

SHRI BHUPESH GUPTA: If this kind of answer is given, I tell you there will be a scene in this House. You will not accuse us of being undignified because such gangster methods should be banned in this House.

SHRI B. K. P. SINHA: Sir, before the next question is replied to I would like to bring to your notice rule 47(2) (ix):

"It shall not ask for information on matters which are under the consideration of a Parliamentary Committee".

The whole matter has been under the investigation of the Public Accounts Committee of Parliament. Therefore, some discretion should be exercised in putting supplementaries.

#### CONTRACT FOR SUPPLY OF ROAD ROLLERS

\*33. SHRI A. D. MANI:†  
SHRI NIREN GHOSH:

Will the Minister of WORKS, HOUSING AND SUPPLY be pleased to state:

(a) whether the Director General of Supplies and Disposals signed a contract with a firm in Calcutta in July, 1963 for the supply of road rollers;

(b) whether any advance money was paid to the firm by Government for this purpose; and if so, the amount of the advance; and

(c) what are the details of this contract?

THE MINISTER OF WORKS, HOUSING AND SUPPLY (SHRI JAGANNATH RAO): (a) The DGS&D placed contracts with two firms in Calcutta in July 1963 for supply of road rollers.

(b) One of the firms was allowed the standard payment terms, i.e., 95 per cent. on proof of inspection and despatch and 5 per cent. on receipt and acceptance of stores by the consignee. The other firm was, however, allowed 90 per cent. payment on proof of inspection, 5 per cent. on proof of despatch and 5 per cent. on receipt and acceptance of goods by the consignee.

(c) The details of the contracts are:—

S. No.	A/T Number	No. of road rollers	Total value	Date of delivery
			Rs.	
1	SV-1/1073-P/II Britannia dated 30-7-63	25	11,82,750	11 Nos. by 30-9-1963 14 Nos. by 31-10-1963
2	SV-1/9054-P/II Britannia/262 dated 30-7-63	25	11,82,750	11 Nos. by 31-8-1963 14 Nos. by 30-9-1963
3	SV-1/5253-N/II/UPCC/263 dated 30-7-63	22	10,53,690	22 Nos. by 30-9-1963

SHRI A. D. MANI: May I ask the Minister whether it is a not a fact that the entire transaction has not been working out well and that there is now a proposal before Government

for the appointment of a Government director on these firms which have been given the contract—a representative of the Ministry of Finance and a representative of the Ministry of

†The question was actually asked on the floor of the House by Shri A. D.

Mani.

Defence—and what action has been taken by Government on the proposal which is now before them?

SHRI JAGANNATH RAO: The proposal was made by the U.P.C.C. for the appointment of two Government directors on the Board of Directors of the Company. But then before we accept this proposal we have to find out the exact financial position of this firm. The matter is under examination and we could not agree to the proposal made by this firm straightway.

SHRI NIREN GHOSH: May I know whether this contract involves almost Rs. 2 crores and because this firm is connected with highly placed Congress officials . . .

SHRI A. D. MANI: Mention names.

SHRI NIREN GHOSH: Congress big-wigs. Let them say. And let me say that Mr. Asoke Sen has given a certificate in favour of this company that the Government is wrong in black listing this company and all those things. So, may I know whether a special favouritism was shown to this company in allowing 90 per cent of the payment to be made in advance when more than 300 road rollers are pending supply? That is the thing. If that is so, what action, further action, will be taken against this company, because the Government is going to accommodate the company by releasing the money blocked and appointing two directors and letting the company go scot-free?

SHRI JAGANNATH RAO: Sir, in the first place, may I repudiate the suggestion, the insinuation, made by the hon. Member? No highly-placed person is connected with this firm. Secondly, no favourable treatment was shown to this firm. In 1963, the demand in the country was for about 300 road rollers. With the Chinese aggression, the demand rose high, whereas the production was only 500. Only three firms were in the field—Jessops, Britannia Engineering and UPCC. A meeting was convened by the Secretary of the

Transport Ministry wherein the representatives of the firm were called and they represented that some concession should be shown to them so that they could increase the production. And this UPCC made a request that instead of 95 per cent. on proof of inspection and despatch, 90 per cent. payment might be made on proof of inspection and 5 per cent on proof of despatch. This was agreed to with a view to seeing that there was increase in production. No favouritism was shown to anybody.

SHRI R. S. KHANDEKAR: May I know whether the Government have assessed . . .

SHRI B. K. P. SINHA: Sir, I again rise respectfully. I have already mentioned the relevant rule No. 47(2)(ix)—

“(2) The right to ask a question is governed by the following conditions:—

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(ix) it shall not ask for information on matters which are under the consideration of a Parliamentary Committee;”

This matter has been under the investigation of one of the two most important Committees of Parliament and only tomorrow this matter is going up before the Public Accounts Committee again. In the circumstances, I feel it is unfortunate that the question was put. And now this detailed investigation could really place the Committee in a most embarrassing position.

SHRI BHUPESH GUPTA: Do I understand that it is today under the consideration of any Committee? It may have been in the past.

SHRI B. K. P. SINHA: No, today. Tomorrow we are again meeting to consider it.

SHRI NIREN GHOSH: If that is so, why has the Government written a letter to the company that the

blocked money would be released? That is the point. The company representative came to me and showed it to me. They tried to influence me but unfortunately they did not know who I am.

SHRI R. S. KHANDEKAR: Sir, may I know whether the Government have assessed the total loss incurred in this transaction? My information is that the loss comes to crores and crores of rupees.

SHRI NIREN GHOSH: Here is Mr. Asoke Sen's opinion.

SHRI JAGANNATH RAO: The total amount drawn by this company from the Government is Rs. 191 lakhs. Thereafter, they paid Rs. 15 lakhs. Later on, they supplied four road rollers. The rest of the money is overdue from them. We have taken all possible steps to see that we try to realise the money or get the deliveries of the road rollers from this firm.

SHRI A. D. MANI: May I ask the Minister whether it is not a fact that the extraordinary step has been taken of freezing the bank accounts of these companies and preventing them from drawing on their bank accounts and that in spite of the freezing of the bank accounts, 30 rollers have been supplied by one of these firms during the last few months?

SHRI JAGANNATH RAO: We had to take all those steps to ensure that whatever assets of the company are there are intact.

MR CHAIRMAN: You may put your question before I go on to the next.

SHRI BHUPESH GUPTA: Has the attention of the Minister been drawn to a letter .

SHRI CHANDRA SHEKHAR: Sir, I rise on a point of order. A point of order has been raised by Mr. B. K. P. Sinha, and I shall request Mr. Bhupesh Gupta also to consider this

position. Supplementaries after supplementaries are being asked on this particular topic. The Minister has just now replied that no favouritism was shown to this company. Suppose the Public Accounts Committee tomorrow comes to the conclusion that some favouritism has been shown to . . .

SHRI ARJUN ARORA: Then the Minister will resign . . . (Interruptions).

SHRI CHANDRA SHEKHAR: Then, Mr. Chairman, the same hon. Members will come and say that the Minister has committed a breach of privilege. So, in order to avoid this situation, this rule was provided that on a matter which is under the discussion of the Public Accounts Committee or of any other Committee of Parliament, no question should be asked in the House, and I think hon. Members will agree with me.

SHRI BHUPESH GUPTA: Sir, I make a submission. My submission for you to consider is this. I have great regard for Mr. Chandra Shekhar, especially when he fights for it. But what he has said has no relevance at all here. First of all, the Minister had already said what he had to say. He has said nothing. Now, Sir . . . (Interruptions) It does not relate to other things: this is a separate item. May I know in this connection whether the attention of the Government has been drawn to an opinion given in the matter of the United Provinces Commercial Corporation (Private) Limited by Mr. A. K. Sen dated 18-11-66 in which certain very serious observations have been made and, if so, whether Government have taken them into account? That has nothing to do with the Public Accounts Committee.

MR CHAIRMAN: I would like to say this. It has been said . . .

SHRI P. N. SAPRU: On a point of order. I think the point of order

raised by my friend, Mr B K P. Sinha, is the correct one and I think there should be a clear opinion on this thing.

(Interruptions)

MR CHAIRMAN: Since the matter is before . . .

SHRI RAJNARAIN: Sir, before you give your ruling, you may hear me on this point of order.

श्रीमान, अगर आप रूलिंग दे देंगे तो हमारे प्वाइंट ऑफ आर्डर पर क्या विचार होगा ?

MR. CHAIRMAN: It has been discussed fully Since the matter is before the Public Accounts Committee, let us know what they say and we shall think over it Next question

श्री राजनारयण श्रीमान, मैं आपका रूलिंग से सहमत नहीं हूँ। मैं क्या चाहता मैं हूँ कि, आपकी रूलिंग से सहमत नहीं हूँ। चूंकि आगे इम्पोर्टेंट जिजनेस करना है, इसलिए आपकी आज्ञा मान कर बैठ जाता हूँ, लेकिन मैं आपकी रूलिंग को गलत मानता हूँ।

SHRI NIREN GHOSH Sir, on one point I want your attention .

(Interruptions)

SHRI RAJNARAIN You sit down

SHRI SYED AHMAD You sit down

MR CHAIRMAN Please sit down. Mr Morarji Desai

SHRI MORARJI R DESAI I want to raise a point of order After the Chair has given a ruling, is it open to any Member of this House, without making a breach of privilege, and insulting the Chair's ruling to say that he disagrees with the ruling

and that he considers it wrong? The Member ought to apologise. I do not think it is given to the Members to differ, they have to respect the ruling That is the privilege of this House and that is the ruling of this House.

SHRI BHUPESH GUPTA I rise on a point of order. Sir, I am a little surprised that such an experienced person as Mr. Morarji Desai should have said what he has said just now. If you give a ruling, unless you revoke it, for the time being it stands But it is equally open to the Members to ask you to reconsider it It is open to them .

(Interruptions)

SHRI RAJNARAIN: On a point of order,

SHRI BHUPESH GUPTA Let me finish. Now, about the way of reconsideration, I may put it in a particular way—what Mr. Rajnarain has said amounts, in fact, to an appeal to you for the reconsideration .

HON MEMBERS No, no.

SHRI BHUPESH GUPTA No, no That is it

SHRI RAJNARAIN I know what I have said

SHRI TRILOKI SINGH May I make a submission? It is not a point of order that I wish to raise The question is that you have given a ruling Nobody has questioned it All that my friend, Mr Rajnarain, said was that he did not find himself in agreement with the ruling, it is not that he questioned it

(Interruptions)

SHRI RAJNARAIN On a point of order Just hear me, Sir श्रीमान माने अफसोस है मैं इस पर प्वाइंट ऑफ आर्डर पर खड़ा नहीं अगर श्री मोरारजी भाई देसाई न ऐसी बात न कहे होती। मैं उनको सम्झता था कि यह

संसदीय परम्परा के पुराने ज्ञाता है ए. नही अनेक एग्जाम्पुल्स मैं ब्रिटिश मज पार्लियामेंटरी प्रैक्टिस में दे सकता हूँ कि कोई आनरेबिल मेम्बर उठ कर कह सकता है अगर वह चेयर की रुलिंग से एग्री नही करता है कि मैं आपकी रुलिंग से असहमत हूँ और चूँकि ज्यादा इम्पोर्टेंट बिजनेस और है इमलिये मैं यहाँ बैठ कर के आपकी रुलिंग मान रहा हूँ।

MR. CHAIRMAN: We have discussed the matter. I want that we should conduct the proceedings in a very dignified manner. I say this for every Member, both on this side and that side of the House. I only want the co-operation of every one of you to conduct the deliberations in a deliberate manner. Now my ruling is this. Since the matter is before the Public Accounts Committee, let us see what the Public Accounts Committee says. I now go to the next question.

MESSRS. BIRD & Co.

\*34. SHRI BHUPESH GUPTA:†  
SHRI RAJNARAIN:  
SARDAR RAM SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have come to a final decision regarding the fines imposed on Messrs. Bird & Co., for foreign exchange violations; and, if so, what are the details thereof; and

(b) whether it is also a fact that forty Members of Parliament have addressed the Central Government to investigate cases against Bird & Co., and if so, what are the details of the action taken thereon?

THE MINISTER OF STATE IN  
THE MINISTRY OF FINANCE

†The question was actually asked on the floor of the House by Shri Bhupesh Gupta.

(SHRI K. C. PANT): (a) The reference is to the penalties imposed on Messrs Bird & Co. under the Sea Customs Act, 1878, which, on appeal to the Central Board of Excise & Customs, were substantially reduced. In view of the importance of this case the Government have sought the opinion of the Solicitor-General on the appellate orders passed by the Board.

(b) A letter signed by a number of Members of Parliament addressed to the Prime Minister was received. As this matter was already under the consideration of the Government, no separate action was called for on this letter.

SHRI BHUPESH GUPTA: May I know, Sir, what was the original fine imposed and what it came to after reduction? That is to say, the hon. Minister may kindly give us both the figures, the fine originally imposed and the reduced figure after the appeal had been made, and whether it is not a fact that almost on the last date of his charge of the Ministry, Mr. Sachnidra Chaudhuri on the 12th March passed an order cancelling or reducing the fine, and whether it is not also a fact that the matter had been raised on the floor of the House and the Government gave an assurance that the matter would be looked into and proper steps would be taken? I should like to know why there is delay in settling a matter which had already been settled, in the first instance when the fine was imposed, and later reduced under very suspicious circumstances by the previous Finance Minister. I hope the Government would clearly answer point by point the question I have asked.

SHRI K. C. PANT: Sir, the amount adjudicated was Rs. 165 lakhs and odd, and it will be reduced to Rs. 55,35,000. This is point No. 1. The second point is that the previous Finance Minister did not issue any orders on the last day and it was for