

Daily Telegraph (Calcutta edition) of 30th August, 1982 under the caption "a reckless squandering of foreign exchange";

(b) if so, what is Government's reaction thereto;

(c) whether he has stated that over rupees two thousand crores have been squandered in importing non-essential items;

(d) if so, what are the non-essential items whose imports have been liberalised during the last two years till the end of September, 1982 and the details thereof; and

(e) whether any steps have been taken to ban or control the import of non-essential items?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) Import policy is formulated having regard to indigenous angle, the essentiality for import and other relevant considerations. In the present context of difficult balance of payments position, the import policy does not allow import of items which are non-essential to the economy which is ensured by the licensing authorities.

(c) No, Sir.

(d) Does not arise.

(e) Does not arise.

Mismanagement in the Bengal Potteries Limited, Calcutta

176. SHRI KALYAN ROY: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received a representation of 24th July, 1982 from a Member of Parliament regarding the mismanagement and financial indiscipline etc. in the Bengal Potteries Limited, Calcutta, which has been taken over by the I.R.C.I.;

(b) if so, what are the details thereof;

(c) whether Government have made any independent investigation into these allegations; if so, by whom and the results thereof;

(d) if not, what are the reasons therefor; and

(e) whether any further financial assistance has been made available to the Bengal Potteries Limited during the current year and if so, details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b) A letter dated 24.7.1982 was received by the Finance Minister from a Member of Parliament. Allegations of mismanagement and corruption have been levelled against the management of the company which has been taken over under the provisions of the Industries (Development and Regulation) Act, 1951. Allegations of lack of control by the Industrial Reconstruction Corporation of India Ltd. (IRCI), Calcutta which has been appointed as the 'authorised person' have also been levelled. A demand has been made for investigation by an outside team into the performance of the company and to examine the extent to which the IRCI was responsible for the state of affairs of the company.

(c) and (d) The factual position in regard to the allegations against the management of the company and IRCI is being ascertained by the Government and further course of action will be decided after the factual position is known.

(e) During the year 1982 (January—September), IRCI has disbursed Rs. 27.99 lakhs by way of term loans to M/s. Bengal Potteries Ltd.