

# SHORT NOTICE QUESTION AND ANSWER

## IMPORT LICENCE FOR M/s. MADRAS MACHINE TOOLS MANUFACTURERS LTD.

14. SHRI D. THENGARI:

SHRI V. M. CHORDIA:

SHRI LOKANATH MISRA :

SHRI A. D. MANI :

SHRI SUNDAR SINGH BHAN-DARI:

SHRI R. S. KHANDEKAR :

SHRI K. L. RATHI:

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Chief Controller of Imports and Exports filed a complaint with the Special Police Establishment during July, 1962 to the effect that M/s. Madras Machine Tools Manufacturers Limited, Coimbatore had obtained an import licence by fraudulent means;

(b) whether it is a fact that soon after this complaint was filed, a fresh licence for Rs. 16.16 lakhs was issued to this Firm on 1st October, 1962;

(c) whether it is a fact that in September, 1962 the Chief Controller of Imports and Exports withdrew the complaint from the Special Police Establishment, and if so, the reasons therefor,

(d) whether the Firm operated upon a licence which was a dead licence issued in the name of M/s. Abboi Machine Tools Pvt. Ltd. and whether licence was without the list of goods to be" imported; and

(e) whether it is a fact that the list of banned items to be imported did not carry the secret seal of the development wing and, if so, how the firm got the clearance from the Customs ?

THE MINISTER OF COMMERCE (SHRI MANUBHAI SHAH) : (a) to (e) A Statement is laid on the Table of the House.

The question was actually asked on the floor of the House by Shri V. M Chordia.

L122RS/66

# STATEMENT

(a) No, Sir.

(b) No, Sir. The Capital Goods Committee (C.G. Committee) had approved in principle granting of licences for Rs. 16.16 lakhs to the firm in September 1962. Against this, one licence to the tune of Rs. 4.89 lakhs has been issued to the firm so far. This was in addition to the revalidated licence of Rs. 2.81 lakhs as mentioned in part (c) below and another import licence of Rs. 1.9 lakhs issued to the firm in the normal course in the month of March 1962 as approved by the C.G. Committee and the former Development Wing (D.G.T.D.)

(c) The question of the Chief Controller of Imports and Exports withdrawing from the Special Police Establishment a complaint against the firm did not arise, as no complaint had been filed against the firm. The Special Police Establishment had, on their own, started an investigation against an Assistant Controller and a Clerk in the Chief Controller of Imports and Exports' Office for having issued to the firm on 14-9-1961 a licence for Rs. 2,81,400/- without having obtained clearance from the indigenous angle. The papers relating to the issue of this licence were taken by the S.P.E. for investigation against the two officials. The Police investigation showed that while these officials had contravened the rules in having issued the licence without specific clearance from indigenous angle, there were no grounds to believe that the firm was responsible for the lapse on the part of the officials. The police investigations did not hold the firm responsible for this on any count.

For dealing with the pending applications of the firm, the papers were temporarily withdrawn from the

and the application for licence was considered by the Ministry of Steel and Heavy Industries and the CCI&E and the DGTD. After having fully examined the matter, the licence issued to the firm was revalidated on merits and a duly attested list of goods cleared by the Development Wing was attached to it after full technical scrutiny which found the items in order. So far as the police investigation is concerned, it was completed in due course and on the

basis of their report, the Officer and the Clerk concerned are being departmentally proceeded against for the technical breach of regulations on their part.

(d) and (e) Change of name of the firm was duly approved by the Government and the industrial licence was amended accordingly in April, 1961 on application by the firm for such a change.

The import licence was issued, as used to be the general practice then, without the Ust of goods to begin with, but as stated earlier, a duly attested list of goods, as approved by the then Development Wing (and now DGTD) was attached to the licence after its revalidation. The attestation of the list by the Chief Controller of Imports and Exports, Office was sufficient for the Customs to allow clearance.

Since the Mathur Committee's recommendations have been accepted by the Government, the new procedure is being followed from March, 1965 under which licences are accompanied by lists of items cleared by the DGTD.

**श्री विमलकुमार मन्नालालजी चोरड़िया :**

श्रीमान क्या यह बताने की कृपा करेंगे कि क्या यह बात सही नहीं है कि श्री आर० के० गिजी जो उस समय डेवलपमेंट आफिसर थे उन्होंने पत्र क्रमांक DT-1/12(164)/62/2947 दिनांक 2-5-62 से श्री के० टी० सतारावाला, जो चीफ कंट्रोलर आफ इम्पोर्ट्स थे उनको लिखा कि मद्रास मशीन टूल्स मैन्युफैक्चरर्स लिमिटेड, कोयम्बटूर, का प्रकरण स्पेशल पुलिस इस्टैब्लिशमेंट को भेजा जाना चाहिये, उस पर श्री सतारावाला के अन्तर्गत की आफिसर कुमारी स० ग्रेवाल ने एस० पी० ई० के यहां दिनांक 5-7-62 को दिन के 11.35 पर डी० एस० पी० श्री रूपचन्द एस० पी० श्री राम शरण के पास शिकायत की कि जो अबाय मशीन टूल्स कम्पनी थी जो कि बाद में मद्रास मशीन टूल्स कम्पनी हुई उसने प्लेनिंग मशीन के लिये आर्थनापत्र दिया था और इस आधार पर कि यह मशीन भारत में ही मिलती है तो 19-7-61 को अस्वीकार कर दिया था और बाद में अबाय

मशीन टूल्स कम्पनी ने अपनी व्यवस्था कर के वही अस्वीकृति दिनांक 23-8-61 को स्वीकृति में परिणत करा लिया, तो इस बारे में जांच करने की उन्होंने एप्लीकेशन दी थी। तो आप उसको कम्प्लेंट मानते हैं या नहीं और अगर कम्प्लेंट नहीं मानते हैं तो उसका क्या कारण है।

**श्री मनुसाई साहू :** कम्प्लेंट मानते हैं, उसको स्वीकार किया है, कम्प्लेंट पुलिस से की और उसने इन्वेस्टिगेट भी किया, उसकी रिपोर्ट भी हमारे पास है, उन्होंने कहा कि इसमें फर्म का कोई कसूर नहीं है। जो टेकनिकल डिफेक्ट हुआ है और जो कसूर हुआ है वह दो आफिसर्स से हुआ है और उस पर आज कार्यवाही की जा रही है।

**श्री विमलकुमार मन्नालालजी चोरड़िया :** श्रीमान, मैं आपका ध्यान (सी) की ओर आकषित करना चाहूंगा, इसमें लिखते हैं :

"The question of the Chief Controller of Imports and Exports withdrawing from the Special Police Establishment a complaint against the firm did not arise, as no complaint had been filed against the firm."

Originally the complaint was taken *suo motu*

अब यह सारा मामला एक फर्म के बारे में है, अभी मंत्री जी यहां स्वीकार कर रहे हैं कि कम्प्लेंट इस तरह की पेश हुई और यहां जवाब है कि नहीं पेश की है, क्या यह बात सही है।

**श्री मनुसाई साहू :** दोनों में कोई डिफरेंस नहीं है।

by the Police Department itself. Later on the matter came to our notice and therefore we also took the same action. And the finding of the police investigation is that the firm has nothing to do with this matter. The technical breach of not getting the proper clearance from the indigenous angle is that of the officers of the Chief Controller in Madras and action is being taken against those two officers.

**श्री बिमलकुमार मन्नालालजी चौरङ्गिया :** क्या श्रीमान यह बतलायेंगे कि क्या यह बात सही नहीं है कि श्री आर० के० गिजी ने दिनांक 2-5-62 को श्री सतारवाला को जो शिकायत जांच के लिये भेजी थी उसमें लिखा है :

"A licence was issued by the C.C.I. & E. on 18th September 1961 for planing machines only valued at Rs. 2.83 lakhs which should not have been allowed for import."

क्या यह बात सही नहीं है कि उक्त लाइसेंस को नष्ट कर दिया गया और इस प्रकरण के मुताल्लिक जो आधार था उसको ही समाप्त कर दिया गया और यदि उक्त लाइसेंस समाप्त नहीं हुआ है तो वह मूल कहाँ है और यदि है तो क्या वह टेबिल पर रखने की कृपा करेंगे।

**श्री मनुभाई शाह :** कोई लाइसेंस डिस्ट्राय नहीं किया गया है। वह बात सही है कि जैसा मेम्बर साहब ने फर्माया शुरू में टेकनिकल स्कूटनी में इनडिजेनस एंगिल का क्लीयरेंस नहीं मिला था, वह असिस्टेंट कंट्रोलर इम्पोर्ट्स ने गलती की। इसके बाद में वह सारा रेफरेंस मिनिस्ट्री आफ स्टील एंड हैवी इंडस्ट्रीज के पास हुआ, उन्होंने इनडिजेनस एंगिल का तपास किया और उसको कंफर्म किया कि लाइसेंस को वैलिड किया जाय और सही बात है कि यह मशीन हिन्दुस्तान में नहीं बनती।

**श्री बिमलकुमार मन्नालालजी चौरङ्गिया :** क्या यह बात सही थी कि जो सामग्री आयात करने के लिये इनको लाइसेंस दिया गया था वह भारतवर्ष में बनती है, फर्क केवल इतना ही था कि भारत में जो फर्म थी वह देर से देने वाली थी, एक वर्ष की अवधि वह चाहते थे और उनका कहना था कि चेकोस्लोवाकिया से जो आने वाला है वह जल्दी आ जायगा लेकिन लाइसेंस में देरी हो गई और दूसरी कम्पनी या दूसरे नाम से मद्रास मशीन टूल्स के नाम से प्रारम्भ हो गई और इसमें समय लग गया, तो इस तरह से विदेशी मुद्रा की हानि हुई, विदेशी मुद्रा इस माने में नहीं क्योंकि रुपी पैमेंट है, लेकिन इस तरह से हमारे देश के

रुपये का विदेश में जाने का मार्ग खुला, तो ऐसा क्यों हुआ।

**श्री मनुभाई शाह :** यह ओपीनियन का मैटर है। गवर्नमेंट ने सारी बात को देखते हुये कि हिन्दुस्तान के अन्दर एक बहुत बढ़िया क्रिस्म की मशीन टूल फैक्ट्री है उसका उत्पादन जल्दी से जल्दी बढ़े और उनको जो चीज हिन्दुस्तान में मिलती नहीं थी उसका लाइसेंस देने की सहूलियत दे दी।

**श्री राजनारायण :** क्या यह सही नहीं है—मंत्री जी जरा कृपा कर सुनेंगे . . .

**श्री मनुभाई शाह :** बहुत सुन रहा हूँ।

**श्री राजनारायण :** क्या यह सही नहीं है कि अबाय मशीन टूल्स प्राइवेट लिमिटेड, बंगलौर, 1961 ई० सितम्बर में बनी और दो लाख इक्कासी हजार चार सौ का आयात का लाइसेंस कैपिटल गुड्स का दिया गया था, यह आयात नहीं हुआ; फिर छः महीने बीत गये तो उस समय के मिनिस्टर कंसर्नड ने खुद सुझाव दिया कि अब इस कम्पनी का नाम बदल दिया जाय और उनके सुझाव पर नाम बदल दिया गया मद्रास मशीन टूल्स मैन्यु-फैक्चरर्स लिमिटेड, कोयम्बटूर। जब इसके बारे में बहुत शिकायत आई तो क्या सरकार यह पता लगायेगी कि 5 जुलाई को चीफ कंट्रोलर आफ एक्सपोर्ट इम्पोर्ट, शाहजहाँ रोड, कोटा हाउस, ने स्पेशल पुब्लिस इस्टेब्लिशमेंट में तफ्तीश के लिये केस भेजा, सब इन्स्पेक्टर रामशरण के हवाले सारा मुकदमा किया गया, 21 जुलाई को उनको दिया गया। श्री रामशरण जी कोयम्बटूर गये, जब कोयम्बटूर गये तो पता चला कि इससे मंत्री महोदय का खुद सम्बन्ध है। तो 18-9-62 को मंत्री महोदय के यहाँ उस फर्म की पार्टी आई और 19-9-62 को श्री टी० स्वामीनाथन को मंत्री जी ने बुलाया और 20-9-62 को सारी फाइल वापस मंगाई गई और इसके बाद फिर उसी फर्म को 16 लाख रु० का लाइसेंस मंत्री जी के हुक्म से दे दिया गया। अगर ये बातें सही

हैं तो सरकार को इसके बारे में पूरी जानकारी सदन के सम्मानित सदस्यों को देनी चाहिये और फिर से इस मामले को ठीक तरीके से देखना चाहिये और जो दोषी पाये जाय उनको दंडित करना चाहिये।

**श्री मनुभाई शाह :** मैंने सारी बात सदन के सामने बिल्कुल खोल कर रख दी है। इस केस की पूरी तरह से जांच पड़ताल की गई। मेरे पास सुपरिन्टेंडेंट पुलिस की पूरी रिपोर्ट भी पेश हुई, उन्होंने बिल्कुल इस फर्म को निर्दोष पाया है जो छोटी सी गलती हुई है टेक्निकल त्रुटि की वह मेरे आफिसर से हुई है, उस मिनिस्ट्री के आफिसर की नहीं है और आज उस आफिसर के खिलाफ भी हम यू० पी० एस० सी० के पास गये हैं।

That Assistant Controller could be punished as soon as the Union Public Service Commission give their recommendations as to the manner in which we should take action against him. As for the details which the hon. Member might have in his possession, as far as I am concerned, there is the official record. I do not come from Madras. He might have some other Minister in view but I might say that there is no question of any relationship involved in this. This is a straightforward case of administration.

**श्री राजनारायण :** उस समय सुब्रह्मण्यम साहब थे, श्रीमान।

SHRI LOKANATH MISRA: I would like to know whether the Minister will kindly listen to this side, I am putting a question . . .

SHRI MANUBHA I SHAH Please go on.

SHRI LOKANATH MISRA : I would like to know whether it is very necessary for a firm applying for a licence of this type to have the income-tax clearance certificate and whether this firm had one. No. 2, may I know whether it is necessary that this must be included in the industrial licences under the Act and, if so, in which trade journal, what is the date of the trade journal in which it was published ?  
(Interruption)

Let me finish my questions. Thirdly, the basis for this licence is a trade agreement with some foreign country. May I know whether this particular firm placed before the Ministry a fake trade agreement, a forged trade agreement, with a Czechoslovak company called Strojimport, Praha, and whether there was a complaint subsequently by one of the officers of the Development Wing that the secret seal of the Development Wing was stolen or was forged and that the seal was used in the case of this trade agreement, fake agreement, that was placed before this particular Ministry for the licence ?

SHRI MANUBHAI SHAH: So many questions have been raised by the hon. Member and one by one I will tell you just as you have dealt with it. As far as the income-tax clearance certificate is concerned, that is a part of the CCI's licence. His second question is under the Industries Act when it was licensed. It was licensed as amended in April, 1961. I would like to draw the attention of the hon. Member to the Journal of Trade and Industry, which has given the names of all the licensees to whom licences had been granted during that particular period. Thirdly, there is no import under any special trade agreement. The rupee trade agreement is of a general character in which different items have been given different ceilings. Those imports are allowed.

SHRI G. MURAHARI: I would like to know whether the list of banned items to be imported contained the secret seal of the Development Wing, because that was the practice and whether it is not a fact that before these licences were given, Mr. Subramaniam, the then Steel Minister wrote on the file: "My firm, please do the needful. (CS)"? Another time he had written on the file: "Durairajan is an asset. Deserves all help." These are all the remarks that Shri Subramaniam had written on the file. I would like to know why it was found necessary by the Minister to intervene in this matter, especially when the proprietor of this firm, Mr. Durairajan, was staying with him. It is reported that he was staying with Mr. Subramaniam when he came to get the licence and I would like to know why the Government not only overlooked certain technicalities, as the case is

put. He says that certain technical details were overlooked by certain officials. But I would like to know whether it is a fact that these technical details were overlooked purposely for some consideration.

SHRI MANUBHAI SHAH: Now, Sir, I flatly deny the charge. There was no consideration involved. The technical details examined by the Development Wing and they were convinced, *i.e.*, the Development Wing were convinced, the DGTD were convinced, the Ministry of Steel and Heavy Industries were convinced, that these machines were not available in India and they were allowed to be imported. Too much is being made of the seal. *(Interruption)* Hear me please. When you make a charge of such import, you ought to be prepared to listen. Therefore, as far as the seal of the Development Wing is concerned, the position is like this. When direct recommendations from the Development Wing are sent to the CCI they put a seal, but when a case goes for reconsideration, such as the one on which doubt has been cast, it goes to the CG Committee. The reconfirmation of the Chairman of the CG Committee was obtained by the CCI and it was cleared by the Ministry of Steel and Heavy Industries with the DGTD and, therefore, direct correspondence with the Development Wing, that is, DGTD took place. The question of seal did not arise. The letter of authority from the Ministry is as good as, or even better than, the seal of the Development Wing.

SHRI A. D. MANI: I would like to mention for the information of the Members of the House that many of us have got details about the notings on the file in regard to this matter. May I ask the Minister whether he has ever discussed this matter with Mr. Subramaniam because the charge is being made that the licence was given at his instance and all the officials came to know that Mr. Subramaniam was alleged to be interested in this firm? This is really the pith of the question. I want to ask him whether he was ever discussed this matter with Mr. Subramaniam, because he has got all the details and he knew all the details. And the file numbers are here. *(Interruption)* I want to

ask the Minister further this, because there is no point in hedging the question. The first question that I want to ask is whether he saw Mr. Subramaniam and talked to him. The second point is at least investigation showed that while these officials had contravened the rules in having issued the licence without specific clearance from indigenous angle, there were no grounds to believe that the firm was responsible for the lapse on the part of the officials. This House is entitled to have the contents of the police report placed on the Table. We have allowed one concern to escape fraudulent transaction and I am told that despite the forging of the seal, the letter head of the Czechoslovak firm was printed in Chawri Bazar and letters were fabricated. These are all matters which are known to the Ministry. We would like the Minister to tell us—these are very inconvenient facts which I am bringing to his notice—whether he would lay the police report on the Table. There was a reference, I believe, that the firm was resistant to that type of investigation.

SHRI MANUBHAI SHAH: The question is it is not possible for me or any Minister to go on consulting every Minister for every import licence which has been questioned in this hon. House. All I can say is that administratively every examination has been made, before I stand up to reply on the floor of the House to the Members' question and, therefore, I can say that the licence had been rightfully granted and that there has been no interference of any type in regard to the character of giving the licence. It is a good factory run by a Board of Directors, which is very highly prestigious in this country. It produces good products and every aspect of the matter, whether it is technically correct from the indigenous angle, etc., we have examined. Now, the question arises with regard to the police report and I have given the gist of it here, to the hon. House. The Police have said that the firm has nothing to do with this. The breach of a technical character is by the officers of the CCI and, therefore, we took up the matter further. We did not let the matter lie there. We got it re-examined from the technical angle by the CG Committee, by the DGTD and by the Ministry of Steel and Heavy Industries and we have satisfied ourselves that the licence was correct.

SHRI R. S. KHANDEKAR: The reply says that the Special Police Establishment had, on their own, started an investigation. What was the necessity for the Special Police Establishment starting this investigation on its own? Who gave them the information? And secondly the impression is that the high-ups in the administration, in the Government, are connected with this affair and, therefore, the offices are being made seapegoats. Is it not a fact that a thorough investigation is needed? Will the Government put all the facts before the House?

SHRI MANUBHAI SHAH: The question is about police investigation. They get information from various sources and it is their duty, incumbent on the police of this country, to see that no type of corruption should be there or should be allowed. Therefore, it was good of *them* to have taken up this matter. That was gone into and we got the examination completed before we took any further action. Therefore, we are satisfied that the issuance of the licence was according to the rules of procedure.

SHRI BHUPESH GUPTA: The hon. Minister should answer questions specifically. The general thing we do not want. We are dealing with the seal here. When the file went to the Minister, he said: "He is an asset and deserves all help." First of all, I would like to know in what manner, why the Minister considered him as an asset? Mr. Durairajan or Mr. D. Rajan, I do not know, is an asset and deserves all help. It is telegraphic English. But is it clear that he is an asset? How was he considered to be an asset? What is the special reason for noting it on the file that he was an asset? He should explain it. Is he an asset in the same way as Mr. Aminchand Pyarelal was an asset? I would like to know. Then, secondly, another letter, dated 16th September, 1962 was typed by the P.A. to the Minister. Now, may I know whether it is a fact that the letter was typed and sent? These are concrete questions and the answers should be specific. He can say I know this thing or I do not know, but if he knows, he should tell us.

SHRI MANUBHAI SHAH: All I can say is this. To the question whether the

licence issued was *bona fide*, whether it had all the necessary procedures and formalities completed, to that I have already given a categorical answer that it was cleared by the Ministry concerned. It was approved from the technical angle and the licence was issued.

SHRI DAHYABHAI V. PATEL: The Minister has admitted in the written statement that there was a technical error. Will he kindly tell us what exactly was the error and why it was condoned?

SHRI MANUBHAI SHAH: The error was that there should have been a technical clearance from the indigenous angle, as I have mentioned in the main answer, of the Development Wing that these machines are not available in India or they are available too late and therefore this licence should be granted. The officer should have been careful to check it up but sometimes errors take place. As I said, after the investigation we have made a reference to the U.P.S.C. We want to protect the integrity of the country and the integrity of the administration. We did not rest at that. We got it re-examined by the Director General of Technical Development, and they confirmed that this licence should be granted.

SHRI NIREN GHOSH: May I know whether it is a fact that Mr. Swaminathan had said that "the party came and saw my Minister and made a representation; whatever orders I passed should be available on some file or other" because the orders were in writing. It was not in the relevant file but on some file or other. When he was asked whether this order was top secret so that it should not be found on the relevant file, he said 'no'. After this is it a fact that the Commerce and Industry Ministry was ignored and by telephone contacts were made and letters delivered directly and personally to concerned people on 19-9-62? In this way all things were managed. Is it a fact or not?

SHRI MANUBHAI SHAH: I seek the protection of the Chair. This is not a relevant question. The question is whether the licence was given according to rules and procedure and whether it was given for a rightful purpose. The answer is 'yes.'

(Some hon. Members stood up)

MR. CHAIRMAN: There are five Members standing up. I have already spent twenty minutes on this.

SHRI CHANDRA SHEKHAR: I should like to know from the Government why this shady answer should be given to the questions. If serious charges are made against any person in the Government, the Minister should categorically deny, because certain files are being quoted. They may be wrong quotations. Why should this atmosphere be created in the country that the Government are out to shield certain people and they are not ready to give a categorical answer moreover where a question of corruption is involved.

SHRI MANUBHAI SHAH: I have already said that I shield none including myself. What I am saying is this that we have got a re-examination made. What noting transpired, who delivered the letter to whom, who lived with whom, all these are not relevant. What is relevant is this whether in this particular case any special favour has been shown by the Government which would not have been granted under the procedure to similarly placed firms, to which I gave a categorical denial. Why does the hon. Member get agitated? I am not shielding anybody.

SHRI CHANDRA SHEKHAR: I am not agitated. I am a member of the Congress Party. I do not want this atmosphere to be created in the country that we are a gang of corrupt people. The officer or the Minister or whoever is corrupt, he should be taken to task, and the Government is duty bound to make a statement whether such notings are in the file or not. I am not at all agitated. I want protection of the name of the Congress Party and every member of the Congress Party.

SHRI BHUPESH GUPTA: Sir, on a point of order. My point of order is this. The Minister must conform to certain rules in answering questions. Now we have quoted files. We have given quotations from the file. We have also asked him whether the gentleman, Mr. D. Raj, lived with Mr. Subramaniam. These are relevant questions in this context because we are trying to elicit as to whether or not certain undue favour has been shown. That is why these are very relevant questions, and answer should be given to the mate-

rial facts raised in this question. If the Minister has no knowledge, he can say, "I have no knowledge". I do not know where the file goes from one and to another or who lives with whom. The Minister should know whether a person coming for certain licence does or does not live with any particular Minister or Minister concerned. Therefore, if he has not got the information, we should like to have the information tomorrow with regard to the specific points that we have raised whether he lived with the Minister concerned named here, whether these files are in existence, and whether the quotations given from the files are correct. If that is so, that is a serious matter.

SHRI K. K. SHAH: The Minister has said that in view of the complaint it was re-examined by the C. G. Committee. Therefore, all previous references have no meaning since it has been re-examined and honesty has been established.

**श्री राजनारायण :** श्रीमन् मेरा एक प्वाइन्ट आफ आर्डर है। मेरा प्वाइन्ट आफ आर्डर यह है कि क्या आपके पास इतनी पावर, इतनी क्षमता, इतनी शक्ति है कि आप श्री सुब्रह्मण्यम् से कहें कि चूंकि उनसे सीधा संबंधित यह मसला है, इसलिए वह इस सदन में आकर पूरा बयान दें। आपके पास हमारा यह वैधानिक प्रश्न है।

**श्री सभापति :** जो सवाल है उसका रिलैवेंट आब्जेक्टिव है और उसका जवाब मिनिस्टर साहब ने दे दिया है।

**श्री राजनारायण :** वर्तमान मंत्री जी ने जो कुछ कहा है वह जवाब कुछ नहीं है। आप देख रहे हैं कि हम रात-रात जाग करके फाइल पढ़ रहे हैं, पूरी मेहनत कर रहे हैं और पूरी फाइल की जानकारी रखते हैं। अब हमारा वैधानिक प्रश्न यह है कि मैंने यह सवाल मिनिस्टर के संबंध में किया है। उनकी फाइल को स्पीकर के आर्डर से हमने कारपोरेशन में देखा। अब आप आर्डर दें कि वह फाइल जो चोरी करके बक्स में रखी हुई है माननीय मंत्री जी के पास, उसको फौरन सील करके मंगा लें, यह मैं आप से कहना चाहता हूँ। इसलिए मेरा आप से निवेदन है कि आप के पास क्षमता है

[ श्री राजनारायण ]

कानून की निगाह से भी कि आप उस बक्स, को मंगा लें जबकि फाइल निश्चित कोट की जा रही है। इसमें एक रूपचन्द का नाम लिया जा रहा है और एक रामशरण का नाम लिया जा रहा है। रूपचन्द जो कि पुलिस आफिसर था और रामकिशन इन्वेस्टिगेशन आफिसर था और क्यों उसके पास से फाइल इसके पास बुलाई गई? दोनों आफिसर यहां हैं और अगर आप दोनों आफिसरों को बुलाकर बयान ले सकते हैं, तो कृपा करके बयान ले लें। जिन कागजों को वहां छिपा कर रखा हुआ है उन कागजों को भी ले लें क्योंकि इसमें से सारी की सारी फाइल गायब हुई है। इसलिए मेरा आप से निवेदन है कि हमारी हिफाजत के लिए, मुल्क की हिफाजत के लिए, संविधान की हिफाजत के लिए और ईमानदारी की हिफाजत के लिए इस मसले को छिपने न दें। यदि आपके पास कोई ताकत है, तो इस मसले को छिपने न दें और श्री सुब्रह्मण्यम् को यहां पर बुलाकर उनका उत्तर लें।

SHRI MANUBHAI SHAH: I have heard all the question and quotations *in extenso* with great patience. I do not find as I hear it anything contrary to the final decision. What one Minister wrote or Secretary wrote is not what is material. At the same time I am satisfied that the licence as it is issued to this firm, after the indigenous angle has been checked and also the need of the industry is not different from licences issued to similarly placed factories in this country. That is what the House is primarily concerned with. Therefore, I may submit, Sir, that the policy of the Government consistent with the integrity attached to the administration is fully carried out.

SHRI C. D. PANDE: Sir, for a long time we on this side of the House have been listening with great distress to the quotations, the number, the date, the time and so on, of files. They may be privileged to get information from secret sources but I doubt whether it is in the interests of the good government of this country that every file written in the Secretariat, which is bound by the Official Secrets Act, could come into the hands of the opposition. The)

want to serve the public interest all right but I do not know whether you approve of this practice of quoting files, date, number of letters, and so on.

MR. CHAIRMAN: The Secretariat should take care of their files.

SHRI C. D. PANDE: No, there are a number of . . .

SHRI G. MURAHARI: Public interest is important.

SHRI C. D- PANDE: If the files are dug out, there must be some persons.

**श्री राजनारायण :** उत्तर प्रदेश की विधान सभा के सामने यह मसला उठ चुका है और यहां सेक्रेटेरियट की फाइल आई है। पांडे जी इस बात की जानकारी उत्तर प्रदेश की विधान सभा से करवायें कि वहां फाइल आई है या नहीं। (*Interruption*) फिर वहां ऐसा आदेश हो गया कि सेक्रेटेरियट का कोई चपरासी फाइल ले कर के बाहर न जाय।

Why are you questioning it here?

SHRI BHUPESH GUPTA: What can we do?

MR. CHAIRMAN: What can I do?

SHRI BHUPESH GUPTA : Government is so corrupt. I would like to ask. Even the files do not remain there. Reply to us.

What can we do?

**श्री बिमलकुमार मन्नालालजी चौराईया :** श्रीमन्, हम आपका संरक्षण चाहेंगे। जो स्पेसिफिक चार्जेंज लगाये गये, उसके लिये मंत्रीजी केवल यह जवाब दे देते हैं कि मैंने सारी फाइल्स की जांच कर ली है. . .

SHRI MANUBHAI SHAH: I have replied to every charge. What are the specific charges? I am saying that single, individual item has been examined, the technical angle has been examined, that every aspect of the problem including the SPE report has been gone into. What more can you expect from a public servant?

SHRI NIREN GHOSH. I would like to know whether your Ministry . . .



MR. CHAIRMAN: Mr. Niren Ghosh Mr. Chordia is in possession of the House.

**श्री बिमलकुमार मन्नालालजी चौरडिया :** श्रीमन्, तेजी दिखा कर के मंत्री जी असलियत को छिपा नहीं सकते। माननीय गुप्त जी ने स्पेसिफिक कहा कि मिस्टर दुराई राजन उनके यहां पर ठहरे, इस फाइल पर अमुक अमुक मंत्री की अमुक-अमुक लिखावट है और इस चीज की जांच कर के ठीक उत्तर न दे कर के उन्होंने यह कह दिया कि इसके लिये रेग्युलर प्रोसेस से काम हुआ। जो स्पेसिफिक बातें बताई गई, उनके सम्बन्ध में उन्होंने कुछ नहीं बताया।

**श्री सभापति :** वे कहते हैं कि वह लाइसेंस ठीक तौर पर दिया गया है और पूरे तौर पर जांच कर ली गई है।

**श्री बिमलकुमार मन्नालालजी चौरडिया :** सर्वांगीण दृष्टि से उत्तर दिया है।

SHRI K. K. SHAH: It has been done by an independent body, Sir.

MR. CHAIRMAN: I cannot attend to three Members at a time.

SHRI G. MURAHARI: There have been certain technical lapses. He has stated it in the statement. And there are certain facts in our possession about the complicity of the Minister of the Iron and Steel Ministry during that period and we have raised that question. Of course, as far as his Ministry is concerned, he thinks that whatever process that he has undertaken is correct, and it is all right. We are not questioning that part. What we want to know is whether the Minister of Iron and Steel of that time was involved in getting a special favour for somebody at Coimbatore and, if so, whether the Government is prepared to enquire into the whole matter and fix the responsibility. Let the Minister resign.

SHRI BHUPESH GUPTA: It is not . . .

SHRI ARIUN ARORA: One important aspect of the matter has not been brought to the attention of the Minister who is replying to a volley of supplementaries. The point is that the Minister has said that the

licence was given according to the normal procedure. As far as I know, in the normal procedure, no Minister comes in. In this case, it is obvious that Mr. Subra-maniam who was the then Iron and Steel Minister came in with full force.

AN HON. MEMBER: Yes.

SHRI ARJUN ARORA: May I know what was the justification for the interference of the then Iron and Steel Minister in this case, because that makes the case an abnormal one?

And secondly, may I know why the fact that the firm was under enquiry by the SPE, the Special Police Establishment, was not taken into consideration when the licence was issued?

SHRI MANUBHAI SHAH: Both the questions are irrelevant. It is wrong to believe that the Minister does not come in the process of licensing. There are cases. I have been Minister of Industry for many years. Now I am on the Commerce side. Industrial licensing many times comes to the Ministers when the officers want to take the advice or the authority of the Minister on a particular problem. The Minister also receives various representations, asks questions and asks them to put up the files to see them and to see that the delays and various other types of things alleged are not taking place. Therefore, I would correct the hon. Member who believes that the licensing question should not come or does not come to the Minister and therefore this becomes an abnormal case. It is not abnormal at all.

**श्री अर्जुन अरोड़ा :** इसमें मिनिस्टर आते हैं।

**श्री मनुभाई शाह :** सब में आते हैं। इसका मतलब यह नहीं है कि मिनिस्टर आते नहीं हैं। ज़रा कुछ समझिये कि इस मुल्क में क्या होगा सरकार का। क्या कोई गवर्नमेंट चलेगी इस तरह।

The second point is that it is true, as he said, that when the attention was drawn that the SPE enquiry was there, the Ministry wanted to issue no licence till the clearance is given by the SPE. I may be allowed to say here that the SPE said that

the firm is blameless. And the technical angle is not the technicality which the hon. Member has alleged; technical angle means whether these machines were available through an indigenous angle and whether the certificate that they were not available was or was not attached to the original application of Rs. 2,81,000 only, not Rs. 16,16,000. Therefore we got it reexamined from the DGTD, the Ministry of Steel and Heavy Industries and the technical authorities to satisfy ourselves that before our officers issue a licence, that technical angle had been cleared.

SHRI G. MURAHARI: By that technical lapse . . .

SHRI B. K. P. SINHA: Mr. Chairman, it is almost a point of order that I am raising at this stage.

SHRI BHUPESH GUPTA: What is almost? Say whether it is a point of order.

SHRI B. K. P. SINHA: I will drop 'almost'. I agree, I delete the word 'almost'. I am raising a point of order.

Hon. Members from the Opposition have mentioned dates, quoted the number of files, quoted the time, quoted the number of letters.

SHRI DAHYABHAI V. PATEL: 'My firm', 'assets', that is what is quoted.

SHRI B. K. P. SINHA: Sorry, it was not your firm. Anyway . . .

SHRI BHUPESH GUPTA: He supplements me.

SHRI B. K. P. SINHA: The House at this stage is not in a position to judge whether all these references, all these quotations are correct or incorrect, whether the documents which they purport to quote are genuine, correct or not. This is becoming very common now in this Parliament. In such a situation, Mr. Chairman - . . .

SHRI DAHYABHAI V. PATEL: Because it is there.

SHRI B. K. P. SINHA: When these things are noted in detail and go into the newspapers, the impression is created in the country as if what has been said is truth and absolute truth. In such a situation, would it not be proper for the functioning of Parliament and for the efficient and proper functioning of the Government that those Members who have such documents, I

such papers in their possession they should approach you or the Deputy Chairman . . .

SHRI BHUPESH GUPTA: No.

SHRI B. K. P. SINHA: ... and satisfy you . . . (Interruptions).

SHRI BHUPESH GUPTA : Not at all.

SHRI B. K. P. SINHA : . . . and satisfy you, the Deputy Chairman and your Secretariat? Not necessarily they should be satisfied with their 100 per cent correctness, but at least . . .

SHRI BHUPESH GUPTA : It is not even a point of order. What is your point of order?

SHRI B. K. P. SINHA : With the condition . . .

(Interruptions)

MR. CHAIRMAN: I have allowed points of order from this side, and I will allow them from that side also.

SHRI B. K. P. SINHA. Unless they satisfy you the Deputy Chairman and your Secretariat and the persons whom you would like to consult whether *prima facie* there is some substance in the documents that they are producing, I request you not to allow these documents, these quotations . . .

(Interruptions)

DR. M. M. S. SIDDHU : Sir, the hon. Minister has said that all was done in an ordinary manner. May I know from the Minister if it is right for any Minister to write "my firm" or "an asset" in the ordinary technical way in which . . .

SHRI BHUPESH GUPTA: The Minister is well aware of it.

DR. M. M. S. SIDDHU : . . . the licences are processed and if it is not so, will he look into the files again and lay on the Table a statement showing whether the charges which are levelled are true or false?

MR. CHAIRMAN: Mr. Chagla.

SHRI M. C. CHAGLA: Sir, I find that the question is addressed to the Minister of Commerce, and the Minister of Commerce has answered that question. Certain

files have been produced where it is alleged that the then Minister of Steel, Mr. Subramaniam, has made certain endorsements. I think in fairness to the Minister a notice should have been given that they were going to raise the matter. Mr. Manubhai Shah is not in a position to answer what Mr. Subramaniam did.

SHRI CHANDRA SHEKHAR: Mr. Chairman, Sir, I am sorry to make this observation but I have to make it. What Mr. B. K. P. Sinha has said is partially correct. If the charges made are of a personal nature, then the particular Minister or Member should be informed and you should be shown the document concerned. But if it is a question relating to administrative duty, then any Member, if he has approach to these files, can quote and it is the responsibility and obligation of the Government to deny those charges and to say that these charges are not correct, that such and such not-ings are not there on the file. Mr. Chairman, it is becoming very difficult to tolerate all these things. Charges are made and no one from the Government side comes and says that those are totally false allegations and we deny it. (*Interruption by Shri Awadheshwar Prasad Sinha*) If you want to interrupt, interrupt—because it creates the impression outside that whatever charges have been levelled are correct. This impression should not go. When I raise that point, I do so because this impression is doing harm to the Government and to this party, and not only to them but to the whole parliamentary democracy, and the whole parliamentary democracy is in danger. I beg the Leader of the House, it is high time that the Government take a policy decision that whosoever, however high he may be—it may be myself or any other person—levels such charges, they should be either flatly, totally denied by the Government or the Government should come and say that the charges are right, and the persons responsible should go. They should not be allowed to continue in any responsible position. The Government! position is much more important than an individual's. The country is much more important. This parliamentary democracy is much more important. I am not agitated, I am not sentimental. I have

been tolerating these things. Mr. Chairman, I have been approaching many people with documents. I have not read them out in the House, but I do not have even the courtesy of my communication being acknowledged. So I request, Mr. Chairman, that the Leader of the House should convey to the Prime Minister that if she is able to deny these charges, the Opposition will also be silenced and they would have no guts to come forward with false allegations. This is my request.

SHRI MANUBHAI SHAH: There are three points made by the hon'ble Member. The first part, as I understand it, is with regard to some noting on a particular file by a particular Minister. I agree with him that it would have been good and kind of the Opposition to have shown it to you earlier so that either I or my colleague, in whose name the noting is supposed to have been made, could have confirmed or denied it. That would be a good procedure if in future they place such files before you before passing on to the Minister concerned.

SOME HON. MEMBERS: No, no.

SHRI MANUBHAI SHAH: Wait, wait. I am agreeing with his suggestion.

I do not agree with the second aspect of my friend, Mr. Chandra Shekhar's observation. I have stated with full authority at my command that we have gone into administrative and all other procedures and what has been done is administratively correct and pure.

Then, Sir, if you shout and create an impression, then it is a different matter. I can tell you that I flatly deny any question of any favour being shown—I have been repeatedly saying that—as far as administrative procedures are concerned. I am not saying about the letter or the noting.

SHRI CHANDRA SHEKHAR: Mr. Chairman. I resent such remarks from the hon'ble Minister. I do not shout. I have been tolerating all this. I would not take these words from any Member howsoever important he may be.

SHRI MANUBHAI SHAH: You have a right to say and I have a right to say. You should also be ready to hear such remarks. As a responsible Member . . .

(*Interruption by Shri Chandra Shekhar*)

MR. CHAIRMAN: Mr. Chandra Shekhar, you have had your say. Let him have his say. You are a Parliamentarian . . .

SHRI MANUBHAI SHAH: As a responsible Member of this Party and the Government I do not subscribe to the view that the general impression outside is that this Government's integrity is doubtful or it is corrupt. I again deny the charge that there is any impression in this country created by any atmosphere that this Government is corrupt. *{Interruption by Shri Bhupesh Gupta}* This is my own view about the matter. I refuse to say that any impression has been created in this country of the nature which the hon'ble Member mentioned.

**श्री राजनारायण :** माननीय चैयरमैन साहब, मेरा पाइन्ट आफ आर्डर है कि ये आपकी तरफ पीठ न करें, यह डीसेन्सी नहीं है, यानी जो बोलने वाला है उसका मुख आपकी ओर होना चाहिए।

**श्री सभापति :** ठीक है।

SHRI MANUBHAI SHAH: I accept your suggestion.

The hon'ble Member said that he had approached high authorities with documents. So far I have not been approached. I will be obliged, if the hon. Member or any other Member has any documents of any importance, minor or major, and if they are given to me or to my colleague, I can say about myself that they will be attended to, replied to.

SHRI BHUPESH GUPTA: Sir, I have a submission to make. You consider it and tell us. The issue today now is not whether the hon'ble Minister is satisfied or not, whether Mr. Manubhai Shah is satisfied or not. That is not at all the issue. We have been landed in a situation in which a certain background of a case has come to light through the quotations given from the files, which we believe to be true. Either Mr. Manubhai Shah is aware of the existence of these files or he is not. He should tell us frankly whether he is aware of their existence or not.

Secondly, Sir, I also suggested that—he need not give the answer today. He can

give it tomorrow—the businessman concerned had visited Mr. Subramaniam's house. If that is so, let him say 'Yes'.

Then I would like some light to be thrown on another point. If the quotation is correct the words are "My firm", "my assets", and then it takes a new turn. Suppose I write about a woman "My darling", how do you like it? Will you ignore it? Therefore, "My assets", "my firm", "my darling" are utterances not to be lightly treated. I would like to know whether these words occur in the file. Let him ascertain from the Minister concerned.

**श्री राजनारायण :** मेरा एक पाइन्ट आफ आर्डर है।

**श्री सभापति :** राजनारायण जी . . .

**श्री राजनारायण :** कृपया सुन लें हमें। आज इस हाउस में इतना महत्वपूर्ण राष्ट्र का भेद खुला है जिसको कि सदन के सम्मानित सदस्यों को नजरन्दाज नहीं करना चाहिए।

**श्री सभापति :** आप समझते हैं कि मैं कुछ सुन ही नहीं रहा हूँ।

**श्री राजनारायण :** मैं मुख्य रूप से आपसे कहना चाहता हूँ।

मैं बहुत ही शुक्रगुजार हूँ श्री चन्द्र शेखर का, चन्द्र शेखर जी ने इस सदन में, इस हाउस में यह कहा है कि मैं कई बार खुद बहुत सी जरूरी फाइलें ले कर गया हूँ मगर मंत्री लोगों ने उनकी बातें अनसुनी की हैं।

श्रीमान्, देखिये यह पार्लियामेंटरी सिस्टम का सवाल है और डेमोक्रेसी का सवाल है।

**श्री सभापति :** मैं समझ रहा हूँ।

**श्री राजनारायण :** मैं आपसे अदब के साथ अर्ज करना चाहूंगा कि चन्द्र शेखर जी जिन-जिन मंत्रियों के पास गये हैं और जिन-जिन मंत्रियों ने हमारे एक सम्मानित सदस्य के प्रति उपेक्षा का रुख दिखाया है उनकी भर्त्सना होनी चाहिये और उन मंत्रियों को इस सदन में बुलाना चाहिये और चन्द्र शेखर जी से भी एक स्पष्ट मांगनी चाहिये कि किन-किन फाइलों को,

**किन-किन मामलों के बारे में, किन-किन मंत्रियों से मिले और किन किन मंत्रियों ने अपने कर्तव्य का पालन नहीं किया।**

SHRI N. SRI RAMA REDDY: In the interests of democracy about which the hon. Member was speaking, I would like to say with your permission . . .

MR. CHAIRMAN: Please do it.

SHRI N. SRI RAMA REDDY: There are certain functions. Is it proper for us as Members of Parliament to take up the executive functions of the Government and go on creating situations in the Parliament and take the valuable time of this Parliament? I plead in the name of democracy that if every file of the Government can be dragged into the Parliament House we can go on discussing . . .

HON. MEMBERS: Why not?

MR. CHAIRMAN: Let me come to my conclusions over it.

SHRI N. SRI RAMA REDDY: I feel that it is improper for this Parliament to take up the work of the executive and examine each and every file and every noting and go on wasting the time of the House. It is for you to consider.

MR. CHAIRMAN: So far as this question is concerned, I think the Minister has given a satisfactory reply, a convincing reply, that it is a valid licence and that he has thoroughly investigated it but many other matters have been raised which I think deserve the attention of the Government and they should therefore come to their own conclusions as to what they should do. ■ As Mr. Chandra Shekhar pointed out, there are important things which should not be ignored. If observations have been made by responsible Members of the House, they should be taken note of and the Government should know what to do about them.

SHRI BHUPESH GUPTA: Thank you. I hope the advice will be taken.

MR. CHAIRMAN: But you took so much time.

## WRITTEN ANSWERS TO QUESTIONS

### THEFT IN NASIK SECURITY PRESS

\*815. SHRI D. THENGARI: Will the Minister of FINANCE be pleased to state :

(a) whether the police investigation into the Nasik Security Press theft case of 1957 has been completed;

(b) if so, the findings of the investigation; and

(c) the action taken by Government thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI L. N. MISHRA): (a) Yes, Sir.

(b) A case was established for launching a prosecution for a criminal conspiracy to remove spoiled notes from the Press and to put them into circulation by making them look like genuine notes.

(c) Prosecution was launched against nine persons of which three were employees of the Press. The court convicted three persons including one employee of the Press. The convicted employee was dismissed from service. Departmental action was taken against the two employees acquitted by the court. Security arrangements were reviewed and tightened up, but it is not possible to disclose the details of the steps taken in this regard.

### GOVERNMENT SCHEME REGARDING SALE AND PURCHASE OF GOLD

\*818. SHRIMATI DEVAKI GOPIDAS : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government propose to introduce a scheme whereby Government is to stock genuine gold, viz., 22 carat, and sell it to goldsmiths on card basis at cost price and also to impose a limit of possessing gold by an individual to the maximum of ten tolas or five tolas;

(b) if so, the details thereof; and

(c) if the answer to part (a) above be in the affirmative, when the scheme is going to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI B. R. BHAGAT): (a) and (b) A new scheme of Gold Control was announced by the Prime