

## APEEJAY SHIPPING COMPANY

\*484. SHRI A. SREEDHARAN .

SHRI J. B. SINGH :

SHRI KAMESHWAR

SINGH :

SHRI K. N. TIWARI :

SHRI MADHU LIMAYE :

Will the Minister of TRANSPORT AND SHIPPING be pleased to refer to the reply given to Starred Question No. 753 on the 27th June, 1967 and state :

(a) whether Government have taken any action against the Apeejay Shipping Co.;

(b) if so, the result thereof; and

(c) if not, the reasons therefor ?

THE MINISTER OF TRANSPORT AND SHIPPING (DR. V. K. R. V. RAO) : (a) to (c). Government have been advised that so far as the Company is concerned no legal action is possible. However, it is proposed to take departmental action against the company in the form of denying the allocation of Government cargo to their ships. For this a show cause notice will have to be served on the company. But before this can be done it is necessary to wait for the judgment of the Calcutta High Court on the writ petition filed by the company against a banning order issued by the Iron and Steel Controller in May 1966. In that case the Court has issued an interim injunction in the face of which any action taken by the Government against the company is liable to expose Government to the charge of contempt of court.

The hearings in that case were concluded in August 1967 but the judgment has been reserved. Further progress in this case can be made only after the judgment has been delivered.

SHRI A. SREEDHARAN : Wholesale cheating by Apeejay Shipping Company. It can be equalled only by the stink of this Government; is still stinking in our nostrils. I would like to ask

a straight question and I expect a straight and clear reply from the Minister. I want to know whether after the receipt of Apeejay circular letter from our Embassy in Burma, an explanation was called for from the shipping company and, if not, why not ?

DR. V. K. R. V. RAO : I believe an answer was given in the course of the previous discussion. The matter did not come up to the ministerial level at all. It was disposed of at the level of the Under Secretary or Deputy Secretary.

SHRI RANGA : It was disposed of by the Government; we are not concerned with by whom it was disposed of.

DR. V. K. R. V. RAO : I am not quite familiar yet with it; I would certainly like to be educated by Prof. Ranga, for whom I have great respect. The facts of the case were these. On 12th April 1962, our Food Attache in Rangoon sent a letter to the Food Ministry, not to the Transport Ministry—the matter did not come to the Transport Ministry at all. (*Interruptions*).

SHRI NAMBIAR : The cat is out of the bag.

श्री मधु लिमये : तो फिर उन्होंने यह मामला अपने ऊपर क्यों लिया यही तो हमारा एतराज है ।

DR. V. K. R. V. RAO : The question has been asked and am giving the facts as I know. The letter was received in the Ministry of Food. The Food Attache also enclosed a copy of a circular letter, not the original, which he had been able to catch hold of where an officer signing on behalf of this company had asked that empty gunny bags may be kept in the ship with the necessary markings, so that the losses which arise from shortages, etc. could be properly dealt with. The Food Attache also took some action. He went and inspected that particular ship which was called Rita and he found there 133 gunny bags which were stamped with the stamp of the authorities from whom

the rice was bought. Immediately he sent that information also. What the Under Secretary or Deputy Secretary did was immediately to write to the Regional Food Controller in Madras warning him that the ship which was coming to Cochin from Rangoon was carrying some empty gunny bags and an attempt may be made to cheat and therefore, all possible action should be taken to see that this was not done. The letter was also sent to Bombay and Calcutta where food shipments were to be received from Rangoon warning the food officers there concerned about the same possibility. This instruction was carried out. No cheating took place on that particular ship and no shortages were there on account of these gunny bags. There, I am afraid, the matter stopped. The matter did not come up to the Minister. As far as the categorical question which my hon. friend asked me is concerned, no notice was given to the Surendra Overseas at this time by the Food Ministry or by anybody else.

**श्री मधु लिमये :** क्यों नहीं दिया ?

**SHRI A. SREEDHARAN :** Why not ? I have asked as to what are the reasons for that.

**श्री मधु लिमये :** माननीय सदस्य ने पूछा है कि उनसे क्यों नहीं पूछा गया। इस का जवाब आना चाहिए।

**DR. V. K. R. V. RAO :** I am afraid, apart from all other difficulties, it is not possible for me to answer a question except from what I read on the file on the subject.

**श्री मधु लिमये :** क्या यह जवाब है ? अध्यक्ष महोदय, इनको मंत्रिमंडल से हटा दीजिए। आप सेक्रेटरी को यहाँ पर बिठाइये। यह काहे को यहाँ बैठे हैं ?

**DR. V. K. R. V. RAO :** Sir, unfortunately, I happen to be an elected Member of this House and my Secretary is not. I have every right....

**श्री मधु लिमये :** तो फिर तैयारी करके आइये। सेक्रेटरी से हमको मतलब नहीं है।

सेक्रेटरी जहलूम में जाये, हमें उससे मतलब नहीं है। हमें तो मंत्री से मतलब है।

**MR. SPEAKER :** A question has been put and the hon. Minister is answering it. If the answer is not satisfactory hon. Members can take some other method. What am I to do ?

**श्री मधु लिमये :** अध्यक्ष महोदय, ये दो-दो साल पुराने मामले हैं। आप इनको अनुशासित कीजिए।

**SHRI INDRAJIT GUPTA :** Sir, it is a very irregular procedure. It amounts to contempt of the House.

**श्री मधु लिमये :** क्यों नहीं मांगा एक्स-प्लेनशन ?

**SHRI NAMBIAR :** Sir, I rise to a point of order.

**MR. SPEAKER :** During Question Hour there is no point of order.

**DR. V. K. R. V. RAO :** Sir, I do not see why so much excitement should be brought in this ?

**श्री मधु लिमये :** यह मंत्री महोदय की समझ में नहीं आयेगा। श्री जगजीवन राम की समझ में यह आया, इसलिए वह गायब हैं आज।

**श्री मु० अ० खां :** अध्यक्ष महोदय, यह क्या बात है कि आनरेबल मेम्बर हर मामले में रुकावट डालते हैं, मिनिस्टर साहब को जवाब नहीं देने देते और कार्यवाही को चलने नहीं देते।

**श्री मधु लिमये :** हम इस तरह दबने वाले नहीं हैं।

**श्री राम सेवक यादव :** चावल-चोरी और सीना-चोरी एक साथ नहीं चलेंगे।

**MR. SPEAKER :** Order, order. I would request all hon. Members to resume their seats.

**SHRI A. SREEDHARAN :** Sir, I must get an answer and then only I

will sit down. I want to know the reasons why an explanation was not asked for. A lot of conspiracy has gone on behind this. Shri S. K. Patil is involved in this. The high priest of the petticoat syndicate is involved in this.

**MR. SPEAKER :** You want him to answer this ?

**श्री मधु लिमये :** माननीय सदस्य ने पूछा है कि जब चोरी का प्रयास किया गया, तो क्यों नहीं उनको नोटिस दिया गया, क्यों नहीं उनका स्पष्टीकरण मांगा गया। क्या मंत्री महोदय के पास इसका जवाब है ?

**MR. SPEAKER :** Shri J. B. Singh—

**SHRI A. SREEDHARAN :** Sir, I have to ask my second question.

**MR. SPEAKER :** I thought he had asked when he asked about the syndicate (*Interruptions*). So many of you are standing at a time. It does not do good to us. Hon. Ministers from other countries are also watching us.

**श्री मधु लिमये :** इनको शर्म आनी चाहिए कि दूसरे देशों के लोगों के सामने ऐसा व्यवहार करते हैं और सवाल का ठीक जवाब नहीं देते हैं।

**अध्यक्ष महोदय :** सब लोगों को शर्म आनी चाहिए।

**श्री सु० अ० खां :** ये बिलकुल बेशर्म हैं। हम खामोश बैठे सुनते रहते हैं और आप इनको रोकते नहीं हैं। इस तरह हाउस की कार्यवाही कैसे चलेगी ?

**MR. SPEAKER :** Order, order. The hon. Member may sit down. He is not helping me or the House at all. I can deal with the House. I do not want his assistance.

**SHRI S. KUNDU :** Sir, why don't you name him.

**MR. SPEAKER :** Will you all kindly sit down ? (*interruptions*). After all,

outsiders will see everything, not only one side. So, it is no use saying that somebody is put to shame. I do not agree, in fact nobody would agree, with Shri Lihaye there.

**श्री मधु लिमये :** इस पर मुझे आपत्ति है। इसमें हमारे लिए शर्म की क्या बात है ? शर्म की बात इनके लिए हो सकती है। मैं फिर इनसिस्ट करता हूँ कि इनको शर्म आनी चाहिए।

**MR. SPEAKER :** Please resume your seat. I thought he had put his question and it was all over.

**श्री मधु लिमये :** हाँ, तो इसका जवाब नहीं दिया।

**MR. SPEAKER :** He said Shri Patil is involved, the Syndicate is involved and so on and asked for an answer. The Minister said "I have nothing to say". That was the second question. I even asked the Minister whether he would answer the question. But how can he answer for Mr. Patil ?

**श्री मधु लिमये :** न, न। पहले नहीं कहा था। जब जवाब नहीं आया तब उन्होंने कहा। ऐसा कैसे हो सकता है ? . . . . (व्यवधान) . . . . पाटिल के बारे में नहीं पूछा था। उन्होंने पूछा था कि नोटिस क्यों नहीं दिया गया ?

**DR. V. K. R. V. RAO :** The question which has been asked, as I understand it, is that when this intimation came to the Food Ministry and they took administrative action to prevent anything untoward resulting from that, why did they not at the same time issue a notice to the company concerned. This is the question. Am I right ? The answer to this question is that I will make enquiries from the Food Ministry and give the information to the House. (*Interruptions*).

**अध्यक्ष महोदय :** फूड मिनिस्ट्री से एन्क्वायरी करेंगे और तब जवाब देंगे। यह उन्होंने कहा।

**SHRI A. SREEDHARAN :** May I know whether it is a fact that the Director-General of Food and the Vigilance Officer in the Food Department, after seeing the file in regard to the cheating attempt, never bothered to ask whether any action by way of black-listing and criminal prosecution was taken against the firm and whether the opinion of the Law Ministry and the Advocate-General was sought in this case and also the help of the CBI? If not, may I know the reasons for it?

**DR. V. K. R. V. RAO :** It was only in 1966, when the question was raised on the floor of the House and, I believe, a copy of the circular letter which was sent by this company was placed on the Table that all these questions arose and the very question which my hon. friend is asking is almost the same, if my memory serves me right. The people whom we consulted were not the Advocate-General but the Law Ministry on the subject to find out what is to be done. As the House will remember, I also intervened in the debate. The advice of the Law Ministry—I saw the advice—was that you cannot prosecute the company as such unless you get the actual original of the letter and establish that the letter was written at the instance of the company. I may inform the House that the very next day I received a telex message from the company saying that they were not responsible for the issue of the circular letter and that before any action is taken against them we must bear this in mind. I did not reply to that. Unfortunately, it was not possible to issue a show cause notice because a case was pending at that time before the Calcutta High Court and I think a ban has been placed by the Iron & Steel Controller.

**श्री मधु लिमये :** हां, तो इसका और इनका संबंध नहीं है। आप सदन को गुमराह कर रहे हैं। राइस इम्पोर्ट के बारे में कलकत्ता में कैसे नहीं चल रहा है . . . . .

**DR. V. K. R. V. RAO :** I would like to go on record in this House that L92LSS/67—2

I am not in the habit of making false statements.

**श्री मधु लिमये :** अर्घ्यक्ष महोदय, अगर् सदन को गुमराह किया जायगा तो मैं जरूर उस पर आपत्ति करूंगा। कलकत्ता में अफीजे शिपिंग के बारे में एन्क्वायरी नहीं चल रही है, उस बारे में ऐक्शन नहीं है।

**DR. V. K. R. V. RAO :** This question was raised also during the discussion. Unfortunately, the Surendra Overseas company, I am told, is a composite company and all these are different parts or aspects of the transaction. You cannot divide them up.

**SHRI MADHU LIMAYE :** No.

**DR. V. K. R. V. RAO :** It was the advice of the Law Ministry. We were advised by the Law Ministry to wait till the court gave its judgment. In fact, we wanted to go before the Calcutta High Court and take their permission on the lines of what Shri Madhu Limaye is saying because to me also it sounded like commonsense why mix up the two things and why not take action on the question of rice. We wanted to approach the Calcutta High Court with an application to give show-cause notice to this company irrespective of the fact that the ban order existed. Then we were advised by our solicitors in Calcutta which advice was later on endorsed by the Law Ministry that it would be better for us to wait till this question was decided. It was going to be decided in August and the debate took place towards the end of June. By 22nd August the case had been concluded, but unfortunately the judgment has been reserved and has not yet been delivered.

Regarding the particular person, the Food Ministry is taking action; in fact, the Food Minister has taken action against the officer. That officer was arrested; a godown was raided; documents were seized and he has been let out on bail. The Food Ministry is going ahead with the case.

As far as we are concerned, the moment the judgment of the High Court is delivered so that we are free to take action, we certainly will issue a notice to this company to show cause why we should not suspend giving them any further Government business as far as transport is concerned.

SHRI D. C. SHARMA : Sir, he has given a foolproof reply.

श्री कामेश्वर सिंह : अध्यक्ष महोदय, प्रश्न पूछने से पहले मैं आप से एक निवेदन करना चाहता हूँ। खाद्य मंत्री जो कि बहुत ही सीनियर मंत्री हैं उन्होंने घोखा देने के लिए इस सवाल को खाद्य मंत्रालय से ट्रांसपोर्ट मंत्रालय को टाल दिया है.....

MR. SPEAKER : For every supplementary there is a lecture. I am not going to allow an answer to be given. Do you want to put a supplementary or not ?

श्री कामेश्वर सिंह : अध्यक्ष महोदय, क्या मंत्री महोदय बतायेंगे कि भारतीय दूतालय रंगून से सर्कुलर लेटर प्राप्त करने के बाद ही डाइरेक्टर पोर्ट्स ऐंड डिपोज कोचीन से रिपोर्ट मांगी गई थी ? यदि यह सत्य है तो डाइरेक्टर की क्या कफार्डिडिंस है तथा इस पर क्या कदम सरकार ने उठाया है ?

DR. V. K. R. V. RAO : To the best of my knowledge no such inquiry was made by the Cochin Port. The Ministry was satisfied that no cheating had taken place. The warning had been taken into account and was acted upon.

श्री कामेश्वर सिंह : इसलिए खाद्य मंत्री की आवश्यकता थी। अध्यक्ष महोदय, इनको पता ही नहीं है कुछ भी।

DR. V. K. R. V. RAO : Sorry for the ignorance; I will go to school again.

श्री मधु लिमये : अध्यक्ष महोदय, अभी मंत्री महोदय नें सदन को बताया कि जब यह

सर्कुलर लेटर उनके पास पहुंचा खाद्य मंत्रालय के पास जो डिप्टी सेक्रेटरी के स्तर पर इसके बारे में कार्यवाही हुई और मंत्रियों के स्तर तक यह बात नहीं आई थी। क्या मेरे प्रश्न का यह साफ जवाब देंगे कि खाद्य मंत्रालय के एक मंत्री ने इस फाइल को देखा था और उन्होंने यह सर्कुलर भी देखा था कि जिसमें सरकार को घोखा देने का प्रयास किया गया था और यह फाइल देखने के पश्चात् भी खाद्य मंत्रालय के मंत्री ने इसके बारे में कोई कार्यवाही नहीं की ? साथ ही साथ यह मैं जानना चाहता हूँ कि पिछली बार अप्रैल महीने में जगजीवनराम जी ने जो आश्वासन दिया था कि हम उनके खिलाफ केस कर रहे हैं और रीजनल फूड डाइरेक्टर ने केस फाइल भी किया, अब आप कह रहे हैं कि हमको सलाह मिली है कि केस नहीं किया जा सकता है तो इसके बारे में सही स्थिति क्या है ?

DR. V. K. R. V. RAO : Regarding the first question I will have to repeat the answer I gave before. I will have to refer the matter to the Food Ministry and get the answer.

श्री मधु लिमये : यह देखिए, खाद्य मंत्री जानबूझ कर 12 बजे आये हैं। आप देखिए इनकी चाल। यह जान बूझ कर 12 बजे आ रहे हैं।

DR. V. K. R. V. RAO : I am sorry, Sir, the hon. Member knows very well that I can speak only on the basis.... (Interruption).

श्री मधु लिमये : यह देखिए, कभी ऐसा उत्तर दिया जाता है ? यह लोक सभा मजाक बन गई है। उत्तर इस तरह नहीं दिए जा सकते।

DR. V. K. R. V. RAO : The House will be pleased to listen to me, I can only answer on the basis of the information that I have at my disposal. If more information is asked for, then I shall have to be given more time.

Regarding the second question which the hon. Member asked about prosecution by the Food Ministry and my saying, etc., they are two different things. The Food Ministry is prosecuting that officer. That is why I mentioned that the officer has been prosecuted. He was arrested, some godown was searched, and he was released on bail; it is a case which is going to the court.

As far as the Transport Ministry is concerned, before we can suspend government business with this Company, we have to give a show-cause notice and before we do that, we have to get the clearance from the Calcutta High Court either by Special petition or by getting the judgment on the ban.

श्री मधु लिमये : अध्यक्ष महोदय, मेरी एक विनम्र प्रार्थना है। इस पर आप 193 के अन्दर एक घन्टे की बहस की इजाजत दीजिये, क्योंकि हमारे किसी भी पत्र का जवाब नहीं पाया है।

MR. SPEAKER : That is not given in the House. If a written request comes, it will be considered.

Now we take up the Short Notice Question.

Mr. Sarjoo Pandey . . . . He is not present.

Yesterday also we had this sad experience. The Short Notice Question is tabled, the Ministry also accepts it, but the Member who has given notice does not present himself in the House on that day. Yesterday this happened and today also it has happened.

SHRI HEM BARUA : The Short Notice Questions tabled by those who are always present in the House are never admitted.

MR. SPEAKER : It is not in my hands. The hon. Member who has tabled the question is not from the Congress Benches. So, he cannot say that.

## WRITTEN ANSWERS TO QUESTIONS

### IMPORT OF RICE FROM BURMA

\*485. SHRI MADHU LIMAYE : Will the Minister of TRANSPORT AND SHIPPING be pleased to state :

(a) whether any tenders were invited for giving contract to a Shipping concern for the import of rice from Burma in 1961-62;

(b) whether the opinion of the Ministry of Transport was also sought in the matter; and

(c) if so, the nature of the recommendations made by that Ministry ?

THE MINISTER OF TRANSPORT AND SHIPPING (DR. V. K. R. V. RAO) : (a) to (c). No tenders were invited for giving contract for carriage of rice from Burma either in 1961 or in 1962. The practice was to settle the freight rate and other terms and conditions by negotiation between the representatives of D.G. Shipping, D. G. Food and the Indian shipowners. For 1961 shipments Government decided to offer the same rate and terms that had been settled for 1960 shipments. The five member lines of the Near Trade Conference who had been carrying this cargo declined to accept these terms and insisted on their revision before they could agree to berth their ships for lifting the rice. Three other Indian shipping companies, viz. Surrendra Overseas Ltd., Gill Amin. Steamship Co. Ltd. and the Eastern Shipping Corporation were, however, willing to lift the cargo on the terms offered by Government. It was accordingly decided by mutual consultation between the Ministry of Food and Agriculture and the Ministry of Transport and Communications to give the contract for the carriage of rice during 1961 to these three shipping companies.

For 1962 shipments of rice, the members of the Near Trade Conference expressed their willingness to fall in line with those outside the Conference and to accept the freight rate and terms