

There is also another thing The woman by the age of 45 or 50 might not like to have further sex life but the man even if he is 55 or 58 continues to have the urge for sex. The result is if they are of the same age of 50 or 55, the woman refuses to allow the man

d thai family breaks up because that man goes to somebody else. There is always that danger. I have seen a number of families breaking up like that. These are not stories; I have known myself so many people who are above 55 and their wives also are 52, 53 or 55 years of age, almost of the same age; while the man's sex urge is not stopped the woman's sex urge is no more there. And the man goes after somebody else. You have not understood that in the case of marriages of unequal age there is a difference in their body formation and that difference is something gives a healthy sex life. Please realise that. If you do not understand this biological factor you are disrupting and breaking the families. I therefore request that we give up all these ideas of ill-conceived legislations which break up the families, which do not understand the sanctity of families, which only think of some social reforms of a very meaningless type. Is this social reform? Then why say widows can have unequal marriages? Now you say this legislation is only for Hindu marriages. Why this discrimination? Others can marry as they like. Why should two Hindus who want to marry not get married under the Hindu Marriage Act? If their ages differ by more than fifteen, their marriage as per this Bill is void. I am not going to have a civil marriage. As a Hindu I have got a right to marry somebody who is major. Who are you to stand in the way? Even that right, you want to take away? And then you want to say that I can have the marriage under the Civil Marriages Act. Why should I? I am a Hindu and I can marry a Hindu girl I like. Legis-

E that I should, not marry a girl below 18 or something like that. You have no business to interfere with the lives and loves of those who are adults and who want to get married. I would not like you to interfere. This will create unnecessary difficulties for the families. Already we have created sufficient difficulties by unnecessary legislations. Don't proceed too much in this. That is all that I have got to say.

[MR. DEPUTY CHMRMAN in the Chair.]

5 P.M.

**HALF-AN-HOUR DISCUSSION ON ,
POINTS ARISING OUT OF ANSWERS TO
STARRED QUESTION NO. 154 GIVEN IN
THE RAJYA SABHA ON THE 31ST MAY,
1971, REGARDING EXPATRIATION OF
PROFITS AND DIVIDENDS BY
COCACOLA FACTORY**

SHRI BHUPESH GUPTA (West Bengal) :
Sir, I wish to raise a discus-I sion on the operations of the Coca-Cola Export Corporation in India and j its collusion with some people in the Government resulting in a loss of ! foreign exchange to the national ex- chequer and plunder of our resources. I

Sir, you will remember that on December 14th last year the matter was raised through a Starred Question by ¹ Shri Khaitan on the other side and voice was raised against the excessive I replenishment licence of 20 per cent j which has been granted to the Coca-Cola Export Corporation, although the import content for the manufacture of I the concentrate by the Corporation was I only and is only 4 per cent. In this ' connection I should immediately tell the House that the Ministry of Industrial Development has, according to our information, on record a photostat copy of the letter from the Coca-Cola Corporation to its head office in America in which it is stated that it required only 4 per cent incentive to continue the business in India; however with the additional incentive which they can arrange from the Government they can j earn more profit or such incentive will be to their advantage.

Sir, it is a well established fact that the import content of the concentrate is of the order of 4 per cent. The then Minister, Shri M. R. Krishna, now no

I longer by the grace of Shrimati Indira Gandhi a Minister in that Department, I think, assure the House that the I matter would be looked into, and the matter was indeed looked into by the ; experts and other elements in the Ministry of Industrial Development and Internal Trade and DGTD, and they, after going into the question, technically and otherwise, recommended, that is to say, the Department concerned re-

i commended, the Department of the Ministry of Industrial Development if I may say so. recommended that the incentive now called replenishment licence should be reduced from 20 per cent to 5 per cent which is actually the

[Shri Bhupesh Gupta.] requirement. What happened since then is surprising. That recommendation was communicated to the Ministry of Foreign Trade I believe on the 3rd April. Then suddenly on the 30th April, 1971, the letter in which the recommendation was made to the Ministry of Foreign Trade was withdrawn. I should like to know why, having recommended that this incentive or replenishment licence should be reduced, suddenly it was withdrawn and the old arrangement of 20 per cent continued. I have before me the I nest document, what is called the Red Book, Import Trade Control Policy, and you will find in Vol. II it is said at page 20 that items required by eligible export houses for the manufacture of products falling in the broad groups handled by them will be considered on merits in consultation with the technical authorities concerned. When it was published on May 1, that is say when this went for print, the Government had not decided as to what should be done. They said that a decision with regard to this thing would be taken later. That was the decision.

SHRI KRISHAN KANT (Haryana): The Coca-Cola Corporation was not in red then but in green.

SHRI BHUPESH GUPTA : I find suddenly that it was withdrawn, and obviously something was in between, and the Minister also slated- -I think he made a broadcast on the 30th April, and we were given to understand that the policy in regard to this commodity will be announced later. But then, Sir, things went wild. The recommendation of the Government was made and withdrawn. Who withdrew it ? How it came to be withdrawn? Why was it withdrawn ? These are to be answered. And the withdrawal was made, of course, by the Ministry of Foreign Trade. But it was done at the instance of some other people. Who are they? At whose instance, we should like to know. Now, I shall come to that later.

So, the 20 per cent continues. I would submit to the House the following facts to show that the Coca-Cola Export Corporation is making huge profits illegally through the illegal use of the export incentive before the devaluation of 1966, after 1966 through the use of the excessive replenishment licence which is nothing but a fraud on the public and on the public exchequer in that 18 out of the 22 bottling plants

which have been franchised by the Coca-Cola Export Corporation are without any Government permission. Illegal expansion has taken place to the extent of 18 firms which are bottling now, all of which, of course, are Indian-owned, that big amounts are being remitted to America by the Coca Cola Export Corporation the bulk of which is illegal and for which there is no legal sanction ; that an India is a loser in foreign exchange contrary to what the I Deputy Minister Shri Oza said in this I House. He said, "In totality, the coun- try is not a loser in foreign exchange."

SHRI A. G. KULKARNI (Maharashtra) : How can he be Deputy Minister? He is Minister of State.

SHRI BHUPESH GUPTA : What i difference does it make whether he is Minister of State or not. All right, : Minister of State. And it is all the ! more reason why he should have made a responsible statement. Now, I submit that the country is a net loser and presently I will prove it. Therefore, there is a strong case of inquiry into the whole business. And finally, some | high-ups in the Government are patronising for years now the Coca Cola | Export Corporation for some special and mysterious reasons which are to be j found out in the public interest. I know, now some Ministers will be set. I will upset some of them. It is a long story.

The Coca Cola Export "Corporation is a branch American concern without any Indian participation in our country. It is a cent per cent American con-No bottling plant in India is owned *tiy* the Coca Cola Export Corporation. All the bottling plants, those which legally sanctioned and those which are illegally operating in the country with* i out sanction, had been franchised they are all Indian-owned. I do not see ; as to why the hon. Minister the other day made a distinction between the four which had been franchised and those which were not franchised. They are all bottling plants operating under the umbrella of the Coca Cola Export Corporation participating in loot and plunder and helping the America concern ! and repatriating our national resources .1 money abroad. At the time of granting of the licence, the Government of India gave permission to franchise only four bottling plants in out country, one each in Calcutta, Delhi, Kan- pur and Bombay. Now, with regard to

the other 18 which have come into operation, the} are through manoeuvre and collusion between Government people on the one hand and the Coca Cola Export Corporation on the other. They no basis for existence. They have been expanded without the sanction of law or authority. An investment of Rs. 6 lakhs was sanctioned in 1957 or 1958 when they were inviting the foreign concerns to our country, and that sanction was utilised for bringing machinery and so on. Actually, users' import licence was granted to the Coca Cola Export Corporation for the supply of concentrates, spares, etc., to the bottlers, and the annual value of the import licence at that time was Rs. 1 lakh only. From 1969 to 1970, the licence was given once in six months. That also we would like to know why that was done. The Coca Cola Export Corporation was shown special favour with an incentive licence, before devaluation, for export of the order of 20 per cent, was given though the policy of the Government was to give a maximum of 10 per cent, incentive on imported components. In this case the imported component as I have pointed out, was 4 per cent. Hence they were entitled to only 8 per cent, incentive, licence. But they were given 20 per cent.

After devaluation Sir, that incentive scheme was withdrawn and a new scheme was introduced called the Replenishment licence scheme. Now the Ministry of Industrial Development and Foreign Trade made certain changes in regard to quota etc. in the light of the modification of the arrangement following devaluation. But in the case of Coca Cola- the old 20 per cent, was maintained. No commodity in that category, even according to the import policy of the Government, gets more than 10 per cent. But that was done. Why a special exception was made remains to be explained. Excessive licences were given under the Replenishment scheme. How the imported raw materials for conversion into concentrates are utilised is now very well known. The sales of the concentrates of the Coca Cola Export Corporation of the Indian Bottling plants have been generating profits and these excessive imports have been utilised for the expansion of business by setting up new bottling plants in order to make illegal profits. *(Time-bell rings.)* Not yet fifteen minutes.

SHRI KRISHAN KANT : Mr. Chinai you can also take 15 minutes.

SHRI BABUBHAI M. CHINAI
(Manarashtra) : What about others ?

SHRI BHUPESH GUPTA : I am touching only points. Profits are then repatriated by the Coca-Cola Export Corporation. The Government of India policy in regard to the repatriation of profits by foreign plants applies only to the earnings against the sales of four plants which had been legally sanctioned and legally franchised. It does not apply to the remaining 18 bottling plants for which there is no sanction or permission and which, according to me, are illegal, a kind of manipulated arrangement in order to gain money and also pump money out of the country by the Americans. That is what I say.

Sir, the Corporation is costing the country Rs. 1.4 crores in foreign exchange after taking into account the export earnings. Sir, you will see from the statement that the hon'ble Minister has made that the remittances include profits, head office expenses and service charges etc. Sir, it is very interesting how he said that the gain is more. I cannot understand how it has been made. Between 1953 and 1969 the total remittances by the Coca Cola to the American Corporation was Rs. 2,40,47,000, almost Rs. 2½ crores. The total burden of foreign exchange in this period, because of all these facilities that we give, was Rs. 5,73,52,000. Therefore, Sir, we find that we are a loser in the matter of foreign exchange, not a net gainer as our Minister has tried to make out in this House. Sir, it is important to note under what heads monies are being sent. The import licence given to the Coca-Cola Export Corporation annually comes to Rs. 22,25,000. This is the loss in foreign exchange. Then incentives and replenishment by the Coca-Cola Export Corporation from 1958 till 1969 comes to Rs. 46,80,000. The total drain on foreign exchange comes, therefore, to Rs. 2,73,52,000. Sir, the Minister has conveniently ignored all the figures. The Coca-Cola Export Corporation has a reserve fund which exceeds Rs. 1 crore and is awaiting repatriation. The total burden of foreign exchange in respect of the Coca-Cola Export Corporation, therefore, comes to Rs. 3,73,00,000. The earning is Rs. 2,34,00,000. So, we are a net loser on that account by Rs. 1,39,52,000 to be exact. Therefore,

[Shri Bhupesh Gupta.] Sir, I charge the Minister with making a misleading and false statement before the House when he said that in totality the country is not a loser. I do maintain that the country is a loser in this matter.

Then, we find that in 1969 the remittance was Rs. 75 lakhs. Now it may be even Rs. 1 crore. It is very interesting to see how money is being made. Money is being made by the misuse or the illegal use of the import or replenishment licence with which they bring these export components and utilise them in this country for expansion and give this thing to the Indian bottling plants in order to share the loot with them. But much of the money goes out. Here I must point out for the hon. Members' information that the Head office expenses are going up while the profits are going down. In 1967, the profits declined by Rs. 4 lakhs. The Head Office expenses, however, increased from Rs. 5,68,000 to Rs. 15,78,000. In 1961, the total remittance was barely Rs. 4,58,000. In 1969, the remittances were Rs. 75,16,000 by the Coca-Cola Export Corporation. It is plunder, a grand loot, that is going on in the name of Coca-Cola business. Sir, this business would not have been possible in this manner but for the patronage the Government has been showering on the Coca-Cola Export Corporation all these years in violation of its own import policy or export policy, in violation of the licensing system, in violation of certain other Reserve Bank regulations with regard to repatriation of capital or reserves from our country. I say, these are very telling facts. I have given the facts; I will now give my conclusions. I hope my facts would not be challenged.

First of all, I charge the Government with collusion or some secret deal with the Coca-Cola concern, as the recommendation of the Department based on expert examination for the reduction of the replenishment quota from 20 per cent, to 4 per cent, was withdrawn suddenly. It has been forestalled. It is clear from the document I have referred to, the Red Book, that even before it appeared in print, it was done.

MR. DEPUTY CHAIRMAN : Your 15 minutes are over now.

SHRI BHUPESH GUPTA : It is said that a decision will be taken later. Now, Sir, I should also like to know

how the Reserve Bank sanctioned these remittances. I should like to know why the Government did not take any steps all these years since 1958. I am in possession of facts. Some important people from the beginning have been in touch with the management of the Coca-Cola concern and so they are being favoured and the Coca-Cola management is also favouring some people in the administration, in the Government. That is why they are making such profits in this manner and the Government has chosen to mislead the House. I demand a public inquiry into this whole matter. I do not know whether I should demand a CBI inquiry into this matter. But all the files should be brought out. May I make a submission here that, to begin with, the Prime Minister should call for all the papers from all the relevant Ministries and go into them and take us into confidence in this matter pending a proper inquiry by a competent authority which commands the confidence of Parliament? Meanwhile I demand that the quota should be reduced to 4 per cent., that these plants, these bottling plants, which are functioning illegally should be taken care of and steps should be taken against them. I demand that an embargo should be placed on all remittances by the Coca-Cola Export Corporation till the matter has been settled. The Reserve Bank should not allow a single paisa to be remitted to the United States of America unless we have considered the question. I demand a Vigilance Commission inquiry in the departmental area. I also demand the matter to be explained to Parliament fully and the facts should be brought to light. It is a case of collusion between some business elements, foreign business, and some people high up in the Government. The loser is the nation. We talk of foreign exchange. I have proved to you how we have lost Rs. 1½ crores over 10 to 12 years ever since the system of incentive and the later replenishment licence was introduced. This matter, therefore, deserves serious attention of Parliament. Two Ministers are sitting there. Let them tell us what the position is, which documents are in their possession. I pointed out to my friend, Mr. L. N. Mishra. He should also tell us how the order came to withdraw. Who is responsible for the withdrawal of the order? Who gave the instructions? Wherefrom did the pressure come? You say No. But it has to

be proved. Tell us, did you receive any recommendation from the Ministry of Industrial Development after an expert examination that the replenishment licence should be reduced to "4 per cent ? There is no 'No' now, My friend, Mr. Mishra, was moving his hand. Sir, I ask him through you : Mr. Mishra, can you deny that a communication was sent to you to your Ministry, that after an expert examination this replenishment licence should be reduced from 20 per cent to 4 per cent ? Can you deny that you received another communication withdrawing that recommendation from the same Ministry ? That would be enough. Coca-Cola may or may not be sweet...

MR. DEPUTY CHAIRMAN : That is enough, please .-sit down.

SHRI BHUPESH GUPTA : The secret of Coca-Cola concentrate you may not know. But the secret of this deal is known to us. It is not a hidden concentrate. It is a public scandal into which we must go and ask the guilty to answer the charges of malpractice, corruption and collusion, to the detriment of the nation and -national exchequer. Thank you.

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT औद्योगिक विकास मंत्री-
इल्य नें राज्य मंत्री (SHRI GHANSHYAM

OZA) : The other day while I was replying to the question I told the honourable Members that I shared their concern about the repatriation of profits made by this Corporation. If I had been allowed to proceed further, I am sure, many of the apprehensions of my honourable friends would have been allayed and perhaps this discussion would not have come up. But anyway, I welcome this discussion very much. And it is right and appropriate that all of us should be concerned about matters which are so important to our economy. But before I proceed to give my opinion on anything I would like to put some facts before the House so that the House may be in a proper position to appreciate what the issues involved are in this matter. As is very well known, this Coca-Cola first came to India in 1951. At that time four bottling plants, as the hon. Member rightly pointed out, were set up in various parts of the country. These four bottling plants were owned fully by Indian owned

companies. The Coca-Cola Corporation only supplied concentrates to these four bottling plants.

In 1957 the Coca-Cola Corporation ! came forward with a proposal that instead of importing concentrates from abroad, they may be allowed to manufacture the concentrates in this country itself. It was made very clear to them¹ that no foreign exchange will be released for setting up that plant for manufacturing concentrates. It was also made very clear to them that the foreign exchange that was available to them will not be enlarged in any way. Subsequent to that, without involving any drain on our foreign exchange position, this plant was set up in India.

I might make it very clear that this concentration plant which was set up in India was not governed by the Industries Development (Regulation) Act. These concentrates do not come under the Schedule and this plant is not regulated by the IDR Act {Interruptions.}. Be patient. I will explain everything to you. It was a foreign owned company which wanted to set up manufacturing plant in India. It involved repatriation of money and therefore permission was sought. But it was not sought under the IDR Act. It was not necessary for them to seek any licence for setting up this concentration plant. They have done it and no initiative was taken either to seek the licence. But what happened? They were told that the import will have to be pegged at certain level. Subsequently, under the export promotion scheme, they started exporting concentrates to some other parts of Asia and . Far East Asia. This started earning some foreign exchange and out of that I they started feeding the bottling plants¹ that were coming up. These do require licence because they are covered under the item 'beverage' They are owned, as I said the other day, by absolutely Indian owned companies. Coca-Cola Corporation does not come into the picture at all. Only thing is that Coca-Cola Corporation is feeding these Indian owned companies. . .

SHRI BHUPESH GUPTA : What are you saying. . .

{Interruptions}

SHRI GHANSHYAM OZA : They are purchasing concentrates. I was going to submit that these bottling plants may switch on to some other drinks,

[Shri Ghanshyam Oza.] not necessarily Coca-Cola. . . *(Interruptions.)* Please be posted with all the facts first. Then you may cast any aspersion that you may choose to do. These bottling plants can be switched on to any other drink, leave alone Coca-Cola. We have made it very clear while licences approval for these plants were given that we do not guarantee that they will be supplied with concentrates. It is not our worry. This condition is put in letters of intent and also in the licence that Government is not at all committed to providing them with any foreign exchange or supply of concentrates. . .

SHRI KRISHAN KANT : If they cannot import essence, how do they get it ? They get out of the exports?

SHRI GHANSHYAM OZA : These concentrates that are being supplied to the Indian bottlers are prepared out of the ingredients which are imported by this parent Corporation, namely, the Coca-Cola Corporation, which is running this factory of concentrates. It does not come under the IDR Act. They earn their foreign exchange through their exports. My friend said that there was illegal expansion and he used some other adjectives. The charge is not legitimate. These bottling plants—22 of them—need not necessarily be confined to bottling of Coca-Cola. They can be switched on to any other item. Sir, the only thing is that it is not only in this country but abroad also, that Coca-Cola has caught the fancy of the people.

SHRI ARJUN ARORA (Uttar Pradesh) : Because it contains opium. Sir, it is a habit-forming thing and it is harmful to the health of the people. This is something which the Minister ignores.

SHRI GHANSHYAM OZA : Sir, I am not ignoring. But, I cannot talk simultaneously on all the points. Sir, how can I talk simultaneously on all the points? Shri Alva has raised this point that it is injurious, that it contains opium, that it contains some intoxicants like opium.

SHRI JOACHIM ALVA (Nominated) : I raised it in 1950. . .

(Interruptions.)

SHRI GHANSHYAM OZA : Sir, we do not happen to be experts on this question. We referred the matter to

the Health Ministry and they said that it is not injurious.

SHRI BHUPESH GUPTA : Then I cancel the recommendation. The recommendation was made. You will draw the recommendation on the 30th April ? . .

(Interruptions.)

SHRI GHANSHYAM OZA : Sir, I am talking about milk and he is talking about cheese. . . *(Interruptions.)* • They said that it is not injurious. After I all, if it is shown to us, if it is proved to us, that it is injurious in any way, I then the Government is free to take appropriate steps. After all, the health of the nation is much more important to us also and it is also a worry to us. . .

(Interruptions.)

SHRI ARJUN ARORA : Sir, it is very strange that the Minister does not even know that in the United States the Coca-Cola Corporation advertised that the drink was non-habit-forming. The Food & Drugs Administration of the United States prosecuted them and a heavy fine was imposed on the Coca-Cola Corporation. Since then that the Coca-Cola Corporation in the United States does not advertise that it is a non-habit-forming thing. But, here, Sir, because some relation of some Minister or somebody is there. . .

(Interruptions.)

MR. DEPUTY CHAIRMAN : All right, Mr. Arora.

SHRI BHUPESH GUPTA : Sir, on a point of order. I have placed before the House certain facts. Either they should be accepted or modified. Sir, I do not want a general thing . . .

(Interruptions.)

MR. DEPUTY CHAIRMAN • Mr. Bhupesh Gupta, please sit down. Let there be no interruptions.

SHRI BHUPESH GUPTA : Sir, I have criticised up till now. He has not. . .

MR. DEPUTY CHAIRMAN : Please sit down, Mr. Bhupesh Gupta.

SHRI BHUPESH GUPTA : Sir, I have criticised up till now and he has not said whether the recommendation was withdrawn.

SHRI GHANSHYAM OZA: I am coming to that also. I know it is intriguing your mind. It is also relevant and I will reply to that. I was just requesting him to let me speak. An hon. Member pointed that Coca-Cola is habit-forming. After all it has been going on for years, not only in this country, in so many other countries also, and fortunately or unfortunately it is the rage and we know that people have taken a fancy for that.

SHRI ARJUN ARORA: Sir, opium is also the rage.

MR. DEPUTY CHAIRMAN : No interruptions, please.

श्री ना० कृ० शेजवलकर (मध्य प्रदेश) : मेरा निवेदन यह है कि अरोड़ा साहब वगैरह का नाम है, पहले मंत्री को सुन ले, बाद में सवाल कर लें ।

श्री अर्जुन अरोड़ा : बिलकुल गलत बातें कह रहे हैं, कैसे सुन लें ।

AN HON. MEMBER : He is a Gandhian and is trying to defend ...

SHRI BHUPESH GUPTA: Sir, the issue is, whether they are making money legally or illegally ... (*Interruptions*)

MR. DEPUTY CHAIRMAN : Please sit down, Mr. Bhupesh Gupta... Please sit down. Let there be no interruptions when the Minister is speaking. He has made certain points and the hon. Members who have intimated their names will be allowed to have clarifications.

SHRI GHANSHYAM OZA: Why bring in Gandhism into the picture ? Sir, why does he bring in the name of Gandhi in this ? I have stated the hard facts. Can he deny that? I do not subscribe to that view at all. Why should he get agitated over that ? I do not yield to anybody, much less to any Member on this side. (*Interruptions*)

Sir, I was submitting that because of these facts we must realise that after all, this bottling plant which the Government has licensed does not ... necessarily confine its activities to production of Coca-Cola. In course of time they can switch on to another drink in the same plant. The licence makes it abundantly clear that there is no commitment on the part of the Government. Now, Sir, coming to the point which my friend has raised. It is about import entitlement. Sir, when the plant was put up, as I said, there was a specific understanding that the import will be paid up to a certain amount only, and 8—6 RSS/7!

SHRI GHANSHYAM OZA: I am specific. Till last year they were drawing 20 per cent. This year we are examining the question. The question is already under examination'... (*Interruptions*)

SHRI BHUPESH GUPTA : Sir... (*Interruptions*)

MR. DEPUTY CHAIRMAN : Please sit down

SHRI BHUPESH GUPTA : I will not sit down. I want a specific answer : Was there any recommendation ? Is it not a fact that that recommendations ... (*Interruptions*) ... was withdrawn ...

(*Interruption >*)

i then if they want to step up their pro-duction they have to earn it through ex-' ports. Now, under the export promotion scheme, they were entitled to 20 per cent, and 20 per cent was given from 1963 onwards. They were drawing 20 per cent of what they exported, by way of import. This has been continuing till the last year. Now, there is a fresh look at the whole thing. My friend is right in saying that we are having a fresh look whether the Coca-Cola Corporation is entitled to 20 per cent or less. The Ministry with which I am concerned, that is the Ministry of Industrial Development, and also the Ministry of Foreign Trade, are closely looking into this matter. If, all of a sudden, we want to decrease it adversely to the interest of anybody, at least we have get to go into it thoroughly. Therefore, we are going into it very closely, and I promise my friend that nothing will be done which is out of the way.

SHRI BHUPESH GUPTA : Sir, you should protect Members. I think, Sir, it is the duty of the Chair to invite the attention of the Minister to the point...

j MR. DEPUTY CHAIRMAN : Which i point you are referring to ?

SHRI BHUPESH GUPTA: It has been looked into by the Ministry and other Departments concerned, and the DGTD recommended after looking into it—that there should be a reduction. Was it recommended or not? Was it not withdrawn ? These are the two specific questions.

SHRI GHANSHYAM OZA: I am specific. Till last year they were drawing 20 per cent. This year we are examining the question. The question is already under examination'...

SHRI BHUPESH GUPTA : Sir...

MR. DEPUTY CHAIRMAN : Please sit down

SHRI BHUPESH GUPTA : I will not sit down. I want a specific answer : Was there any recommendation ? Is it not a fact that that recommendations ... (*Interruptions*) ... was withdrawn ...

(*Interruption >*)

SHRI GHANSHYAM OZA : I repeat what I said. I have heard you several times. . . . (Interruptions) . . . After all, questions are being examined; opinions are being exchanged. It is under consideration...

MR. DEPUTY CHAIRMAN: The point is : Was it recommended or not ?

SHRI GHANSHYAM OZA: When the matter is under consideration, and ...

(Interruptions)

SHRI BHUPESH GUPTA: I asked whether there was any recommendation or not ? Was it...

SHRI GHANSHYAM OZA: So far a final decision has not been taken ...

(Interruptions)

SHRI BHUPESH GUPTA: Say 'yes' or 'no'... (Interruptions). Please tell us whether there was any recommendation, and whether it was withdrawn. . .

SHRI GHANSHYAM OZA : I have said several times. I said that...

SHRI ARIUN ARORA: Why are you concealing it?

SHRI GHANSHYAM OZA: Where is the question of concealing it when final order is not passed ...

SHRI BHUPESH GUPTA : I do not agree. I say that the final order was passed. I maintain ...

(Interruption*)

SHRI A. G. KULKARNI: Sir, on a point of order...

(Interruptions) . SHRI BHUPESH GUPTA : Have you ! from the Ministry of Industrial Development and the Ministry of Foreign Trade finally passed an order? I put it to the House that the final order was withdrawn I by the Ministry on a communication which reached from Mr Lalit Naiaian Mishra on the 30th of April.. .

MR. DEPUTY CHAIRMAN: Mr. Kulkarni, what is your point of order ?

SHRI A. G. KULKARNI : My point of order is that the hon. Member, Mr. I Gupta, was asking for a specific allegation, that is, on the 30th of April the Ministry of Industrial Development withdrew the original recommendation made that it should be reduced to 4 per cent. . .

AN HON. MEMBER : 4 • 6 per cent.

SHRI A. G. KULKARNI: Whatever it is. You have heard that the Minister is all along advising Mr. Gupta that he is considering. I can understand that. But here a matter of fact is involved, whether such a letter was received and whether it was withdrawn. He must confirm what is what. Sir, you must direct him; he cannot run away from this.

SHRI GHANSHYAM OZA: When a final order is not passed ...

MR. DEPUTY CHAIRMAN: No, no, they are only asking about that recommendation. You may say what you have got to say in reply to that. You may say the other things afterwards.

(Interruptions)

Order, order.

SHRI BHUPESH GUPTA : He must answer step by step.

(Interruptions)

MR. DEPUTY CHAIRMAN : Order please. What they want to know is whether that recommendations was made or not. They are not asking about the final decision.

(Interruptions)

SHRI GHANSHYAM OZA: Sir, I am completely in your hands. I will abide by your order but I may be allowed to submit that, after all, inter-departmental matters...

SHRI A. G. KULKARNI : What is 'inter-departmental' here ?

SHRI GHANSHYAM OZA: They are interrupting and they are not allowing me to proceed.

SHRI BHUPESH GUPTA: I have put a simple question.

(Interruptions)

MR. DEPUTY CHAIRMAN : Order, order, please.

SHRI BHUPESH GUPTA : Let him say yes or no to my question regarding the recommendation. Can he deny that thjit recommendation was made ?

MR. DEPUTY CHAIRMAN : Order, order, please.

SHRI BABUBHAI M. CHINAI : On a point of order. Sir. When the hon. Minister is giving his version of the case,

is it proper for hon. Members, for my friends Mr. Bhupesh Gupta and Mr. Kulkarni to go on interrupting and bullying the Minister who is giving the replies ? *(Interruptions)* I have not finished, Mr. Kulkarni. Now I am on my legs. You' will have your chance but not now.

MR. DEPUTY CHAIRMAN : Order, please.

SHRI BABUBHAI M. CHINAI: What I was submitting was this, Sir. You have permitted the hon. Minister to reply to the points Mr. Bhupesh Gupta has raised, and according to the best information and knowledge that the hon. Minister has, he is trying to reply. And now he should, be allowed to give his replies without interruptions.

SHRI ARJUN ARORA: No, no, Sir,...

(Interruptions)

SHRI BABUBHAI M. CHINAI: I won't yield like that. We have listened to Mr. Bhupesh Gupta for twenty minutes at least. Can't he listen to me for one minute ?

(Interruption)*

MR. DEPUTY CHAIRMAN: Order, please. Please sit down, Mr. Bhupesh Gupta.

SHRI BABUBHAI M. CHINAI: Now, Sir, the reply of the hon. Minister may not be convenient to the Members concerned, but that does not mean that they have got the monopoly to go on interrupting the Minister and not allow other Members to hear the replies coming from Government side. Now let the Government say whatever they want to say at one stretch without any interruption. I myself want to ask certain questions, and there may be other Members who want to ask questions. But what is the idea in interrupting and bullying the Minister like this ?

SHRI BHUPESH GUPTA: On a point of order, Sir. I take strong objection to what he has said. We are not bullying the Minister. We are only appealing to you to get a specific answer to a specific question. My friend, Mr. Babubhai Chinai, may not be interested in that specific answer but I am, and it is I who has raised a discussion on this subject.

SHRI BABUBHAI M. CHINAI: I am equally interested. I want to put questions also.

SHRI BHUPESH GUPTA: I am glad you are interested.

MR. DEPUTY CHAIRMAN : Every Member has got the right to put his questions.

SHRI BHUPESH GUPTA : Mr. Babubhai Chinai can certainly ask questions as I have done, and Mr. Chinai knows the elementary parliamentary connections between the Government and the Opposition. If I ask a question on facts, an answer can be given whether it is a fact or not instead of avoiding giving an answer. Now, if there is a recommendation and it is a matter of fact, then it should be admitted as a fact. If it is not a fact, then he can deny it and say that there is no such recommendation.

SHRI GHANSHYAM OZA : Sir, as I was submitting, the final order has not yet been passed. What they should be concerned with is the final order. Inter-departmental matters are going on all the time.

SHRI KRISHAN KANT: Here I object.

SHRI GHANSHYAM OZA : Let me have my full say now and let me finish. It seems they do not want to have the full facts.

SHRI KRISHAN KANT : On a point of order. Sir. The whole purpose of raising this question is to bring the cat out of the bag. We want to uncover the whole scandal of the so-called Coca-Cola Export Corporation, the whole story connected with it. Who permitted this 20% replenishment ? That was the first thing. The second thing was, what was the date on which the D.G.T.D. recommended that the replenishment should be 4.8% or, say, 5%.

On what date the file was sent to the Ministry of Foreign Trade ? How long was the file lying in the Ministry of Foreign Trade ? On what date the file was called back by the Industry Ministry and why was it called back ? An enquiry into the whole affair is called for and that is why the whole thing was raised. Unless the Minister gives these facts, the whole story will not be out and we are interested in that part and not in explanations.

MR. DEPUTY CHAIRMAN: The discussion in the House will influence the final decision of the Government.

SHRI ARJUN ARORA: On a point of order. Mr. Bhupesh Gupta asked a very specific and pointed question whether the recommendation was made, whether it was withdrawn. The Minister's reply is that it is a matter of interdepartmental correspondence which he is not prepared to disclose to the Parliament. In doing so, the Minister is ignoring the elementary principles of democratic Government and parliamentary procedure. If there is an information which he does not want to give in the interests of national security, we will not insist but in this case there has been exchange of correspondence, their existence is not denied but they say : 'No, it is a private love affair between two persons' and Mr. Oza does not want to make it public.

THE MINISTER OF FOREIGN TRADE & COMMERCE (SHRI L. N. MISHRA): It is not a love affair.

SHRI ARJUN ARORA : We are not interested in the love affairs of Mr. Mishra or Mr. Oza.

SHRI A. G. KULKARNI: Mr. Oza is a replenishment to Mr. Chaudhury.

THE MINISTER OF STATE IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS AND IN THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI OM MEHTA): We are not interested in Mr. Arora's love affairs and his neighbour's.

SHRI ARJUN ARORA : We are interested in the economy of this country. We are interested in the observance of correct procedures and normal standards. Therefore it is the responsibility of the Minister to reply to the specific and pointed question put by Mr. Bhupesh Gupta, a very able and senior parliamentarian to reveal things. You cannot escape by saying it is my private affair. It is not the private affair. It concerns the country's economy.

SHRI ARJUN ARORA : We are interested in the economy of this country. We are interested in the observance of correct procedures and normal standards. Therefore it is the responsibility of the Minister to reply to the specific and pointed question put by Mr. Bhupesh Gupta, a very able and senior parliamentarian to reveal things. You cannot escape by saying it is my private affair. It is not the private affair. It concerns the country's economy.

SHRI GHANSHYAM OZA : I never said that it is my private affair. You do not allow me to finish my reply. Sir, did I not submit to you that I am completely in your hands? I may be allowed to make a submission. Till now

they were drawing 20% replenishment. Now the matter is under consideration. Till last year they were drawing 20%. The question is ...

SHRI ARJUN ARORA : Even now ..

SHRI GHANSHYAM OZA: How can I reply ? They do not want to have the facts.

SHRI ARJUN ARORA: On a point of order again. I am making a basic point of order. Can a Minister make a false statement to the House?

SHRI GHANSHYAM OZA : I object to it. What is false? Do not throw away adjectives.

SHRI ARJUN ARORA: He says 'till last year'. The fact that the red book of Mr. Mishra does not contain any decision about Coca Cola replenishment means that till a new decision is taken, the old rates will continue. So the Ministry of Foreign Trade and the Ministry of Internal Trade have evolved a cunning procedure to continue to give the Coca Cola Corporation 20% replenishment and are saying that the matter is under consideration.

Sir, if he is true to his word, if he is true to the country's economy, he should declare that till a decision is taken no replenishment will be allowed to them. They continue. During the last month and in the present month they continue to get 20 per cent.

SHRI GHANSHYAM OZA : Sir, as I was submitting I am completely in your hands. I was submitting that the matter is under consideration. Suppose some Member or anybody has access to that file or comes to know what is going on in the Ministry does it become a matter to be debated here?

(Interruption?)

SHRI A. G. KULKARNI: The country's economic security is of utmost importance and the Minister would be well advised to know that we are basically within our rights to put any question which ...

SHRI GHANSHYAM OZA : I do not dispute that right.

SHRI K. CHANDRASEKHARAN : Mr. Deputy Chairman, Sir, the hon. Minister seems to think that a matter

which is under the consideration of Government or which, according to him, is under inter-departmental correspondence cannot be debated in this House or divulged to this House.

SHRI GHANSHYAM OZA: I do not say that.

SHRI K. CHANDRASEKHARAN : If the hon. Minister has not stated so it is a different matter but I thought that the Minister has said so and that is the reason why he is continuing to beg the question and not giving a straight reply to the hon. Shri Bhupesh Gupta.

Sir, this is a discussion arising out of an answer to a question given in this hon. House. The matter therefore by and large we can take it is related to the procedure prescribed for Questions and so far as Questions are concerned. Rule 47...

MR. DEPUTY CHAIRMAN : Which Rule?

SHRI K. CHANDRASEKHARAN (Kerala): Rule 47 relates to Questions which are excluded. And there is nothing in Rule 47 which states that matters under the consideration of Government or matters under inter-departmental correspondence cannot be the subject-matter of Questions. The only rider is contained in sub-rule (xxii) which says, it shall not seek information about matters which are in their nature secret. I submit, Sir, that this is not a secret matter obviously. A further rider is contained in another Rule, Rule 48, which says that matters which are in correspondence between the State Government and the Central Government shall not ordinarily be raised before this hon. House but facts relating to such correspondence can at the same time be raised before this hon. House. So I submit that the hon. Minister has got to give a straight answer to the straight query raised by the hon. Mr. Bhupesh Gupta.

SHRI BHUPESH GUPTA : Yes; that is quite correct.

SHRI GHANSHYAM OZA: Sir, I was submitting that when a matter is under consideration there are so many notings. from Under Secretary to Deputy Secretary, the Deputy Secretary raising certain queries and sending it back to Under Secretary, then the Deputy Secretary sending it on to Joint Secretary and so on. {*Interruption*!}

SHRI BHUPESH GUPTA : Sir, this is all irrelevant. The Minister is in charge of the Department. The Department sends the communication and it means that the Minister withdraws it. Why bring in Secretaries and others? We are not concerned with them.

श्री ना० कृ० शेजवलकर : उपसभापति महोदय, जब तक आप निर्णय नहीं करेंगे, तब तक ऐसा ही चलता रहेगा। आप अकारण समय ले रहे हैं, उनसे स्पेसिफिक जवाब देने के लिए आप कहें।

SHRI A. G. KULKARNI: Why are you not asking the Minister to reply to the question ?

MR. DEPUTY CHAIRMAN : I have already asked him to reply to the question. (*Interruptions*) It is a specific question of Shri Bhupesh Gupta whether the recommendation was made or not. You should say whether the recommendation was made or not.

SHRI GHANSHYAM OZA : If the Chair wants me to say, till now I have not denied what Shri Bhupesh Gupta has said.

AN HON. MEMBER: He has not accepted it also.

MR. DEPUTY CHAIRMAN: Indirect acceptance now.

SHRI BHUPESH GUPTA: He has not denied it. Let him say it is true. Heavens will not fall down on your head if you admit it. "Satyameva Jayate" is written in Parliament.

SHRI GHANSHYAM OZA: Please let me have my say. Have patience for a couple of minutes. Sir, I am completely in your hands. I will abide by your order. But I have said I have not till now denied this thing. No doubt in my humble opinion, to see that there » no embarrassment—after all notings in the Ministry if they are to be discussed it will cause a lot of embarrassment to the administration. There is no final order for 20 per cent. I may say the order is not for 20 per cent; 20 per cent replenishment will not be released, that will satisfy him. The matter under active consideration.

SHRI ARJUN ARORA : He will be satisfied if 4 per cent is given.

SHRI GHANSHYAM OZA: Wait for some time. Don't you think that in the larger interests of natural justice ... I do not stick to that, I do not for a moment assert that it will be 20 per cent. Not at all. But when a man is adversely affected, it may have some effect on these bottling plants and all these things. If the case is being considered, would it not be proper to wait for some time ? It will be examined in all its implications. Let us not be in haste.

SHRI BHUPESH GUPTA: Whatever I have said I have stated the truth before the House, and it stands on record that the Minister has not repudiated what I have said. That is enough.

SHRI R. K. PODDAR (Bihar): Sir, the Minister has again tried to mislead the House that any reduction in the percentage of replenishment will affect the local Indian bottling plants. It will not. The replenishment is being granted only on the concentrate that is being exported and not that is sold in India.

SHRI GHANSHYAM OZA: How can you say abruptly that it is not going to have any impact on anything ?

One more point. About my statement on Monday about the overall foreign exchange position, as the statement of accounts stands today the overall position is that we are not losers. How can I say about the accounts which are not yet finalised by the Reserve Bank? I say, as „the position of accounts obtains today in totality we are not losers in foreign exchange ...

AN HON. MEMBER : He is not a loser.

MR. DEPUTY CHAIRMAN: Shri Bhupesh Gupta has made a reference to the Foreign Trade Ministry. Shri L. N. Mishra would like to clarify...

SHRI BHUPESH GUPTA : No. He should have submitted a note before the discussion. Now you see the rules come in the way. He should do it by generosity of the House.

MR. DEPUTY CHAIRMAN: He just wants to clarify the position.

SHRI BHUPESH GUPTA: He cannot under the rules. He can certainly put a question under the rules. Have you submitted a note before the discussion started ? If you have not done, plead guilty and we shall be generous.

SHRI L. N. MISHRA: I cannot plead guilty. I will take one minute. I had no intention to intervene but Shri Bhupesh Gupta has made some reference to the policy of my Ministry with regard to fixation of import replenishment against export of Coca-Cola concentrate and also to our new import trade control policy popularly known as Red Book in this respect. I would like to state a few facts for the benefit of the House.

6 P.M.

Sir, with the devaluation of the rupee on the 6th of June 1966, the erstwhile Export Promotion Schemes were abolished. However, for purposes of export promotion, the policy of grant of import replenishment to registered exporters of certain registered products was formulated which was announced in a Public Notice by the CCI&E on 16th June, 1966. In pursuance of this Public Notice synthetic non-alcoholic beverage bases like Coca Cola concentrate and citrus beverage bases were included in the category of 'Processed Food' qualifying for replenishment at the rate of 20% of the f.o.b. export value.

Recently, doubts were expressed on the admissibility of this rate of replenishment for Coca Cola and that is why pending a thorough re-examination of all facets of the question we have not decided to announce the rate of replenishment admissible for this product in our new Import Policy'. I propose to appoint a high-powered Inter-Ministerial Committee to go into the entire question quickly and to submit their recommendation to the Government.

SHRI ARJUN ARORA : How quick is 'quickly', Sir?

SHRI BHUPESH GUPTA: Will you kindly tell us whether your Ministry received a communication and will you kindly tell us whether the management, the manager, of the Coca Cola Export Corporation met you.

MR. DEPUTY CHAIRMAN : Please sit down.

SHRI BHUPESH GUPTA : I put it to you, Mr. Mishra. Let him say. I put it to him—the manager of the Coca Cola Export Corporation met him and that he received a communication when he went to the broadcast

on the 30th April. Then, well, he knew what he was going to say. Then he thought that it should be decided later. But, well, he also... I would not like to say. Don't get angry, Mr. Mishra. You are my friend. Did you want it to be withdrawn also? The other Ministry seems to be telling that you wanted it to be withdrawn. We do not know which Ministry withdrew.

MR. DEPUTY CHAIRMAN: Please sit down.

SHRI BHUPESH GUPTA: Did you ask the Industrial Development Ministry? Did you receive a communication from the Industrial Development Ministry?

SHRI L. N. MISHRA: I will answer the question.

MR. DEPUTY CHAIRMAN: You need not answer.

SHRI L. N. MISHRA: On the 30th, no manager of the Coca Cola Export Corporation met me nor did I ask any Ministry to withdraw any letter. So far as the second part is concerned, I do not remember if I received any letter of that kind, to my memory. But I must say that I did not ask any Ministry to withdraw any letter.

MR. DEPUTY CHAIRMAN: We have already taken one hour now and if the interruptions continue in this fashion, I do think that it will not be half-an-hour discussion, but it will be three-hour discussion, and I do not think we want to sit here for long time. There are about ten Members who would like to ask clarifications. So I would like to appeal to the hon. Members that they should restrict their observations to one or two minutes so that we can finish it as early as possible. . . . (Interruptions). You are supposed to ask clarifications only and not make speeches.

SHRI BHUPESH GUPTA: My request to you as an old Member is, be calm as Coca Cola, not dangerous.

SHRI KRISHAN KANT: May I know from the hon. Minister whether it is a fact that the Government of India through a Press Note on 30th May modified the licensing policy and by this the Coca Cola Export Corporation was required to apply for licence for carrying on business, the last date

I for which was June 12, 1970? Is it a fact that till date they have not even applied for the business licence along with they have to furnish certain information? If so, why are they being allowed to carry on this business. Carrying on this business is completely illegal, it should have been closed by now. What action have the Government of India and the Ministry of Industrial Development taken? And what was the date when the DGTD recommended replenishment of 5 per cent? What was the date by which it was sent to the Ministry of Foreign Trade? How long was it lying there? On what date was it recalled and for what reasons it was recalled? By what time did the hon. Minister say that it would be considered?

An Inter-Ministerial Committee is always a delaying tiling as is the Inter-Secretarial Committee. I do not know why they are sitting on it. Will the Government tell us by what date. . . . {Time-bell rings}. . . No, Sir. . . Will they be able to inform this House as to what is the final decision about replenishment?

Secondly, Sir, who gave the permission earlier than on a basic investment of Rs. 6 lakhs, on which they have repatriated more than Rs. 2 crores. . .

SHRI BHUPESH GUPTA: According to my information Mr. Morarji De sai and Mr. Manubhai Shah.

SHRI KRISHAN KANT: I want to know who allowed that thing, because when the Minister is replying here we are not concerned which part of the machinery is allowing. We are basically concerned with the policy decision. Who gave this policy decision to repatriate more than Rs. 2 crores (a basic investment of Rs. 6 lakh {Time-bell rings}). No, Sir. This is very vital question.

MR. DEPUTY CHAIRMAN: may be vital. We have taken one hour five minutes.

SHRI KRISHAN KANT: No,

MR. DEPUTY CHAIRMAN: Krishan Kant, you should have at for either a short duration discussion or a long duration discussion. We not extend this half-an-hour but so much.

SHRI ARJUN ARORA: Let us sit till 7 o'clock.

MR. DEPUTY CHAIRMAN: We will adjourn at 6-30. I would call as many Members as possible up to 6-30 only.

SHRI M. K. MOHTA (Rajasthan): The Chair should have tried to control Mr. Bhupesh Gupta in the first place. Do you want to say that Mr. Bhupesh Gupta is an uncontrollable person and the Chair fails to control him? There cannot be any limitation of time.

MR. DEPUTY CHAIRMAN : All right. Sit down, please.

SHRI KRISHAN KANT : I want to know from the hon'ble Minister who took this decision and why this anti-national decision which would retard the growth of economy and send valuable foreign exchange abroad was taken and who took it?

SHRI BHUPESH GUPTA : The Minister has taken away my Red Book. Where is it?

MR. DEPUTY CHAIRMAN : Please sit down. No interruption, Mr. Bhupesh Gupta.

SHRI BHUPESH GUPTA: My book has been stolen.

MR. DEPUTY CHAIRMAN : You will get it back.

SHRI BHUPESH GUPTA : The Minister should see that the book is returned to me or to the Library.

SHRI ARIUN ARORA: With interest.

SHRI KRISHAN KANT: May I now whether the Government will reverse the earlier decision of allowing the Coca Cola Export Corporation to repatriate hundred times more than the isic investment and they will not be allowed to repatriate from today till a final decision is taken?

MR. DEPUTY CHAIRMAN: That is enough.

SHRI KRISHAN KANT: No, Sir.

MR. DEPUTY CHAIRMAN : How many questions you put eight or nine questions ? Every Member asks so many questions, how is the Chair to control ?

SHRI KRISHAN KANT: I am coming to a very vital question. . .

MR. DEPUTY CHAIRMAN : Everything that is discussed in this House is very vital. Please sit down.

SHRI KRISHAN KANT: Sir, you have to pay more for your Coca Cola. I want to reduce the price of your Coca Cola. Is it a fact that the Director General of Civil Supplies, Mr. Talwar, had said that the Coca Cola people had agreed to reduce the price two years back? But that decision has not been implemented and the Coca Cola is still being sold at the high price of 45 paise. If it is so, may I know what steps the Government would take?

May I know whether the Government has studied the cost structure of Coca Cola which comes to only 10 paise per bottle but the consumer is paying much more. As a result the other soft drinks in sympathy have also increased the price. May I know what the Government is going to do about it.

The hon'ble Minister has said in reply to Mr. Bhupesh Gupta that the expansion is legitimate. Who allowed this illegal...

SHRI BHUPESH GUPTA : The stolen property has been recovered.

SHRI KRISHAN KANT : May I know whether the legitimate, legalised loot that is getting them a thousand per cent, profit will be looked into?

MR. DEPUTY CHAIRMAN : How many questions will you put? There are 10 other Members who want to put questions. If we give 10 minutes to each Member, it will take another 10 hours.

SHRI KRISHAN KANT : I am finishing. Mr. Bhupesh Gupta has read out figures to show that more than Rs. 3 crores in foreign exchange are being repatriated under various heads. I would like the Minister to look into those figures. Why are you allowing so much money to be repatriated under Headquarters and Profits? Finally, will the Government agree to a thorough enquiry into the whole affair, how it started, how it developed and to what stage it has come so far, so that the whole scandal is opened up and the

whole story comes out and Government servants or political heads cannot indulge in such things henceforward.

MR. DEPUTY CHAIRMAN : Mr. Kulkarni.

SHRI KRISHAN KANT : Let the Minister reply.

MR. DEPUTY CHAIRMAN : He will reply in the end. He will make a note of all these points.

SHRI A. G. KULKARNI : Sir, I will ask only three questions.

MR. DEPUTY CHAIRMAN : Brief ones.

SHRI A. G. KULKARNI : Yes, I will be very brief. Sir, I appreciate the embarrassment of the Minister because he came later and he is carrying somebody's baby. Now, Sir, there is some industrial policy in this country. He says that the factory for the manufacture of concentrates is not under any policy; it is not under the Factory Act, it is not under the Industrial Development Act. But you might be knowing that any manufacturing concern whether with the aid of power or without the aid of power but employing more than 20 persons, comes under some Act, whether it is a Central Act, or a State Act. How can they get this import replenishment without the recommendation of the State Government? You say that they are not under you because they are not under the DGTD. Then, which State Government recommended replenishment licence for the Coca Cola company? If you cannot reply just now, you can enquire into it and inform us later. This is a basic lapse in the industrial activity of the Government of India that when a factory is not under the Government's rules or under the DGTD, it is entitled for this import replenishment licence. If they have been given wrongly, will it be withdrawn?

Secondly, I wanted to ask about the letter. He has already accepted that there was some letter about it.

MR. DEPUTY CHAIRMAN : All right, please come to the third point.

SHRI A. G. KULKARNI : Sir, it seems to my mind that tailor made decisions are being taken in his Ministry

and in the Foreign Trade Ministry and I the Chief Controller of Imports and Exports in collusion with the Industrial Development Ministry has worked out a plan to help the Coca-Cola organisation. That is the usual racket of these businessmen. I do not bother about it. But will the Minister go a little bit deeper into it? The way tailor-made policies are adopted and letters are issued and withdrawn at any moment they like creates a doubt in my mind also that something is fishy in this affair. I will request the Minister to go into it and find out the truth and punish the officers concerned.

SHRI BHUPESH GUPTA : Why officers only?

SHRI A. G. KULKARNI : Everybody concerned.

SHRI BHUPESH GUPTA : The Ministers to begin with.

SHRI ARJUN-ARORA : Sir, with your permission I refer to a document of the Coca Cola Export Corporation, New Delhi. This is a presentation made during the visit of Mr. Duncan and party on 19th October, 1968. The local people made a presentation to him. On page 21 of that presentation they say—

"Taking the devalued worth of the rupee the operating profit is estimated to rise from \$1 million in 1967 to \$2 millions in 1968, to \$2.3 millions in 1969, to \$3.1 million in 1970, to \$3.5 millions in 1971 and to \$3.8 millions in 1972. May we remind you that operating profit in 1962 was merely \$338,000?"

MR. DEPUTY CHAIRMAN : Please put your question. If you have got so much of information, why do you ask information from the Minister?

SHRI ARJUN ARORA : Then on page 22 the local manager says—

"In 1972 the operating profit in rupees will be twenty times that in 1962."

Sir, this is a document of the Coca Cola Export Corporation. If you permit, I am prepared to lay it on the Table of the House . . .

SHRI BHUPESH GUPTA : Yes, it should be laid on the Table of the House.

MR. DEPUTY CHAIRMAN : No, no.

SHRI BHUPESH GUPTA : Why not? On a point of order . . .

MR. DEPUTY CHAIRMAN : As a matter of practice we are not allowing any private document to be laid on the Table of the House.

SHRI BHUPESH GUPTA : Practice or no practice, we are concerned with the rules of the House. My friend is a very responsible Member, an esteemed Member, a senior Member of this House. He has referred to an important document which is absolutely relevant to the point and we would like to know things from this document especially when the matter is under the consideration of the Government. We are entitled to have a copy of the document laid on the Table of the House. Since he has no objection, why should you allow a certain fictitious practice, if at all it is a practice, to come in the way. In the past we have had such documents laid on the Table of the House. It is a public document. Public Accounts Committee is there. Other Committees are there. Certainly as Members of Parliament we are entitled to know it. We would not like to live on Mr Arjun Arora's private mercy when he is prepared to do a public deal in this matter and take Parliament into confidence. Therefore, I humbly submit to you, in public interest let this document be laid on the Table of the House consistent with the rules.

MR. DEPUTY CHAIRMAN : Now Mr. Chitta Basu.

SHRI ARJUN ARORA : No, Sir, I have not finished my question. I have not asked my question. Am I permitted to lay this document on the Table of the House?

MR. DEPUTY CHAIRMAN : No, no.

SHRI BHUPESH GUPTA : What is that? Give your ruling.

SHRI ARJUN ARORA : That he will do later. The Coca Cola Export Corporation has not obtained a carry-on business licence which under the rules of his Ministry all manufacturing concerns had to obtain in 1970. If they did not, why were their operations not stopped? Secondly, I would like to know whether it is not a fact that a considerable

amount of foreign exchange is still to be expatriated by this Corporation. The Minister has given figures only of the money expatriated by this Corporation, but he has not given figures of the money still to be expatriated. If they are added, the figure, the profit, the drain on foreign exchange, will be much higher than what Mr. Bhupesh Gupta has said. Mr. Bhupesh Gupta mentioned 4 plus 18 bottling plants, 4 legar, 18 illegitimate. My information is that more illegitimate babies are being born almost every month.

SHRI BHUPESH GUPTA : It is difficult to keep track of illegitimate babies.

SHRI ARJUN ARORA: Four more were born and one was born recently at Udhampur in Jammu and Kashmir. May I know who are the parties concerned with the Udhampur plant? I mentioned the health hazards and habit forming nature of Coca Cola. The Minister has not said a word about it I want him to reply to that. I also want him to tell the House whether it is not a fact that at least one country in Western Europe has banned the entry of Coca Cola in that country because it is considered harmful to the health of the growing children. Sir, I have been very brief.

SHRI CHITTA (est Bengal): May I know from the Hon. Minister whether it is not a fact that a list is prepared of the indigenous manufacturers of the country and in that list of indigenous manufacturers the name of Coca-Cola Export Corporation does not exist? Is it also not a fact that no import licence is given unless the name of the indigenous company is there in the list? This Coca Cola Corporation has been granted import licence right from the year 1958. Why its name appeared in the list only in 1970? Will the Hon. Minister take the trouble of explaining to the House the mystery behind it? Who are responsible for it and under what circumstances they have been allowed import licence even though their name was not in the list? What is the mystery behind it?

Secondly, it has been established beyond doubt that the Coca Cola Export Corporation has repatriated profits not commensurate with their original investment. In the matter of repatriation, there must be some regulation and the Reserve Bank of India certainly controls ...

SHRI BABUBHAI M. CHINAI : Sir, I want to raise the question of quorum. There is no quorum in the House and as such how can we continue discussion? I submit that this House is not properly constituted and we cannot carry on our business in the absence of quorum. You can fix the discussion on some other day.

* MR. DEPUTY CHAIRMAN : As the Hon. Member raised the question of quorum, I am having the quorum bell rung.

(Quorum bell rang)

SHRI CHITTA BASU : In the meantime, let me continue. . .

SHRI BABUBHAI M. CHINAI : How can he continue? There is no quorum. Let my friend Shri Krishao Kant fetch the Members from the Central Hall. Since there is no quorum, no proceedings can take place. SHRI CHITTA BASU: It has been admitted . . .

SHRI BABUBHAI M. CHINAI: I have raised the question of quorum.

MR. DEPUTY CHAIRMAN : We have just rung the bell. Let us continue for four or five minutes. If we do not have the quorum after that, we will consider what to do.

SHRI CHITTA BASU : May I know whether there are fixed regulations or norms adopted in the matter of allowing repatriation by foreign companies? Or, is it based on the whims and fancies of some officials or a particular person holding authority? If there is any norm, what is that norm and how is that norm followed in this matter?

Thirdly, Sir, I want to know whether it is also not a fact that in terms of a recent circular given the Coca Cola Export Corporation is also to submit a statement of accounts based on the remuneration paid, the value of fixed assets, raw materials being imported by them, value of spares, etc. to the importer, indigenous raw materials being used by them, their status *vis-a-vis* the DG-

TD, (their foreign-holdings status and foreign collaboration. I want to know whether the information, this detailed information, has been submitted by the Coca-Cola Export Corporation and, if not, whether any action has been taken against them.

Finally, Sir, may I also ask the hon. Minister whether, in view of these irregularities or in view of the suspicion being felt by the hon. Members who have participated in the debate, he will consider it desirable to look into this matter in all its aspects so that all these things may be removed?

SHRI ARJUN ARORA : Sir, in view of what Shri Babubhai Chinai has said...

MR. DEPUTY CHAIRMAN : One minute, please.

SHRI ARJUN ARORA : Sir, in view of what Shri Chinai has said, we can postpone the discussion.

MR. DEPUTY CHAIRMAN: Under the rules that cannot be done.

(Interruptions)

SHRI KRISHAN KANT: Sir, are you prepared to give another notice?

MR. DEPUTY CHAIRMAN : I will be considered by the Chairman.

SHRI ARJUN ARORA : Sir, the Minister will suffer, because we have already asked questions. . .

(Interruptions)

MR. DEPUTY CHAIRMAN Order, please. Please listen. An hon. Member has raised the question of quorum. There is no quorum now and therefore, we have to adjourn.

The House stands adjourned till A.M. on Monday.

The House then adjourned at twenty-seven minutes past six of the clock till eleven of the clock on Monday, May, 1971.