

when he says that discussions are going on, what the House is concerned with is we would like to know how soon they are going to come to decision so that this condition of production of steel does not continue in this way and after ten months we find ourselves in a further mess. It has been a pretty long time. I would like to know what steps the Minister is himself taking to see that the discussions are concluded at the earliest possible time and a decision is taken to bring the Bharat Coking Coal under the Ministry of Steel and Mines.

SHRI BIJU PATNAIK: The observation made by the hon. lady Member is noted as indeed the observation made by Mr. Pai, and this will be taken into consideration within the scope of our consultations.

Kudremukh Iron Ore Project

*437. **SHRIMATI PARVATHI KRISHNAN:** Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Government's attention has been drawn to the news item appearing in the 'Business Standard' dated 27 February, 1978 under the heading "Kudremukh Ore deal with Iran, India may incur big loss"; and

(b) if so, the details and Government's reaction thereto?

THE MINISTER OF STEEL AND MINES (SHRI BIJU PATNAIK): (a) Yes, Sir.

(b) Government are of the view that the apprehensions expressed in the news item are based on hypothetical considerations.

SHRIMATI PARVATHI KRISHNAN: I would like to point out that the article referred to in the question is of a serious nature but the answer is of a flippant nature. After all, when an article is there in the Press drawing attention to certain financial commitments and the possibility that these commitments may go against the

interests of the country—and in a prestigious project like the Kudremukh Iron-ore project—I would have expected the Minister to spell out what exactly makes it hypothetical and what is erroneous in the article. Therefore, I would like to know what safeguards are there to see that if the prices of the international market—which, you calculate, are not going up—do go up, the charges for the first 15 million tons will be safeguarded and do not rise beyond what the Minister thinks is hypothetical.

SHRI BIJU PATNAIK: The hon. Member knows it quite well that there are two parts of the contract. One is for the first 15 million and the balance is for the next 135 million, over a period of years. The first 15 million would be based on the total investments. If the investments go up, the Iranian Government accepts the going up of investments due to escalation and higher prices would be given proportionately. There is a formula attached to it. Therefore, there would be no loss on that account on the basis of the higher investment than originally envisaged.

Regarding other things, there is a 4 1/2 per cent increase which the hon. Member knows very well, every year on the basis of the world market prices. The world market prices can fluctuate up and down but this price will remain steady. The hon. Member is only thinking of the world market prices going up. Just now the world market prices have crashed, but because of this huge investment, this will give a basic return and, at the same time, will take care of the increase of costs, unrelated to the fluctuation in the world market, because this is a long-term 20 years' agreement.

SHRIMATI PARVATHI KRISHNAN: The other question I would like to ask is this. One of the reasons that have been pointed out in this particular article is that prices have been expressed in dollars. I would

like to know whether there is any protection clause in the agreement against currency fluctuation because, otherwise, we may stand to lose unless such a protection is also there. Why should it be linked only to the dollar prices without protection?

SHRI BIJU PATNAIK: The hon. Member also knows very well that the currencies are fluctuating all over the world. When this agreement was signed, one dollar was equal to Rs. 7.50 np. Later on it went up to Rs. 8.90. So, it went up even to Rs. 9 but now it has come down to slightly over Rs. 8/-. But the Hon. Lady Member, I am sure, desires or hopes (I hope that will not happen) that the dollar becomes Re. 1/-. If such a thing ever happens then, certainly, there is a case for reconsideration of the whole thing.

SHRI JANARDHANA POOJARY: The administrative office of this project is situated in Bangalore whereas this project is situated at Chikmagalur and Mangalore. The officers go from Bangalore or Mangalore almost daily; they fly and thus add to the losses of this project. Are the Government going to set up the administrative office in Mangalore itself?

MR. SPEAKER: That does not arise.

SHRI JANARDHANA POOJARY: It arises because of the unnecessary expenditure. From the administrative point of view also, it would be desirable to set up this office at Mangalore.

SHRI BIJU PATNAIK: The hon. Member should know that my officers at Kudremukh have not developed wings that they would fly from Kudremukh to Mangalore over the unsurpassable mountains. As the hon. Member knows it very well, a large highway is being built; it is just getting ready. As soon as it is ready, I have no doubt, that Mangalore would be a more suitable place for this purpose than Bangalore.

SHRI D. B. CHANDRE GOWDA: It is not only one of the prestigious project, but it is a time-bound project

also. Earlier when the agreement was entered into between Iran and India, a penalty clause stipulated that for non-commitment on the part of India, a demurrage of Rs. 20/- per tonne would be levied. May I know from the hon. Minister, if a similar clause in the agreement has been included in case they failed to fulfil their part of the agreement?

SHRI BIJU PATNAIK: The hon. Member should know that the Iran Government are the investors. The people who invest 600 million dollars are not going to waste it by not taking it.

SHRI D. B. CHANDRE GOWDA: What is the safeguard if something happens?

SHRI BIJU PATNAIK: 600 million dollars.

SHRI D. B. CHANDRE GOWDA: If India does not give the iron ore by September 1, 1980, the demurrage is Rs. 20/- per tonne.

MR. SPEAKER: They have already invested money in advance therefore, any safeguards may not be necessary. They would lose the money.

SHRI A. C. GEORGE: In view of the statement made by the hon. Minister regarding the clauses on the price of the product of the slurry which ultimately would be shipped to Iran, and in view of the fact that there was fluctuation in the international market, may I know from the hon. Minister, whether he has conceived of any particular formula regarding the price structure in the sense whether product-price will be linked according to the capital investment or the international prices?

SHRI BIJU PATNAIK: The prices are linked, as the hon. Member knows very well, the capital invested, interest charges, if any, the running cost plus the profit which would be calculated after paying the taxes for return of the capital in terms of goods. That

formula is the well-established formula and the formula has been well-conceived and this Government finds nothing wrong with this formula.

Nomination of Employees Representative in Central Board of Trustee of E.P.F. Organisation

*438. SHRI MANOHAR LAL: Will the Minister of PARLIAMENTARY AFFAIRS AND LABOUR be pleased to state:

(a) whether Government have any proposal to nominate employees' representatives in the Central Board of Trustees of Employees' Provident Fund Organisation; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR AND PARLIAMENTARY AFFAIRS (DR. RAM KIRPAL SINHA): (a) and (b). Section 5A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 prescribes what the composition of the Board of Trustees would be. Six persons representing employees in the establishments to which the Scheme applies are accordingly members of the Board

श्री मनोहर लाल : अध्यक्ष जी, माननीय मंत्री जी के उत्तर से संबंधित । जैसा मंत्री जी ने बताया है कि सेक्शन 5 (ए) के मताबिक 6 प्रतिनिधियों को प्रतिनिधित्व देने का प्रावधान है । मैं जानना चाहता हूँ कि क्या यह सच है कि जो 6 प्रतिनिधि हैं वह कब नियुक्त किये गये थे बोर्ड आफ ट्रस्टीज में और उनके नाम क्या है, वह कब में कार्य कर रहे हैं और उन प्रतिनिधियों को प्रतिनिधित्व देने का आधार क्या है ?

डा० राम कृपाल सिंह : अध्यक्ष महोदय, इस विधयक के अनुसार जो सभी ऐम्प्लाइज सम्बन्धी हैं होने हैं प्रोविडेंट फंड के उन के जो रिप्रेजेन्टेटिव हैं उनका प्रतिनिधित्व होता है । सभी जो लोग हैं, उस समिति का गठन

16 दिसम्बर, 1975 को हुआ था । और इसके अनुसार जो रिप्रेजेन्टेटिव हैं

representatives of employees appointed by the Central Government in consultation with the organization of employees,

वह हैं :

1. श्री प्रद्युम्न सिंह, टैकमटाडल मजदूर एकता यूनियन,
2. श्री दिवाकर, प्रेमीडेंट मध्य प्रदेश ट्रेड यूनियन कांग्रेस,
3. श्री विमल मेहरोत्रा, वाइस-प्रेसीडेंट, हिन्दू मजदूर ममा,
4. श्री मिलिन्द कुमार गांगुली, जनरल सेक्रेटरी, इन्डक, बंगाल ।
5. श्री बी० आर० होशिंगम, जनरल सेक्रेटरी, राष्ट्रीय मिल मजदूर संघ,
6. श्री जी० संजीव रेड्डी, प्रेसीडेंट इंडियन नेशनल ट्रेड यूनियन कांग्रेस, आन्ध्र प्रदेश ।

श्री मनोहर लाल : अध्यक्ष महोदय, हमने यह पूछा था कि इन लोगों को प्रतिनिधित्व देने का आधार क्या है ?

डा० राम कृपाल सिंह : जिनका भी ट्रेड यूनियन्स का वेरीफिकेशन हुआ था मेम्बरम का 1968 में on the basis of the strength of the different trade unions at that time.

उनको रिप्रेजेंटेशन दिया गया ।

श्री मनोहर लाल : जैसा कि मंत्री जी ने बताया कि विभिन्न संगठनों में उनके प्रतिनिधियों की संख्या के आधार पर ही उनको प्रतिनिधित्व दिया गया, हमारा कहना यह है कि यह गलत लोगों को प्रतिनिधित्व दिया गया ।