of Steel and

Mines has moved this Bill and I would like to ask some pertinent questions addressed to him. When Goa was merged with India 25 years back, these mineral ores were exported and still was made and brought back into India. It is just near my native place. I visited that place often. All these minerals are the biggest hidden income and God has given it. It does not belong to any individuals but to the whole nation. But you will be surprised to know that only four or five families—Salgaogar, Dempo, Dinglo, Chowgule—are controlling it. All these small leaseholders which you have mentioned in the Schedule are only for name sake. They give land to these people. Today only four or five people are draining this wealth, exporting it to other countries and earn crores of rupees. I would like to say in this House that their income, their revenue is more than that of the Goa Territory. You can just make enquiries. With more than Rs. 200 crores to Rs. 250 crores worth of ores, they have changed the geography of Goa. If you go 200 feet or 300 feet below, you will find, as Mr. Shantaram Naikhas said, iron ore is washed and there will be drainage, water running. Nobody is bothered. There is also pollution but nobody is bothered. It is because all the villagers are working there. Almost 50% of the population in Goa is working in the mines. So, these mine owners are the kings of this country. Though you have eradicated the foreign kingdom 25 years back these kings are still continuing in Goa. They control almost all the industries in Goa. They control 50% of hotels in Goa. What are they not controlling? They are controlling everything including your Government. You will say, you are having the Chief Minister. But they are controlling everything including 90% of the Press in Goa. When workers wanted me to come and I proposed to go there, these owners said, "No, Datta Samant should not come". The Government also said the same thing. All the workers came to me with their grievances. They are forced to work for 12 hours. No factory in the country has this type of system. In the big kingdom, apart from creating pollution, the workers are neglected so much. Though 50% of the

population of Goa is working there, it is helpless. This is the serious situation. I will request the hon. Minister, Shri Sathe to come and see what is happening to these workers in Goa and how the whole wealth of Goa is being drained. Now I do not think there is something more left for this. Why the Government is sleeping for 25 years? I do not know. The Government has kept mum because private interests will be hampered otherwise. The Commissioner has passed the M.M. Act in 1957. Some difficulties have come. In 1972, they went to the High Court. In 1982, the High Court decision has come. What the Government is doing for these 25 years? The decision of the High Court has come even in 1983. What are you doing for five years? Four months back, I had been to Goa. All these minerals are drained. There is no scope left there. I ask this Government, what is the average, quantity-wise, tonne-wise and money-wise, the minerals drained from the State for the last 25 years? I want this figure. My friend has said that it is about Rs. 212 crores. But more than that, every year you are giving Rs. 25 crores. Even during the Seventh Plan, you are giving Goa Rs. 20 crores. More than that money, these people have drained your assistance to Goa. Such type of robbing of this economy is going on in this country and the Government is not doing anything. So, I want the figures. You are doing something good at the fag-end and you say "All right. It is done." I do not want this. How much money is drained by the owners of these mines? How much revenue have they paid to State Government so far? It is not nominal. They have given concession. I think it is good. But I want to know if one tonne of this ore is drained, what is going to your lease rent? It is in the national interest. We want it. I do not want casual discussion here. Hundreds of tonnes of ore is drained by these people to outside. What is your lease rent that is going to be put to these people? It is very important. It is national wealth. This wealth does not belong to these people. 3/4th of it is literally so far going on. Government should collect heavy duty. There should be some calculation. All your officers, including your

Secretary to the Government, are working under these people. I have got this experience. They will call the Minister and they will issue instructions there. I have very bitter experience. Goa people are simple people. They go on adjusting with such economy is run by such people and, therefore, the lease rent must be fixed. What minerals are they extracting should be considered. I ask a question. What about Rs. 25 crores material? As per my knowledge, it is drained by 4-5 people of this country, at the cost of literally giving trouble to workers. There is pollution in Goa. There is water pollution, air pollution and dust pollution in Goa. You go and see Goa, a small State. This is the major industry. Everything has drained there. It is because poor people are working there. The Government is working under them. They are ruling your Goa. Not you. Therefore, I am asking the Government, instead of giving this hidden wealth of the country which is there, why are you giving to lease? Don't give it. You take it out. This will be not like textile or jute. But this is a big wealth on which Government can process and start a steel plant nearby that area. But don't allow this wealth to be drained by exports. Where is the money going? The export money goes to these five families. All other people are not doing well. They have given this land to these big bosses on nominal rent. I do not agree to give the lease and all these things. But all this area which is having big steel potential, if the Government makes research, this is going to be a big unit of iron-ore, which will help the steel plant. All this area should be taken over by the Government. It belongs to you. At no cost it should be given to these people who have literally minted the money in crores and the whole economy of the country and of Goa is ruined. You nationalise all this land. That is my demand. There is steel here which can be easily exported. If you go to Goa, you will find that Goa is mainly meant for mining only, 90% of it. Therefore, you must nationalise. We do not want giving ores on rental basis or on longer lease basis. It is not going to work. All these things should be implemented and, therefore, on the floor of the House I again

[Dr. Datta Samant]

demand, do not have this lease and have this nationalisation and have this work done by the Government.

[Translation]

*SHRI ANADI CHARAN DAS (Jajpur). Mr. Chairman, Sir, the Goa, Daman and Diu Mining Concessions (Abolition and Declaration as Mining leases) Bill, 1987 is being discussed in the House. I rise to support the Bill wholeheartedly. This Bill should have been brought forwarded before the House much earlier. I do not find any justification to bring it so late. Though late, it is a very useful Bill and as such I welcome it.

Sir, the Govt. wanted to give the mines on lease to the concession holders. This was not accepted by the Concession holders. So, they challenged the decision of the Controller of Mines in Bombay High Court. The Bombay High Court gave the verdict in favour of the concession holders perhaps and for this reason the Govt had to bring forward this legislation before the House. Goa is a part and parcel of India. So the mine owners in Goa are bound to pay royalty, cess etc. as it is applicable to other mine owners in the different States. In this context, I would like to know from the Govt. why this difficulty is arising now? Why this act was not made applicable in 1957 or when Goa became a part of India. The existing Indian laws should have been extended to Goa at that time. It was a lapse on the part of the Govt. at that time. However, I am glad that the present Govt has realised the difficulties and have come forward with this piece of legislation. So, I congratulate the Govt. Sir, the list of the concession holders has been given in the First Schedule of the Bill. I find that there are as many 591 concession holders. These mine owners have been exploiting the poor mine workers since long. They have amassed huge amount of money by way of profit earned from the mines. They were not paying revenue either to the

Union Territory Administration of Goa, Daman & Diu or to the Govt. of India.

PROF. N.G. RANGA: Mr Chairman, Sir, how long we are going to sit?

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SHEILA DIKSHIT): Mr. Chairman, Sir, I have to make a request. I think we should sit for another 15 minutes, so that we can pass this Bill.

MR. CHAIRMAN: I leave it to the House, shall we extend it to another 15 to 20 minutes.

SHRI ANADI CHARAN DAS: Therefore, I would like to give some suggestions and conclude my speech, because the time at my disposal is very short. The Minister has to reply and the Bill has to be passed. In my opinion the compensation that you are going to give to the 591 mine owners should not be given. When they have earned so much profit where is the need to pay them any further compensation? They should not be given those mines on lease.

Secondly, I would like to request the Govt. to make a list of all the mines located at different parts of the country including Goa, Daman & Diu. Then you nationalise all the mines. No mines should be owned or given on lease to any individual or private company. Rather I would like to suggest to Govt to give those mines on lease to the workers who have been working in those mines since long. You can form a society of the workers and allow them to actively participate in the management of those mines. If you do so the poor mine workers will be benefited. All the suggestions given by me should be incorporated in the Bill. You have decided to pay Rs. 6055, 615 to the concession holders as compensation. We have amended the Constitution for not paying compensation. Then why are you going to give this huge amount of compensation? They are not poor people. They are well to do. If at all

* The speech was originally delivered in Oriya.

you are paying compensation you should not give at a time. You should pay the compensation phase by phase I mean by instalment. The mine owners who have been earning profit are capitalists. Therefore, provision should have been made in the Bill not to grant mining lease to those mine owners. It is regrettable that these provisions have not been made in this Bill. Therefore I hope that Govt. will be very cautious in future and no such benefit should be given to the capitalists who have already enjoyed a lot of benefits. I sincerely hope that the Govt will come with a more comprehensive Bill to provide benefit to the poor mine workers who have been exploited by the concession holders since long. The Govt should protect the interests of the workers so that they can be united in future. The only socialism will be established in the country. Otherwise the capitalists will cause further loss to the poor workers as well as to the nation.

Though late, the Govt have brought forward this Bill. Therefore I thank the hon. Minister and conclude my speech.

18.00 hrs.

[English]

THE MINISTER OF ENERGY AND MINISTER OF STEEL AND MINES (SHRI VASANT SATHE): Sir, I am thankful to the hon. Members for their very valuable suggestions. This Bill actually is meant for the simple purpose of converting the so-called concessions which were interpreted by the High Court as not amendable or modifiable. So, we bring them on par with the law in the other parts of the country. The question of nationalisation etc. can be considered separately. I am not closing the issue because I have visited Goa. When I had, earlier, been put in charge of this Department, the first thing I did was to visit Goa, and I have seen all this mining. I had even very strongly expressed my views there in Goa itself, as Shri Naik has mentioned. It is my honest view that our rich mineral resources, instead of being exported as

such, should be converted into value-added products. For example, iron ore should be converted into steel and steel into some steel goods. If you want to export at all and earn, you must export the end products on which value-added earning can be done. May I tell you, our country is endowed with one of the best iron ores in the world with very high Fe. content, particularly in Goa and also in other parts. For example, two tonnes of iron ore are equivalent, when converted, to one tonne of steel. Two tonnes of iron ore today, on an average, would earn as about Rs. 150, that is, Rs. 75 per tonne. Rs. 200 crores of export that we are earning from Goa is on this basis. Just imagine what would be the position if this iron ore was converted into steel. Suppose you do not want to use the steel. Of course, it is a tragedy that the per capita consumption of steel in this country is 16 kg as against 400 kg, 500 kg and 600 kg of the developed world. And I may, through you, Sir, point out to my friend, Mr. Basudeb Acharia, that for 80 per cent of our population it is only 3 kg—this is per capita, per annum. What industrialisation are you talking of...

AN HON. MEMBER: And we are exporting iron ore.

SHRI VASANT SATHE: We are exporting iron ore. This is my auguish. We should have been converting our iron ore into steel...

SHRI C. MADHAV REDDI (Adilabad): You are going slightly off the track.

SHRI VASANT SATHE: I am not going off the track. This aspect was referred to by Mr. Naik. I am referring to that because I am in agreement with this feeling. Some day this House—may not be today, if you do not like it—will have to consider why we have failed or why we are failing to convert our rich natural resources into finished products, more value-added products. That is because in a populist way—to which probably Dr. Datta Samant and myself may have contributed to some

[Shri Vasant Sathe]

extent—we decided to make the production or conversion of iron ore or raw material into finished products costlier than even the international market. How is it that we could not sell steel at Rs. 8,000 a tonne or Rs. 7,000 a tonne? I would like to know from Dr. Datta Samant or Mr. Basudeb Acharia or Mr. Madhav Reddi or my other friends which class of Indian society can buy steel...

SHRI BASUDEB ACHARIA: Reduce the cost of production.

SHRI VASANT SATHE: How to do that is the question that we must consider, how to make efficient production. I want workers' participation. All I am saying is, this cannot be done unless you have a total, new participatory work culture and real participation, not in name but in effect. But as Mr. Madhav Reddi says, it is going a little off the track, but I have said because it was mentioned. This is true. But as far as today's Bill is concerned the simple purpose is that we want to make them these concessions on par. I am really thankful to the Hon. Members for their valuable suggestions. Before I would sit down, I would like to point out that there are certain just technical errors in the First Schedule and I am moving the amendments. I have tabled these amendments to the First Schedule.

DR. DATTA SAMANT: What will be for royalty?

SHRI VASANT SATHE: We will collect it retrospectively.

SHRI C. MADHAV REDDI: Mr. Chairman, can I ask a very simple question? Now, the Government has decided to make Goa a State and we are going to pass a Bill tomorrow or day after. What was the hurry to bring the Bill at this stage when, as you know, the State has got the right to

levy the Mineral Rights Tax also? You could have waited another week.

SHRI VASANT SATHE: It is not a conflict. Even when Goa, becomes a State, they can always levy under that Act. All the same, this is a Central Act and under the mineral rights unless we bring it on par and send it to Goa, they would not have been able to act even under that. Therefore, there is no confusion.

MR. CHAIRMAN: The question is:

"That the Bill to provide for the abolition of the mining concessions in operation in the Union Territory of Goa, Daman and Diu and specified in the First and Second Schedules, and for the declaration of such mining concessions as mining leases under the Mines and Minerals (Regulation and Development) Act 1957, with a view to the regulation of the mines to which such concessions relate and for the development of minerals under the control of the Union and for matters connected therewith or incidental thereto, be taken into consideration."

The motion was adopted

MR. CHAIRMAN: Now we take up Clause by Clause consideration of the Bill. There are no amendments to Clause 2 to 22. The question is:

"That Clauses 2 to 22 stand part of the Bill."

The Motion was adopted.

Clauses 2 to 22 were added to the Bill,

First Schedule

Amendments made

Page 10, line 35, in column 8—
for "10,000" substitute "10,100"(1)

Page 10, line 37, in column 8—
for "9,100" substitute "9,900" (2)

Page 31, line 25, in column 8,—
for "3,300" substitute "3,200" (3)

(Shri Vasant Sathe)

MR. CHAIRMAN: The question is.

"That First Schedule, as
amended, stand part of the Bill "

The motion was adopted.

*First Schedule, as amended, was added
to the Bill.*

Second Schedule was added to the Bill.

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

SHRI VASANT SATHE. I beg to move:

"That the Bill, as amended, be
passed."

MR. CHAIRMAN: The question is.

"That the Bill, as amended, be
passed "

The motion was adopted.

MR. CHAIRMAN: The House now stand
adjourned to re-assemble tomorrow at
11 a.m.

18.14 hrs.

*The Lok Sabha then adjourned till
Eleven of the Clock on Thursday, May 7,
1987/Vaisakha 17, 1909 (Saka)*