

Jamshedpur
04 September, 2013

The Chief Secretary,
Govt. of Jharkhand,
Ranchi.

Sub :- Need to revisit the Tata lease renewal agreement 2005.

Sir,

With regard to the subject above I am constrained to draw your kind attention towards following points -

1. Clause - 8 of the Tata lease renewal agreement contains sublease provision of the vacant lands at the initiation of the lessee. More than 5 dozen subleases have been granted to various individuals and institutions under this provision after Tata lease renewal in 2005.
2. The vacant lands as such were kept in schedule -5 of the original agreement of 1985 and details of which have been placed in the appendix - E of the lease renewal agreement in 2005. It has been specified in clause - 6 of the renewed lease agreement.
3. As per clause - 6 of the lease renewal agreement vacant lands placed in appendix - E are those lands which are not mentioned in clauses - 1, 2, 3, 4, 5, 9 and 10 of the agreement. But many of more than 60 subleases granted by the state Govt. after 2005 renewal of the agreement fall in the category of lands which find mention in clauses - 1,2,3,4 and 5 of the renewal agreement. It seems a deliberate violation of the agreement and how the responsible Govt. officials allowed it to happen is amazing.
4. Clause - 6 of the renewed agreement further says that "The vacant lands may be used by the lessee for production processes, providing civic amenities to the town and housing facilities to the employees of the lessee. However, the lessor will be entitled to hold enquiry as to the bonafides of such use and in case it is found that the use are not bonafide the lessor will be at liberty to resume such land." (see page 17&18 of the renewed agreement).

Though this provision of clause -6 of the lease agreement is not in consonance with the spirit of section - 7 D of the Bihar Land Reform Act it too has not been adhered to while making subleases after 2005 by the so called Appropriate Machinery Committee for the reason best known to them only.

7. The Appropriate Machinery itself is not constituted as per law. It does not have sanction of the Chief Minster or the

Cabinet. The then revenue minister himself decided that he was the supreme authority to constitute the committee and the notification of this effect was made by the revenue department of the Jharkhand Govt. to constitute the appropriate machinery committee in 2005.

5. Proviso of clause -6 of the lease agreement regarding lease land uses mentioned above and that one included in clause -8 for the sake of making subleases read together signal contradictory note. in this light those subleases granted as per provision in clause -8 but falling beyond the category of vacant land uses as specified in clause -6 of the agreement and before it included in section 7D(1) of the BLR Act are obviously illegal.

6. The Tata lease agreement is formulated according to the spirit of sections - 7D and 7E of the amended Bihar Land Reform Act inserted for this purpose only, Sub section 1 of the section - 7D says that remaining lands i.e. vacant lands may be deemed as leased to the lessor only for the production purposes and that to after an enquiry by the state Govt. I am quoting below the relevant portion of the section 7D(1) as a ready reference. It says :-

"So much of the remaining portion of such land and buildings and structures thereon as are found essential on enquiry by the state Govt. for production purposes of the industrial undertaking shall be deemed to have been leased out by the state Govt. to the owner of the industrial undertaking

Obviously the remaining land i.e. vacant land is meant to be used only for production purposes and not for any other purpose by the Tata steel in this respect. Hence blanket provision of sublease at the initiative of the lessee in clause -8 and that for housing and civic amenities as mentioned in clause -6 of the lease agreement is thus contrary to the letter and spirit of the BLR Act and are ultra virus. So more than 5 dozen subleases entered into between state Govt. and the Tata Steel after 2005 are thoroughly illegal and violative.

7. The file related to the renewal of the Tata lease agreement from 1995 to 2000 under the Bihar Govt. and thereafter from 2000 to the date of renewal of the agreement in 2005 by the Jharkhand Govt. runs into more than 1000 pages. It narrates the volumes of violations and irregularities on the part of the then TISCO between 1985 and 1995 with regard to lease land uses. The correspondences among the then Deputy Commissioners of Singhbhum/ East Singhbhum District, Commissioners of Chhotanagpur Division and Secretaries of Revenue and Land Reform Deptt. are revealing. Besides several notes of the concerned officials, Ministers/ Chief Ministers of both the

Bihar and the Jharkhand Govts. on the file dealing the matter in deep details are eye opener. The legal opinions of the advocate General on the file after 2000 are also telling and interesting.

In the light of the facts mentioned above it seems necessary and urgent to revisit the Tata Lease renewal agreement in the interest of the people and the state. The deficiencies in the agreement must be removed to prohibit the lessor as well as the lessee to take unlawful decisions in future. the irregularities made in past due to misinterpretation of the Relevant Act, Rules and agreements also need to be rectified and losses occurred to the state exchequer be compensated.

I request you to kindly look into the matter and do the needful in the interest of justice in this regard so that the lessor (state) as the prime owner of the land (clause 19 of the agreement) be duty bound to protect its valuable property and check the belligerent violations of the lease agreement by the lessee.

Regards,

Yours

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