

**FIRMS FOUND GUILTY OF IMPORT/
EXPORT MALPRACTICES**

*908. **SHRI ARJUN ARORA:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether any firms have been found indulging in malpractices in the matter of import and export licences; and

(b) the action taken or proposed to be taken against them?

THE MINISTER OF INTERNATIONAL TRADE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI MANUBHAI SHAH): (a) Yes, Sir. A statement is laid on the Table of the House. [See Appendix XL, Annexure No. 99.]

(b) The following action is taken against such firms;

- (i) Prosecution under Section 5 of the Import and Export (Control) Act, 1947.
- (ii) Suspension or debarring from the grant of licences for a specified period in terms of the provisions of the Import (Control) Order, 1955 and Export (Control) Order, 1958.

SHRI ARJUN ARORA: The statement shows that the firms blacklisted are sometimes blacklisted for all items and sometimes for particular items only. Does the Government adopt the practice of blacklisting a firm only for that particular item for the misuse of an export licence for which the firm has been caught or does it blacklist a firm which has been caught misusing the import or export licence generally for all items?

SHRI MANUBHAI SHAH: It all depends—as the hon. Member will see—just as the courts acquit people or give only one day's imprisonment because sometimes the breach is absolutely technical and because the

control order does not give power to exempt. It is only a national penalty that we have to inflict.

SHRI ARJUN ARORA: Blacklisting of firms does not have anything to do with the court. That is something which the Government can do.

SHRI MANUBHAI SHAH: The executive uses a judicial judgment on items. We have to see whether the firm has committed real breach or it is only that they did not send an application for a particular period of time. There are different types of defaults or breaches of the rules and regulations on which blacklisting as well as prosecution is permitted. In the matter of blacklisting also, the executive authority has to exercise its judgment to the extent to which the crime is matched by the punishment.

SHRI ARJUN ARORA: May I know if blacklisting is done only in the case of convictions or it is done as soon as the Department catches hold of the guilty person?

SHRI MANUBHAI SHAH: Regarding the last part of the question, we do not wait for the conviction by the court because it has been our experience that in regard to many malpractices the people take such a long time to go to the court that they drag on for a long time. We immediately catch him, as soon as the malpractice is noted, and inflict the punishment. In most of the cases it is for all the items.

IMPORT OF CARTRIDGES

*909. **SHRI M. P. BHARGAVA:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) what bore cartridges are being manufactured in India; and

(b) what steps are being taken by Government for the supply of cartridges of bores that are not being manufactured in India?

THE MINISTER OF INTERNATIONAL TRADE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI MANUBHAI SHAH): (a) The following types of sporting ammunition are being produced in the country:—

- (i) 0.22" rimfire Ball.
- (ii) 8 mm/.315" Rifle Ammunitions.
- (iii) 12 Bore Shot Gun Cartridges of 2, 4, 6 & 7 in 2½" size.

(b) Indigenous production is proposed to be stepped up as far as possible with the objective of attaining self-sufficiency.

SHRI M. P. BHARGAVA: May I know whether any representation has been received from the hunters that they are finding it difficult to get the required type of ammunition for their use?

SHRI MANUBHAI SHAH: Whenever there is an import ban, representations are received from all interests including the hunters and I have given an assurance on the floor of the House that if there are any rifles for which the indigenous production is not suitable, that is, there are special rifles imported some time back and the mass production of the shot guns or cartridges is not undertaken in India, minor token licences will be given to Indian Rifle Association or the City Rifle Associations to keep those shot-guns in order, but in the future, we would like to discontinue all such rifles.

SHRI C. D. PANDE: In view of the fact that the Government has the monopoly of arms and ammunition manufacture in this country and there is a great deal of scarcity of cartridges and bullets, will the Government consider the necessity and feasibility of making more cartridges in the Government arsenal as there is enough of capacity in the Defence Department?

SHRI MANUBHAI SHAH: In the last few years due to the persistent import restrictions, the production of

cartridges has gone up four times—from 2 lakhs to 8 lakhs.

ELECTRIC DETONATOR FACTORY IN WEST BENGAL

***910. DR. A. SUBBA RAO:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is a proposal under Government's consideration to set up an electric-detonator factory in West Bengal;

(b) whether it will be in the private or the public sector; and

(c) whether the proposed factory will be set up in technical collaboration with some foreign company and if so, the name of that company?

THE MINISTER OF INDUSTRY IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI N. KANUNGO): (a) to (c) A statement is laid on the Table of the House.

STATEMENT

M/s. Continental Plant Machinery Co. Ltd. of Calcutta has been granted licence under the Industries (Development and Regulation) Act, 1951 for the establishment of a new industrial undertaking in West Bengal for the manufacture of 24 million numbers of electric detonators per annum.

Details regarding the technical collaboration are still awaited from the company.

DR. A. SUBBA RAO: May I know the country which is collaborating in the setting up of this plant

SHRI N. KANUNGO: This firm had originally collaboration with a Czechoslovakian concern and now they are thinking in terms of Hungary, I suppose.