

*690. [The questioner (Shri S. A. Khaja Mohideen) was absent. For answer, vide col. 5647 infra.]

FERTILIZERS AND CHEMICALS TRAVANCORE LIMITED

*743. SHRI K. CHANDRASEKHARAN: Will the Minister of PETROLEUM AND CHEMICALS AND MINES AND METALS be pleased to state:

(a) whether Managing Director of Fertilizer and Chemicals Travancore Limited, Alwaye, is also a Director of M/s. T.C.C. Limited, Alwaye;

(b) whether there are allegations against the Managing Director, Shri Malyattoor Ramakrishnan, I.A.S. of the M/s. T.C.C. Limited, in regard to irregularities connected with the sale of Hydro-Sulphate; and

(c) what action Government propose to take in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND MINES AND METALS (SHRI D. R. CHAVAN): (a) Yes, Madam.

(b) M/s. Travancore Cochin Chemicals Ltd., Alwaye, is a State Government Undertaking and the Central Government have no information about the allegations against the Managing Director of the company.

(c) Does not arise.

SHRI K. CHANDRASEKHARAN: The FACT is a Central Government undertaking and the Managing Director of FACT is also a Director of TCC Ltd. It has come out in the course of proceedings of enquiry in regard to the sale of Hydro-Sulphate from TCC that the Managing Director of FACT had at his instance initiated unauthorised sales to unauthorised agents of Hydro-Sulphate. May I know from the hon. Minister whether the files in regard to the enquiry show and the sales books of T.C.C. show that the Managing Director of FACT had suggested to the Managing Director of TCC Limited that an hon. State Minister in charge of Petroleum and Chemicals at the time

had requested or suggested that hydro-sulphate be sold to two unauthorised agents in Andhra Pradesh and if this is not a fact what action has been taken against the Managing Director of FACT?

SHRI D. R. CHAVAN: I would, first of all, invite your attention to the question itself and the answer that has been given. I said in my reply that Messrs. TCC Limited, Alwaye, to which my hon. friend has made a reference, is a State Government undertaking and the Central Government have no information about the allegations against the Managing Director of that company, which is under the purview or administrative control of the Kerala Government. It is not under the administrative control of the Government of India. Mr. M. K. K. Nair, Managing Director of FACT, is one of the Directors here. That is all. Otherwise, the entire company is under the administrative control of the Kerala Government and about the allegation made by the hon. Member we have no information so far as we are concerned.

SHRI K. CHANDRASEKHARAN: I would like to know whether the Government would review the position in regard to the constitution of the Boards of Directors of public sector concerns, so that the Managing Director of a particular sector concern is not working or functioning as a member of another public sector concern.

SHRI D. R. CHAVAN: It does not arise out of this.

COMPLAINTS FROM INFORMANTS

*744. SHRI KESAVAN (THAZHAVAR): Will the PRIME MINISTER be pleased to state:

(a) whether complaints have been received recently from the informants whose informations were responsible for the seizures from the ships S. S. President Pretorius in 1964, S. S. Hog Drake in 1966, and Ariti-s in 1967, by the Cochin Customs, alleging irregularity in the distribution of rewards;

(b) if so, whether any enquiry has been made into the complaints; and

(c) what are the results thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI): (a) One complaint to this effect was received in August, 1968.

(b) Yes, Madam, an enquiry was made.

(c) The allegations about irregular distribution of rewards were found to be incorrect.

SHRI KESAVAN (THAZHAVA): When smuggled articles are seized from a ship on the information given by someone, the customs authorities enter the name of their own man as the informer and share the reward among themselves. That being the case, may I know from the hon. Minister whether they are prepared to investigate the allegations contained in this complaint by the CBI so that the truth can be found out?

SHRI P. C. SETHI: I would like to narrate the position. It is a very interesting question and I would like to give the details, so that the hon. Member may be satisfied. Now, generally, as far as the informer's name is concerned, we do not give it out. So, I will not give the names of the informers. In this particular instance, which has been referred to by the hon. Member, there are three cases. One is the seizure from s.s. President Pretorius in 1964. In this case information was received that some foreign currency and coins were there. An enquiry was made by the DRI. As far as this information was concerned, the informer said that this currency was available with the cook, but later on a second information came saying that the money, this currency was available with the steward. When a search was made nothing was found from the cook and it was found, according to another information, with the steward of the ship. Therefore, the reward had to be given to the informer who said that it was with the steward and not to the informer who said that it was with the cook. The reward naturally could not have been given to the person who did

not give the correct information. With regard to the second case information was received that Indian currency worth such and such amount was available. Now, in this case also the information was received from another source and on that basis action had been taken. Therefore, the other informer was paid and not this informer. In the third case . .

THE DEPUTY CHAIRMAN: You are giving a comprehensive answer.

SHRI P. C. SETHI: . . . information was given that there was a large quantity of textiles belonging to the crew of the ship, which was seized for non-declaration. Information was received from the complainant and another informant. Yet a third person also turned up at the Custom House and said he was also one of the informants. Naturally when the information had been received from two informants, who had given all that information, the third informer's claim could not have been entertained and, therefore, he was not given any reward.

SHRI KESAVAN (THAZHAVA): May I know who made the investigation of these complaints?

SHRI P. C. SETHI: The enquiries were made by the DRI.

DR. BHAI MAHAVIR: May I know the details of the system of rewarding the informants? I would also like to know if the Government have made an assessment of the total volume of smuggling taking place and the percentage of it which is actually detected or checked, because the general impression is that not more than ten per cent we are able to check and catch hold of. I would like to know what is your system and whether you are satisfied with the operation of it. May I also know whether the reward that you give is commensurate with the risk? And, if so, I would like to be enlightened.

SHRI P. C. SETHI: As far as the quantum of reward is concerned, the maximum is ten per cent. If gold worth Rs. 1 lakh is seized, ten per cent would be the maximum reward. It

would depend upon the factual information, correct information and whether the seizure was made after the information was received.

DR. BHAI MAHAVIR: I wanted to know what is the total smuggling and how much of it is detected.

SHRI P. C. SETHI: It is very difficult to say what is the total quantum of smuggling, but every possible effort is being made to detect smuggling.

OIL AND NATURAL GAS COMMISSION

*745. **SHRI MULKA GOVINDA REDDY:**

SHRI BANKA BEHARY DAS:†

Will the Minister of PETROLEUM AND CHEMICALS AND MINES AND METALS be pleased to refer to the reply to Unstarred Question No. 84 given in the Rajya Sabha on the 22nd July, 1969 and state:

(a) the grounds on which Shri C. M. Verghese, Chief Store Keeper of the Oil and Natural Gas Commission, was dismissed;

(b) whether any charge-sheet was issued to him; and

(c) whether any conciliation proceedings were going on when the order to dismiss him was issued?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS AND MINES AND METALS (SHRI D. R. CHAVAN): (a) Shri C. M. Verghese was dismissed for gross misconduct and wilful insubordination in his behaviour towards the Director of Administration, O.N.G.C., on the 20th September, 1966.

(b) Charge sheet was issued to Shri Verghese on the 22nd September, 1966.

(c) Yes, but Shri Verghese was not a workman and the Conciliation Board was not legally constituted.

†The question was actually asked on the floor of the House by Shri Banka Behary Das.

SHRI BANKA BEHARY DAS: May I know from the hon. Minister whether it is a fact that the court held that the ONGC had been absolutely wrong to this gentleman and the Law Minister of the Government of India—wrote twice to him saying that he should be reinstated and in spite of that some of the abdures officers are not for the reinstatement of this person?

SHRI D. R. CHAVAN: It is quite true that the Minister wrote about Mr. Verghese in his letter dated 13th April, 1969. The matter was looked into by the Minister and myself. The question is that the person had been dismissed for insubordination and gross misconduct. When the matter was taken up with the Chairman of ONGC, both by myself and the Minister, it was stated that it would cause a breach of discipline if the person was reinstated. This was the reply. The ONGC is an autonomous body and we cannot do very much in the matter.

SHRI BANKA BEHARY DAS: It is no excuse that it is an autonomous corporation. The ONGC got a stricture from the Magistrate and its behaviour was improper, though it is a public sector undertaking. Will the Government reconsider the matter and abide by the verdict of the court?

SHRI D. R. CHAVAN: We will look into it.

'PAPER GOLD' AND OTHER SYSTEMS OF THE I. M. F.

*746. **SHRI K. P. MALLIKARJUNUDU:** Will the PRIME MINISTER be pleased to state:

(a) what are the fundamental features of the 'paper gold' system and the system of 'Special Drawing Rights' enunciated by the International Monetary Fund; and

(b) what are its advantages to India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI): (a) The Special Drawing Rights Scheme (commonly called the Paper Gold Scheme in the Press) has